

**EDA/EDC – Joint Board Meeting**  
**Thursday, June 8, 2023**  
**7:00 A.M. to 9:00 A.M.**  
**Rock31/BSED Building- 201 N Broadway**  
**Zoot Training and Event Space (2nd 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.

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 AM**      **Call to Order/Pledge of Allegiance/Roll Call** – Kim Jakub, EDC Chair
- 7:02 A.M.**      **Public Comment/Recognitions/Special Announcements and Introductions**
- Brownfields Program Announcement—Dianne/Thom
  - Special Recognition
- 7:10 A.M.**      **Changes to Today's Agenda**
- 7:15 A.M.**      **Consent Items for Board Action** (EDA & EDC Board Action)
- Minutes – May 11, 2023 (Attachment A)
  - Electronic Meeting Minutes-May 5, 2023 (Attachment B)
- 7:20 A.M.**      **Financial Matters--Tami**
- Financials for March/April 2023 (Attachment C) (EDA/EDC Action)
  - Projected Year-End Budget Performance (EDA and EDC) (Attachment D) (Info)
- 7:35 A.M.**      **FY '24 Budget Hearing—EDA and EDC—Steve/Tami**
- Budget Objectives and Work Plans and Goals for FY '24 (slide presentation)
  - Presentation of Proposed FY '24 Budgets (Attachment E and F)
    - Key Budget Assumptions
    - Challenges and Opportunities
    - Board Q&A
    - Public Comments
    - Board Action
      - 1) Proposed Preliminary FY '24 EDA Budget (EDA Board Action)
      - 2) Proposed FY '24 EDC Budget (EDC Board Action)
        - Investment in Economic Development with 504 Loan Program Net Proceeds (Attachment G)
- 8:30 A.M.**      **Program Reports**
- MI Program Growth-Plan--Patrick (Handout) (Info)
- 8:45 A.M.**      **Executive Director Report- Steve** (Attachment H)
- Proposed Executive Director Focus for FY '24 (Attachment I)
  - Parks/Trails/Rec Comprehensive Funding/Development Plan-Update (Info)
  - Re-Org/Staffing Update (Info)
- 8:55 A.M.**      **Public Comment**
- 9:00 A.M.**      **Adjourn**

**Next EDA/EDC Board Meeting: July 13 (7:00AM to 9:00AM), Zoot Training Space, Rock31/BSED Building.** 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.



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# ATTACHMENT A



# BIG SKY ECONOMIC DEVELOPMENT

EDA • EDC CREATING MONTANA BUSINESS OPPORTUNITIES

**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 Benge

**Ex-Officios Present:** Mark Morse

**Staff and Guests:** Brandon Berger, Brandon Whitman, Brian Wrathay, Deanna Langman, Dianne Lehm, Dillon Neutgens, Jennifer Sayler, 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,

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Debbie Desjarlais, EDA Secretary/Treasurer

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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.*





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# ATTACHMENT B

**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**

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**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 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	None

**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.



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# ATTACHMENT C

**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>				
Current Assets				
Checking/Savings				
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%)
Total Checking/Savings	3,262,540	4,578,282	(1,315,742)	(29%)
Accounts Receivable				
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%)
Total Accounts Receivable	596,636	974,161	(377,525)	(39%)
Other Current Assets				
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%)
Total Other Current Assets	621,848	653,401	(31,553)	(5%)
Total Current Assets	4,481,024	6,205,844	(1,724,820)	(28%)
Fixed Assets				
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%)
Total Fixed Assets	6,646,729	4,717,792	1,928,937	41%
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%)
TEDD Receivable	-	3,425	(3,425)	(100%)
Right of Use Asset	7,017	-	7,017	100%
Total Other Assets	788,809	418,319	370,490	89%
TOTAL ASSETS	\$ 11,916,562	\$ 11,341,955	\$ 574,607	5%



**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
Operating Revenue							
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			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			3,865			
Rent Income		600			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
Total Operating Revenue	249,428	244,898	4,530	3,154,903	3,184,593	(29,690)	3,794,906
Operating Expense							
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			
Barista Supplies	-			510			
Board Expenses	-			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)			
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
Total Operating Expense	244,844	299,843	(54,999)	2,381,740	2,849,394	(467,654)	3,789,894
Net Operating Revenue (Expense)	4,584	(54,945)	59,529	773,163	335,199	437,964	5,012

**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	1,779,448	1,557,601	221,847	14%
Accounts Receivable				
Pledges Receivable	7,500	54,650	(47,150)	(86%)
Accounts Receivable	51,750	38,042	13,708	36%
Total Accounts Receivable	59,250	92,692	(33,442)	(36%)
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	60,787	561,836	(501,049)	(89%)
Total Current Assets	1,899,485	2,212,129	(312,644)	(14%)
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	1,799,823	843,578	956,245	113%
<b>TOTAL ASSETS</b>	<b>\$ 3,699,308</b>	<b>\$ 3,055,707</b>	<b>\$ 643,601</b>	<b>21%</b>

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

	Mar 31, 2023	Mar 31, 2022	\$ Change	% Change
LIABILITIES & NET ASSETS				
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%
TOTAL LIABILITIES & NET ASSETS	\$ 3,699,308	\$ 3,055,707	\$ 643,601	21%

**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
Total Operating Revenue	126,454	61,190	65,264	751,943	767,434	(15,491)	1,041,467
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
Total Operating Expense	90,190	92,538	(2,348)	768,803	805,927	(37,124)	1,056,113
Net Operating Revenue (Expense)	36,264	(31,348)	67,612	(16,860)	(38,493)	21,633	(14,646)



**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%
Total Checking/Savings	3,284,647	4,422,688	(1,138,041)	(26%)
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%)
Total Accounts Receivable	511,632	515,161	(3,529)	(1%)
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%)
Total Other Current Assets	612,904	655,416	(42,512)	(6%)
Total Current Assets	4,409,183	5,593,265	(1,184,082)	(21%)
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%)
Total Fixed Assets	6,625,155	4,739,322	1,885,833	40%
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%
Total Other Assets	788,696	414,894	373,802	90%
<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
Operating Revenue							
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
Total Operating Revenue	119,784	182,709	(62,925)	3,274,687	3,367,302	(92,615)	3,794,906
Operating Expense							
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
Total Operating Expense	261,678	302,769	(41,091)	2,643,421	3,154,753	(511,332)	3,789,894
Net Operating Revenue (Expense)	(141,894)	(120,060)	(21,834)	631,266	212,549	418,717	5,012

**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	1,736,615	1,550,443	186,172	12%
Accounts Receivable				
Pledges Receivable	7,500	95,100	(87,600)	(92%)
Accounts Receivable	127,750	133,918	(6,168)	(5%)
Total Accounts Receivable	135,250	229,018	(93,768)	(41%)
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	51,599	549,888	(498,289)	(91%)
Total Current Assets	1,923,464	2,329,349	(405,885)	(17%)
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	1,798,521	843,578	954,943	113%
<b>TOTAL ASSETS</b>	<b>\$ 3,721,985</b>	<b>\$ 3,172,927</b>	<b>\$ 549,058</b>	<b>17%</b>

**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
Total Operating Revenue	129,735	131,684	(1,949)	884,594	899,119	(14,525)	1,041,467
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
Total Operating Expense	97,138	89,947	7,191	868,857	895,873	(27,016)	1,056,113
Net Operating Revenue (Expense)	32,597	41,737	(9,140)	15,737	3,246	12,491	(14,646)

**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



BIG SKY  
ECONOMIC DEVELOPMENT

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# ATTACHMENT D

**Big Sky EDA**  
**Projected Year-End Budget Performance**  
**For the Fiscal Year Ending June 30, 2023**

	Projected	Annual Budget	Variance
Operating Revenue			
County Taxes Mill Levy Revenue	\$ 1,365,620	\$ 1,365,620	\$ -
Entitlement	248,756	248,756	-
Health Ins Mill Levy Revenue	95,533	107,590	(12,057)
Recovery of Protested Taxes	13,600	-	
Department of Defense	627,123	652,809	(25,686)
EDC Reimbursement	730,713	720,924	9,789
EPA - Brownfields	5,000	166,667	(161,667)
PTAC Advisor Agreement Support	27,000	-	27,000
SBA/MT Dept of Commerce	159,552	162,500	(2,948)
SBDC Program Income	2,000	-	
VBOC	208,500	300,000	(91,500)
Rock31 Membership Revenue	64,721	45,720	19,001
Zoot/Other Room Rent Revenue	4,115	-	4,115
Rock31 Barista Rent Revenue	-	7,650	(7,650)
Rent Income	-	7,200	(7,200)
Grant Administration	32,856	5,000	27,856
Other Intergovernmental Revenue	57,736	-	57,736
Miscellaneous Revenue	7,138	4,470	2,668
Total Operating Revenue	3,649,963	3,794,906	(144,943)
Operating Expense			
Salaries/Wages	1,547,922	1,786,776	(238,854)
Employer Contributions	500,910	568,620	(67,710)
Advertising	1,753	472	1,281
Barista Equipment Maintenance	3,200	-	3,200
Barista Supplies	600	-	600
Board Expenses	330	-	330
Building Operations/Maintenance	76,500	102,649	(26,149)
Conferences	12,495	10,090	2,405
Contingency	-	60,000	(60,000)
Community Development Projects	(1,009)	35,000	(36,009)
Dues and Subscriptions	55,236	72,039	(16,803)
Event Expense	10,576	10,000	576
Hosted Meetings	5,089	17,700	(12,611)
Insurance	48,398	35,639	12,759
Marketing	62,661	90,245	(27,584)
Office Equipment	6,026	10,000	(3,974)
Office Expense and Supplies	46,987	25,701	21,286
Professional Development	8,700	6,450	2,250
Professional Fees	113,805	271,267	(157,462)
Property Tax Protests	16,427	34,141	(17,714)
PTAC Subcenter	338,285	446,796	(108,511)
Rent	30,353	2,100	28,253
Repairs	3,275	10,000	(6,725)
Special Assessments BID	2,500	3,799	(1,299)
Sponsorships	4,500	5,000	(500)
Staff Expenses	3,235	-	3,235
Strategic Priorities	10,000	15,000	(5,000)
Suspense	-	-	-
TEDD	19	2,000	(1,981)
Telecommunications	50,978	46,635	4,343
Travel	63,538	76,588	(13,050)
Miscellaneous	7,122	45,187	(38,065)
Total Operating Expense	3,030,411	3,789,894	(759,483)
Net Operating Revenue (Expense)	619,552	5,012	614,540

**Big Sky EDA**  
**Projected Year-End Budget Performance**  
**For the Fiscal Year Ending June 30, 2023**

	<u>Projected</u>	<u>Annual Budget</u>	<u>Variance</u>
Non-Operating Income/Expense			
Non-Operating Income			
Capital Campaign	100	-	
Contribution Revenue	60,300	-	60,300
Interest Income	13,500	12,269	1,231
Total Non-Operating Income	<u>73,900</u>	<u>12,269</u>	<u>61,631</u>
Other Expense			
Non-Operating Expense			
Amortization Expense	1,313	-	
Depreciation Expense	205,218	225,837	(20,619)
Interest Expense	706	-	
Relocation/BSTSP Transformation	14,389	73,710	(59,321)
Total Non-Operating Expense	<u>221,626</u>	<u>299,547</u>	<u>(77,921)</u>
Net Non-Operating Income (Expense)	<u>(147,726)</u>	<u>(287,278)</u>	<u>139,552</u>
Change in Net Assets	<u>\$ 471,826</u>	<u>\$ (282,266)</u>	<u>\$ 754,092</u>



Big Sky Economic Development Corporation  
Projected Year-End Budget Performance  
For the Fiscal Year Ending June 30, 2023

	Projected	Annual Budget	Variance
Operating Revenue			
504 Loan Servicing	\$ 398,500	\$ 396,605	\$ 1,895
504 Loan Origination	187,298	180,000	7,298
504 Loan Closing Attorney Fees	25,000	50,000	(25,000)
Federal EDA RLF Loan Orig	3,000	-	3,000
Float Income	73,000	10,000	63,000
Member Investment	271,171	282,000	(10,829)
Federal EDA RLF Loan Interest	21,238	-	21,238
RLF Business Loan Interest	12,899	15,600	(2,701)
Stabilization Loan Interest	633	634	(1)
SSBCI Orig Fees/Loan Interest	24,824	18,000	6,824
Loan Processing Fee Income	12,880	23,628	(10,748)
Grant Administration	4,893	50,000	(45,107)
Donation Income	600	-	600
Miscellaneous Income	-	15,000	(15,000)
Total Operating Revenue	1,035,936	1,041,467	(5,531)
Operating Expense			
Advertising	200		
Board Expenses	4,051	4,850	(799)
Business Accelerator	10,000	10,000	-
Business Recruitment	2,599	15,000	(12,401)
Conferences/Professional Devel	11,933	10,955	978
Contingency	-	10,000	(10,000)
Dues and Subscriptions	23,105	21,666	1,439
EDA Reimbursement	719,368	720,924	(1,556)
Event Expense	18,374	25,500	(7,126)
Hosted Meeting Expense	9,215	12,000	(2,785)
Insurance	11,448	12,250	(802)
Investment in Economic Activity	-	2,500	(2,500)
Loan Expenses	15,022	12,000	3,022
Marketing	42,242	32,578	9,664
Membership Development	3,357	13,200	(9,843)
Office Supplies	8,621	2,600	6,021
Postage	1,899	840	1,059
Professional Fees	62,883	89,850	(26,967)
Rent	7,620	6,809	811
Rock31 Outreach	1,715	-	1,715
Sponsorships	6,630	7,000	(370)
Staff Expenses	6,598	8,800	(2,202)
Telecommunications	4,405	8,286	(3,881)
Travel	25,799	25,843	(44)
Miscellaneous	2,137	2,661	(524)
Total Operating Expense	999,221	1,056,112	(56,891)
Net Operating Revenue (Expense)	36,715	(14,645)	51,360

Big Sky Economic Development Corporation  
Projected Year-End Budget Performance  
For the Fiscal Year Ending June 30, 2023

	<u>Projected</u>	<u>Annual Budget</u>	<u>Variance</u>
Non-Operating Income/Expense			
Non-Operating Income			
BSTSP Capital Campaign	36,000	-	36,000
Interest Income	<u>1,867</u>	<u>18,000</u>	<u>(16,133)</u>
Total Non-Operating Income	<u>37,867</u>	<u>18,000</u>	<u>19,867</u>
Non-Operating Expense			
Bad Debt Expense	14,500	-	14,500
Contribution Expense	<u>92,800</u>	<u>-</u>	<u>92,800</u>
Total Non-Operating Expense	<u>107,300</u>	<u>-</u>	<u>107,300</u>
Net Non-Operating Income (Expense)	<u>(69,433)</u>	<u>18,000</u>	<u>(87,433)</u>
Change in Net Assets	<u><u>\$ (32,718)</u></u>	<u><u>\$ 3,355</u></u>	<u><u>\$ (36,073)</u></u>



BIG SKY  
ECONOMIC DEVELOPMENT

EDA • EDC    CREATING MONTANA BUSINESS OPPORTUNITIES

# ATTACHMENT E

Big Sky EDA Programs  
FY21-FY24 Comparison  
3.5% wage increase

	Admin & Central Svcs					BSTSP				
	FY21 Actual	FY22 Actual	FY23 Budget	FY23 Projected	FY24 Budget	FY21 Actual	FY22 Actual	FY23 Budget	FY23 Projected	FY24 Budget
Operating Revenue										
County Taxes (Mill Levy Revenue)	1,253,868	1,321,283	1,365,620	1,365,620	1,408,737					
Entitlement	239,329	246,737	248,756	248,756	268,665					
Health Insurance Mill Levy	26,765	26,394	31,800	25,970	25,440					
Recovery of Protested Taxes	29,602	25,114		13,600	1,000					
BillingsWorks										
Department of Defense										
EDC Reimbursement	76,032	79,206	78,605	79,313	102,400					
EPA-Brownfields										
Beartooth RC&D	150,000	50,000								
Capital Campaign										
PTAC/APEX Advisor Agreement Support										
SBA/MT Dept of Commerce										
SBDC Program Income										
VBOC										
Rock31 Membership Revenue										
Zoot/Other Room Rent Revenue										
Rent Income						5,736				
Grant Administration										
Other Intergovernmental Revenue							30,000		57,736	
Miscellaneous Revenue	5,706	(471)			4,000		650		4,138	
Total Revenue	1,781,302	1,748,263	1,724,781	1,733,259	1,810,242	5,736	30,650	-	61,874	-
Operating Expenses										
Salaries/Wages	373,698	388,730	474,254	305,138	392,381					
Employer Contributions	140,038	127,577	142,068	91,500	125,562					
Advertising	1,645	2,027	472	1,300	1,500	2,656	161			
Barista Equipment Maintenance										
Barista Supplies		6,910								
Board Expense - Appreciation & Meetings				310	1,000					
Board Expense - Planning					8,000					
Building Operations/Maintenance		11,207	16,579	12,068	18,000	15,783	944		793	
Conferences	965	2,359	1,815	6,000	3,000					
Contingency			60,000		50,000					
Community Development Projects										
Dues and Subscriptions	43,196	52,359	36,885	32,000	33,000					
Event Expense										
Hosted Meetings	4,669	7,855	15,900	3,200	3,000					
Indirect Costs	(662,637)	(683,415)								
Insurance	12,519	21,117	7,425	14,466	15,000	3,573	10,557			
Marketing - Departmental				300		454				
Marketing - Organizational		504		1,550	1,500	3,231				
Office Equipment	6,692	14,412	10,000	2,200	10,000		1,105		598	
Office Expense and Supplies	10,951	13,595	21,000	33,000	25,000		37		127	
Professional Development	2,565	1,510	3,450	8,000	8,000					
Professional Fees - Accounting	23,750	24,500	26,500	47,325	30,000					
Professional Fees - Brownfields										
Professional Fees - Consulting				500		1,237				
Professional Fees - HR Consulting			100	20,000	15,000					
Professional Fees - Legal	979	2,208	3,000	3,000	3,000	3,640	4,782			
Professional Fees - Other	21,971	7,117	25,000	21,500	20,000	935	4,750			
Property Tax Protests	14,687	25,729	34,141	16,427	25,000					
PTAC Subcenter										
Rent	93,969	97,501	2,100	16,000	14,400					
Repairs			10,000	3,275	10,000	933	2,051			
Special Assessments BID		2,809	614	2,500	2,500	3,780				
Sponsorships	2,500	530	5,000	2,500	5,000					
Staff Expense - WorkThriveLive				1,000	4,000					
Staff Expense - Staff Meetings					500					
Staff Expense - Planning and Recruitment				2,100	4,000					
Strategic Priorities	20,000	841	15,000	10,000	15,000					
TEDD										
Telecommunications	52,556	35,842	26,985	10,000	10,000					
Travel	3,499	12,406	14,885	2,500	2,500					
VBOC Indirect Cost										
Miscellaneous	3,599	4,242	28,992	4,000	4,000	722			23	
Total Operating Expenses	171,811	180,472	982,165	673,659	859,843	36,944	24,387	-	1,541	-
Net Operating Revenue	1,609,491	1,567,791	742,616	1,059,600	950,399	(31,208)	6,263	-	60,333	-
Non-Operating Income/Expense										
Capital Campaign							5,910		100	
Contribution Revenue							531,555		58,300	
Grant Revenue (GASB 68)	60,386	36,138								
Interest Income	33,475	22,831	12,269	13,500	14,000	21				
US EDA Reimbursement						30,987	1,385,279			
Amortization Expense		(104)		(1,313)	(1,313)					
Contribution Expense		(250,000)								
Depreciation Expense		(70)	(36,475)	(22,180)	(22,500)	(35,870)				
Interest Expense				(706)	(750)					
Pension Expense	(223,857)	53,734								
Relocation/BSTSP Transformation			(65,729)	(14,389)			(2,510)			
Net Revenue Over (Under) Expense	1,479,495	1,430,320	652,681	1,034,512	939,836	(36,070)	1,926,497	-	118,733	-

Big Sky EDA Programs  
FY21-FY24 Comparison  
3.5% wage increase

	Communications and Outreach					Community Development				
	FY21 Actual	FY22 Actual	FY23 Budget	FY23 Projected	FY24 Budget	FY21 Actual	FY22 Actual	FY23 Budget	FY23 Projected	FY24 Budget
Operating Revenue										
County Taxes (Mill Levy Revenue)										
Entitlement										
Health Insurance Mill Levy	12,720	12,720	12,720	12,190	11,660	18,020	16,960	12,720	12,720	12,720
Recovery of Protested Taxes										
BillingsWorks										
Department of Defense										
EDC Reimbursement	111,813	86,324	85,530	100,291	99,103	59,288	114,025	166,667	5,000	333,333
EPA-Brownfields										
Beartooth RC&D										
Capital Campaign										
PTAC/APEX Advisor Agreement Support										
SBA/MT Dept of Commerce										
SBDC Program Income										
VBOC										
Rock31 Membership Revenue										
Zoot/Other Room Rent Revenue										
Rent Income										
Grant Administration						21,028	3,484		6,856	5,000
Other Intergovernmental Revenue										
Miscellaneous Revenue	5,000	7,800								
Total Revenue	124,533	99,044	98,250	112,481	110,763	103,336	142,269	179,387	24,576	351,053
Operating Expenses										
Salaries/Wages	150,720	110,630	111,813	111,491	169,771	184,957	205,053	148,695	148,743	153,900
Employer Contributions	58,370	40,443	41,039	40,137	54,327	63,270	62,371	47,261	47,598	49,248
Advertising	60								176	
Barista Equipment Maintenance										
Barista Supplies										
Board Expense - Appreciation & Meeting										
Board Expense - Planning										
Building Operations/Maintenance			6,085	6,000	6,200			6,034	4,297	4,500
Conferences		685				480	844	3,775	2,100	2,500
Contingency										
Community Development Projects						36,168	33,711	35,000	(1,009)	35,000
Dues and Subscriptions	742	504		50	1,000	1,232	2,606	3,996	1,000	1,000
Event Expense				951	750					
Hosted Meetings	93	270		100	100	108	202		264	250
Indirect Costs	98,643	65,917				115,640	119,332			
Insurance			2,970	1,873	2,000			2,970	2,450	2,500
Marketing - Departmental	3,299	7,967	10,000	6,500	10,000				200	
Marketing - Organizational	29,646	66,535	68,470	33,500	40,000					
Office Equipment				101						
Office Expense and Supplies						1,105	74			
Professional Development		535	1,500		2,500	1,814	5,342		500	1,500
Professional Fees - Accounting										
Professional Fees - Brownfields						61,193	114,025	166,667	5,000	333,333
Professional Fees - Consulting										
Professional Fees - HR Consulting										
Professional Fees - Legal									1,000	
Professional Fees - Other							585			
Property Tax Protests										
PTAC Subcenter										
Rent	8,338	4,243		1,200	1,200	9,489	9,213		2,100	
Repairs										
Special Assessments BID			225					223		
Sponsorships		600								
Staff Expense - WorkThriveLive										
Staff Expense - Staff Meetings									40	
Staff Expense - Planning and Recruitment										
Strategic Priorities										
TEDD						118	431	2,000	19	1,000
Telecommunications		375	1,500	2,000	2,000			2,100	4,005	4,000
Travel	10	120		513	600	365	5,629	7,787	4,500	4,500
VBOC Indirect Cost										
Miscellaneous	179	64	1,977	50		202		3,478	324	
Total Operating Expenses	350,100	298,888	245,579	204,466	290,448	476,141	559,418	429,986	223,307	593,231
Net Operating Revenue	(225,567)	(199,844)	(147,329)	(91,985)	(179,685)	(372,805)	(417,149)	(250,599)	(198,731)	(242,178)
Non-Operating Income/Expense										
Capital Campaign										
Contribution Revenue				2,000		5,000				
Grant Revenue (GASB 68)										
Interest Income										
US EDA Reimbursement										
Amortization Expense										
Contribution Expense										
Depreciation Expense			(13,388)	(13,022)	(15,348)			(13,276)	(12,913)	(15,216)
Interest Expense										
Pension Expense										
Relocation/BSTSP Transformation			(620)					(1,133)		
Net Revenue Over (Under) Expense	(225,567)	(199,844)	(161,337)	(103,007)	(195,033)	(367,805)	(417,149)	(265,008)	(211,644)	(257,394)

Big Sky EDA Programs  
FY21-FY24 Comparison  
3.5% wage increase

	Big Sky Finance					Member Investor				
	FY21 Actual	FY22 Actual	FY23 Budget	FY23 Projected	FY24 Budget	FY21 Actual	FY22 Actual	FY23 Budget	FY23 Projected	FY24 Budget
Operating Revenue										
County Taxes (Mill Levy Revenue)										
Entitlement										
Health Insurance Mill Levy							2,385	3,180	3,180	6,360
Recovery of Protested Taxes										
BillingsWorks										
Department of Defense										
EDC Reimbursement	382,206	418,339	506,588	493,920	529,451		41,372	50,201	57,189	63,522
EPA-Brownfields										
Beartooth RC&D										
Capital Campaign										
PTAC/APEX Advisor Agreement Support										
SBA/MT Dept of Commerce										
SBDC Program Income										
VBOC										
Rock31 Membership Revenue										
Zoot/Other Room Rent Revenue										
Rent Income										
Grant Administration										
Other Intergovernmental Revenue										
Miscellaneous Revenue										
Total Revenue	382,206	418,339	506,588	493,920	529,451	-	43,757	53,381	60,369	69,882
Operating Expenses										
Salaries/Wages	267,875	300,040	368,736	309,149	370,490		55,000	35,190	76,352	113,941
Employer Contributions	86,313	93,828	117,646	98,928	118,557		13,918	11,481	24,432	36,461
Advertising										
Barista Equipment Maintenance										
Barista Supplies										
Board Expense - Appreciation & Meeting										
Board Expense - Planning										
Building Operations/Maintenance			15,175	10,919	11,000			1,608	1,157	1,500
Conferences										
Contingency										
Community Development Projects										
Dues and Subscriptions							60			
Event Expense										
Hosted Meetings										
Indirect Costs	177,920	187,656					31,699			
Insurance			7,425	6,063	6,000			742	644	600
Marketing - Departmental										
Marketing - Organizational		331								
Office Equipment										
Office Expense and Supplies										
Professional Development										
Professional Fees - Accounting										
Professional Fees - Brownfields										
Professional Fees - Consulting										
Professional Fees - HR Consulting										
Professional Fees - Legal										
Professional Fees - Other										
Property Tax Protests										
PTAC Subcenter										
Rent	5,633	6,884		2,944			1,116		563	
Repairs										
Special Assessments BID			562					59		
Sponsorships										
Staff Expense - WorkThriveLive										
Staff Expense - Staff Meetings										
Staff Expense - Planning and Recruitmen										
Strategic Priorities										
TEDD										
Telecommunications			3,750	5,864	6,000			375	620	636
Travel										
VBOC Indirect Cost										
Miscellaneous			1,954					245		
Total Operating Expenses	537,741	588,739	515,248	433,867	512,047	-	101,793	49,700	103,768	153,138
Net Operating Revenue	(155,535)	(170,400)	(8,660)	60,053	17,404	-	(58,036)	3,681	(43,399)	(83,256)
Non-Operating Income/Expense										
Capital Campaign										
Contribution Revenue										
Grant Revenue (GASB 68)										
Interest Income										
US EDA Reimbursement										
Amortization Expense										
Contribution Expense										
Depreciation Expense			(33,387)	(32,476)	(38,280)			(3,538)	(3,441)	(4,056)
Interest Expense										
Pension Expense										
Relocation/BSTSP Transformation			(1,801)					(223)		
Net Revenue Over (Under) Expense	(155,535)	(170,400)	(43,848)	27,577	(20,876)	-	(58,036)	(80)	(46,840)	(87,312)

Big Sky EDA Programs  
FY21-FY24 Comparison  
3.5% wage increase

	Recruitment					PTAC				
	FY21 Actual	FY22 Actual	FY23 Budget	FY23 Projected	FY24 Budget	FY21 Actual	FY22 Actual	FY23 Budget	FY23 Projected	FY24 Budget
Operating Revenue										
County Taxes (Mill Levy Revenue)										
Entitlement										
Health Insurance Mill Levy	8,480	10,971	6,360	6,360	12,720	12,720	12,190	12,190	12,190	12,720
Recovery of Protested Taxes										
BillingsWorks										
Department of Defense						501,415	600,671	652,809	627,123	880,171
EDC Reimbursement										
EPA-Brownfields										
Beartooth RC&D										
Capital Campaign										
PTAC/APEX Advisor Agreement Support									27,000	36,000
SBA/MT Dept of Commerce										
SBDC Program Income										
VBOC										
Rock31 Membership Revenue										
Zoot/Other Room Rent Revenue										
Rent Income										
Grant Administration										
Other Intergovernmental Revenue						19,931	1,667			
Miscellaneous Revenue									3,000	
Total Revenue	8,480	10,971	6,360	6,360	12,720	534,066	614,528	664,999	669,313	928,891
Operating Expenses										
Salaries/Wages	83,409	109,450	74,261	67,080	134,594	150,100	147,062	143,652	175,952	210,000
Employer Contributions	27,662	37,477	23,616	22,998	43,070	46,712	45,863	40,866	58,616	67,200
Advertising						1,832	4,209		277	
Barista Equipment Maintenance										
Barista Supplies										
Board Expense - Appreciation & Meeting										
Board Expense - Planning										
Building Operations/Maintenance			3,007	2,162	2,400			6,431	4,400	5,500
Conferences				1,495	1,500	4,932	270			
Contingency										
Community Development Projects										
Dues and Subscriptions						17,167	19,703	17,449	12,564	13,045
Event Expense							600			
Hosted Meetings							71			
Indirect Costs	51,535	64,775				92,475	86,110			
Insurance			1,485	1,201	1,104			2,970	2,637	3,528
Marketing - Departmental						4,114	11,766	1,575	1,101	1,575
Marketing - Organizational										
Office Equipment							6,174		227	
Office Expense and Supplies						2,453	6,070		10,520	2,616
Professional Development							450			
Professional Fees - Accounting										
Professional Fees - Brownfields										
Professional Fees - Consulting									480	5,000
Professional Fees - HR Consulting										
Professional Fees - Legal										
Professional Fees - Other						23,960				
Property Tax Protests										
PTAC Subcenter						273,430	361,630	446,796	338,285	558,569
Rent	2,874	5,986		800		6,906	7,044		1,945	1,002
Repairs										
Special Assessments BID			111					238		
Sponsorships										
Staff Expense - WorkThriveLive										
Staff Expense - Staff Meetings										
Staff Expense - Planning and Recruitment										
Strategic Priorities										
TEDD										
Telecommunications			750	1,162	1,200	1,461	1,360	2,700	4,875	4,400
Travel				300		1,955	806	10,748	29,800	20,000
VBOC Indirect Cost										
Miscellaneous			488				12	977		
Total Operating Expenses	165,480	217,688	103,718	97,198	183,868	627,497	699,200	674,402	641,679	892,435
Net Operating Revenue	(157,000)	(206,717)	(97,358)	(90,838)	(171,148)	(93,431)	(84,672)	(9,403)	27,634	36,456
Non-Operating Income/Expense										
Capital Campaign										
Contribution Revenue										
Grant Revenue (GASB 68)										
Interest Income										
US EDA Reimbursement										
Amortization Expense										
Contribution Expense										
Depreciation Expense			(6,614)	(6,431)	(7,572)			(14,150)	(12,614)	(15,564)
Interest Expense										
Pension Expense										
Relocation/BSTSP Transformation			(417)					(1,174)		
Net Revenue Over (Under) Expense	(157,000)	(206,717)	(104,389)	(97,269)	(178,720)	(93,431)	(84,672)	(24,727)	15,020	20,892

Big Sky EDA Programs  
FY21-FY24 Comparison  
3.5% wage increase

	Rock31					SBDC				
	FY21 Actual	FY22 Actual	FY23 Budget	FY23 Projected	FY24 Budget	FY21 Actual	FY22 Actual	FY23 Budget	FY23 Projected	FY24 Budget
Operating Revenue										
County Taxes (Mill Levy Revenue)										
Entitlement										
Health Insurance Mill Levy	6,360	6,360	12,720	8,480	11,660	19,875	14,310	15,900	14,443	12,720
Recovery of Protested Taxes										
BillingsWorks										
Department of Defense										
EDC Reimbursement										
EPA-Brownfields										
Beartooth RC&D										
Capital Campaign										
PTAC/APEX Advisor Agreement Support										
SBA/MT Dept of Commerce						308,680	210,625	162,500	159,552	135,000
SBDC Program Income							3,350		2,000	
VBOC										
Rock31 Membership Revenue			45,720	64,721	75,000					
Zoot/Other Room Rent Revenue			7,650	4,115	5,000					
Rent Income			7,200		8,400					
Grant Administration						6,645	13,584	5,000	26,000	
Other Intergovernmental Revenue							5,000			
Miscellaneous Revenue							4,138	4,470		
Total Revenue	6,360	6,360	73,290	77,316	100,060	335,200	251,007	187,870	201,995	147,720
Operating Expenses										
Salaries/Wages	73,402	79,384	128,049	111,693	128,000	202,439	136,650	152,279	129,452	134,350
Employer Contributions	23,261	24,260	43,778	35,742	40,960	69,110	48,912	53,410	44,000	42,992
Advertising						468				
Barista Equipment Maintenance				3,200	2,500					
Barista Supplies				600	500					
Board Expense - Appreciation & Meeting				20						
Board Expense - Planning										
Building Operations/Maintenance			34,714	25,336	28,000			6,982	5,026	5,300
Conferences						4,144	3,217	4,500	2,900	3,000
Contingency										
Community Development Projects										
Dues and Subscriptions	177	1,180	4,712	2,873	5,000	8,232	8,733	6,947	6,549	6,500
Event Expense			10,000	3,000	5,000		1,938		125	
Hosted Meetings	43			300	300	2,030	3,113	1,800	950	1,000
Indirect Costs	45,362	46,350				126,424	81,574			
Insurance			2,970	13,866	12,720			3,712	2,788	2,750
Marketing - Departmental			4,500	3,700	3,500	2,035	2,172	4,500	400	2,000
Marketing - Organizational	8					22			10,106	
Office Equipment				2,100	1,500	570	3,416		800	
Office Expense and Supplies	388		3,000	2,900	1,500	6,624	507	1,500	400	400
Professional Development	49				4,000	646	2,044			
Professional Fees - Accounting										
Professional Fees - Brownfields										
Professional Fees - Consulting										
Professional Fees - HR Consulting										
Professional Fees - Legal										
Professional Fees - Other						87,900	26,949			
Property Tax Protests										
PTAC Subcenter										
Rent	2,807	2,863		1,100		9,222	8,446		2,000	
Repairs										
Special Assessments BID			1,285					258		
Sponsorships										
Staff Expense - WorkThriveLive				20						
Staff Expense - Staff Meetings									75	
Staff Expense - Planning and Recruitment										
Strategic Priorities										
TEDD										
Telecommunications	556		2,700	14,568	15,036	2,202	1,462	3,075	4,538	5,544
Travel		391	3,000	600		2,235	11,219	18,050	12,000	12,000
VBOC Indirect Cost										
Miscellaneous		220	1,477	2,650		50	172	2,122	35	
Total Operating Expenses	146,053	154,648	240,185	224,268	248,516	524,353	340,524	259,135	222,144	215,836
Net Operating Revenue	(139,693)	(148,288)	(166,895)	(146,952)	(148,456)	(189,153)	(89,517)	(71,265)	(20,149)	(68,116)
Non-Operating Income/Expense										
Capital Campaign										
Contribution Revenue										
Grant Revenue (GASB 68)										
Interest Income										
US EDA Reimbursement										
Amortization Expense										
Contribution Expense										
Depreciation Expense			(76,372)	(74,286)	(87,552)			(15,361)	(14,940)	(17,604)
Interest Expense										
Pension Expense										
Relocation/BSTSP Transformation			(477)					(1,236)		
Net Revenue Over (Under) Expense	(139,693)	(148,288)	(243,744)	(221,238)	(236,008)	(189,153)	(89,517)	(87,862)	(35,089)	(85,720)



Big Sky EDA Programs  
FY21-FY24 Comparison  
3.5% wage increase

	VBOC					Workforce				
	FY21 Actual	FY22 Actual	FY23 Budget	FY23 Projected	FY24 Budget	FY21 Actual	FY22 Actual	FY23 Budget	FY23 Projected	FY24 Budget
Operating Revenue										
County Taxes (Mill Levy Revenue)										
Entitlement										
Health Insurance Mill Levy										
Recovery of Protested Taxes										
BillingsWorks							1,525			
Department of Defense										
EDC Reimbursement										
EPA-Brownfields										
Beartooth RC&D										
Capital Campaign										
PTAC/APEX Advisor Agreement Support										
SBA/MT Dept of Commerce										
SBDC Program Income										
VBOC	248,904	273,332	300,000	208,500	305,000					
Rock31 Membership Revenue										
Zoot/Other Room Rent Revenue										
Rent Income										
Grant Administration										
Other Intergovernmental Revenue										
Miscellaneous Revenue							50			
Total Revenue	248,904	273,332	300,000	208,500	305,000	-	1,575	-	-	-
Operating Expenses										
Salaries/Wages	124,203	134,071	149,847	112,871	149,910					
Employer Contributions	42,739	41,540	47,455	36,960	47,971					
Advertising	550	333								
Barista Equipment Maintenance										
Barista Supplies										
Board Expense - Appreciation & Meeting										
Board Expense - Planning										
Building Operations/Maintenance			6,034	4,342	4,600					
Conferences							721			
Contingency										
Community Development Projects										
Dues and Subscriptions	876	608	450				75	1,600	200	200
Event Expense							201		6,500	7,000
Hosted Meetings	28	2,461					2,915		275	500
Indirect Costs										
Insurance			2,970	2,410	2,208					
Marketing - Departmental	1,445	1,915	1,200	844	1,000		5,182		4,200	5,000
Marketing - Organizational									260	3,000
Office Equipment										
Office Expense and Supplies	5,601	3,000	201						40	
Professional Development							920	1,500	200	1,500
Professional Fees - Accounting										
Professional Fees - Brownfields										
Professional Fees - Consulting										
Professional Fees - HR Consulting										
Professional Fees - Legal										
Professional Fees - Other							11,833	50,000	15,000	30,000
Property Tax Protests										
PTAC Subcenter										
Rent	4,950	5,979		1,546		608	1,232		155	
Repairs										
Special Assessments BID			224							
Sponsorships							3,550		2,000	2,000
Staff Expense - WorkThriveLive										
Staff Expense - Staff Meetings										
Staff Expense - Planning and Recruitment										
Strategic Priorities										
TEDD										
Telecommunications	870	880	2,700	3,346	3,500		131			
Travel	8,672	17,294	22,118	13,175	24,000		2,355		150	
VBOC Indirect Cost										
Miscellaneous		2	977				123	2,500	40	
Total Operating Expenses	189,934	208,083	234,176	175,494	233,189	608	29,238	55,600	29,020	49,200
Net Operating Revenue	58,970	65,249	65,824	33,006	71,811	(608)	(27,663)	(55,600)	(29,020)	(49,200)
Non-Operating Income/Expense										
Capital Campaign										
Contribution Revenue										
Grant Revenue (GASB 68)										
Interest Income										
US EDA Reimbursement										
Amortization Expense										
Contribution Expense										
Depreciation Expense			(13,276)	(12,915)	(15,228)					
Interest Expense										
Pension Expense										
Relocation/BSTSP Transformation			(900)							
Net Revenue Over (Under) Expense	58,970	65,249	51,648	20,091	56,583	(608)	(27,663)	(55,600)	(29,020)	(49,200)

Big Sky EDA Programs  
FY21-FY24 Comparison  
3.5% wage increase

	EDA Totals				
	FY21 Actual	FY22 Actual	FY23 Budget	FY23 Projected	FY24 Budget
Operating Revenue					
County Taxes (Mill Levy Revenue)	1,253,868	1,321,283	1,365,620	1,365,620	1,408,737
Entitlement	239,329	246,737	248,756	248,756	268,665
Health Insurance Mill Levy	98,580	102,290	107,590	95,533	106,000
Recovery of Protested Taxes	29,602	25,114	-	13,600	1,000
BillingsWorks	-	1,525	-	-	-
Department of Defense	501,415	600,671	652,809	627,123	880,171
EDC Reimbursement	570,051	625,241	720,924	730,713	794,476
EPA-Brownfields	59,288	114,025	166,667	5,000	333,333
Beartooth RC&D	150,000	50,000	-	-	-
Capital Campaign	-	-	-	-	-
PTAC/APEX Advisor Agreement Support	-	-	-	27,000	36,000
SBA/MT Dept of Commerce	308,680	210,625	162,500	159,552	135,000
SBDC Program Income	-	3,350	-	2,000	-
VBOC	248,904	273,332	300,000	208,500	305,000
Rock31 Membership Revenue	-	-	45,720	64,721	75,000
Zoot/Other Room Rent Revenue	-	-	7,650	4,115	5,000
Rent Income	5,736	-	7,200	-	8,400
Grant Administration	27,673	17,068	5,000	32,856	5,000
Other Intergovernmental Revenue	19,931	36,667	-	57,736	-
Miscellaneous Revenue	10,706	12,167	4,470	7,138	4,000
Total Revenue	3,523,763	3,640,095	3,794,906	3,649,963	4,365,782
Operating Expenses	-				
Salaries/Wages	1,537,401	1,666,070	1,786,776	1,547,922	1,957,337
Employer Contributions	534,214	536,189	568,620	500,910	626,348
Advertising	7,211	6,730	472	1,753	1,500
Barista Equipment Maintenance	-	-	-	3,200	2,500
Barista Supplies	-	6,910	-	600	500
Board Expense - Appreciation & Meeting	-	-	-	330	1,000
Board Expense - Planning	-	-	-	-	8,000
Building Operations/Maintenance	15,783	12,151	102,649	76,500	87,000
Conferences	10,521	8,096	10,090	12,495	10,000
Contingency	-	-	60,000	-	50,000
Community Development Projects	36,168	33,711	35,000	(1,009)	35,000
Dues and Subscriptions	71,445	85,828	72,039	55,236	59,745
Event Expense	-	2,739	10,000	10,576	12,750
Hosted Meetings	6,928	16,887	17,700	5,089	5,150
Indirect Costs	-	(2)	-	-	-
Insurance	16,092	31,674	35,639	48,398	48,410
Marketing - Departmental	11,347	29,002	21,775	17,245	23,075
Marketing - Organizational	32,899	67,370	68,470	45,416	44,500
Office Equipment	7,262	25,107	10,000	6,026	11,500
Office Expense and Supplies	26,734	23,283	25,701	46,987	29,516
Professional Development	5,025	10,801	6,450	8,700	17,500
Professional Fees - Accounting	23,750	24,500	26,500	47,325	30,000
Professional Fees - Brownfields	61,193	114,025	166,667	5,000	333,333
Professional Fees - Consulting	1,237	-	-	980	5,000
Professional Fees - HR Consulting	-	-	100	20,000	15,000
Professional Fees - Legal	4,619	6,990	3,000	4,000	3,000
Professional Fees - Other	134,766	51,234	75,000	36,500	50,000
Property Tax Protests	14,687	25,729	34,141	16,427	25,000
PTAC Subcenter	273,430	361,630	446,796	338,285	558,569
Rent	141,989	150,507	2,100	30,353	16,602
Repairs	933	2,051	10,000	3,275	10,000
Special Assessments BID	3,780	2,809	3,799	2,500	2,500
Sponsorships	2,500	4,680	5,000	4,500	7,000
Staff Expense - WorkThriveLive	-	-	-	1,020	4,000
Staff Expense - Staff Meetings	-	-	-	115	500
Staff Expense - Planning and Recruitment	-	-	-	2,100	4,000
Strategic Priorities	20,000	841	15,000	10,000	15,000
TEDD	118	431	2,000	19	1,000
Telecommunications	57,089	40,050	46,635	50,978	52,316
Travel	16,736	50,220	76,588	63,538	63,600
VBOC Indirect Cost	-	-	-	-	-
Miscellaneous	4,752	4,835	45,187	7,122	4,000
Total Operating Expenses	3,080,609	3,403,078	3,789,894	3,030,411	4,231,751
Net Operating Revenue	443,154	237,017	5,012	619,552	134,031
Non-Operating Income/Expense					
Capital Campaign	-	5,910	-	100	-
Contribution Revenue	5,000	531,555	-	60,300	-
Grant Revenue (GASB 68)	60,386	36,138	-	-	-
Interest Income	33,496	22,831	12,269	13,500	14,000
US EDA Reimbursement	30,987	1,385,279	-	-	-
Amortization Expense	-	(104)	-	(1,313)	(1,313)
Contribution Expense	-	(250,000)	-	-	-
Depreciation Expense	(35,870)	(70)	(225,837)	(205,218)	(238,920)
Interest Expense	-	-	-	(706)	(750)
Pension Expense	(223,857)	53,734	-	-	-
Relocation/BSTSP Transformation	-	(2,510)	(73,710)	(14,389)	-
Net Revenue Over (Under) Expense	313,296	2,019,780	(282,266)	471,826	(92,952)

Big Sky EDC Programs  
FY21-FY24 Comparison  
3.5% wage increase

	BSTSP Restricted					Coulson Park Restricted	
	FY21 Actual	FY22 Actual	FY23 Budget	FY23 YTD	FY24 Budget	FY21 Actual	FY22 Actual
Operating Revenue							
504 Loan Servicing							
504 Loan Origination							
504 Loan Closing Attorney Fees							
Federal EDA RLF Loan Origination							
Float Income							
Member Investment							
Event Income							
Federal EDA RLF Loan Interest							
RLF Business Loan Interest							
Stabilization Loan Interest							
SSBCI Orig Fees/Loan Interest							
Loan Processing Fee Income							
Grant Administration							
Donation Income							
Miscellaneous Income							
EDA In-Kind							
Net Assets Released from Restrictions		-		-			
Healthcare Appreciation Income							
Coronavirus Relief Funds							
Total Revenue	-	-	-	-	-	-	-
Operating Expenses							
Advertising							
Board Expense - Appreciation & Meetings							
Board Expense - Planning							
Business Accelerator							
Business Incubation							
Business Recruitment and Expansion							
Conferences/Professional Development							
Contingency							
Contract Support							
Dues and Subscriptions							
EDA Reimbursement							
Event Expense							
Hosted Meetings							
Insurance							
Investment in Economic Activity							
Loan Processing Expense							
Marketing - Departmental							
Marketing - Organizational							
Membership Development							
Office Equipment							
Office Expense and Supplies				779			
Postage							
Professional Fees - Accounting							
Professional Fees - Consulting							
Professional Fees - Legal							
Rent							
Rock31 Outreach							
Salaries & Wages							
Sponsorships							
Staff Expense - WorkThriveLive							
Staff Expense - Planning and Recruitment							
Telecommunications							
Travel							
Utilities							
Miscellaneous							
Healthcare Appreciation							
Total Operating Expenses	-	-	-	779	-	-	-
Net Operating Revenue	-	-	-	(779)	-	-	-
Non-Operating Income/Expense							
BSTSP Capital Campaign	36,040	178,414		36,000			
Coulson Park						51,500	25,000
Interest Income							
Bad Debt Expense							
Contribution Expense		(121,554)		(92,800)			
Net Revenue Over (Under) Expense	36,040	56,860	-	(57,579)	-	51,500	25,000

Big Sky EDC Programs  
FY21-FY24 Comparison  
3.5% wage increase

	Communications and Outreach					Big Sky Finance				
	FY21 Actual	FY22 Actual	FY23 Budget	FY23 Projected	FY24 Budget	FY21 Actual	FY22 Actual	FY23 Budget	FY23 Projected	FY24 Budget
Operating Revenue										
504 Loan Servicing						495,070	395,123	396,605	398,500	425,000
504 Loan Origination						62,821	78,611	180,000	187,298	198,000
504 Loan Closing Attorney Fees							32,500	50,000	25,000	25,000
Federal EDA RLF Loan Origination									3,000	2,500
Float Income						21,837	31,630	10,000	73,000	20,000
Member Investment										
Event Income										
Federal EDA RLF Loan Interest							2,195		21,238	52,000
RLF Business Loan Interest						19,829	18,526	15,600	12,899	12,000
Stabilization Loan Interest						2,419	1,514	634	633	18
SSBCI Orig Fees/Loan Interest						19,205	23,574	18,000	24,824	18,000
Loan Processing Fee Income						15,298	59,843	23,628	12,880	25,000
Grant Administration							11,849	50,000	4,893	7,500
Donation Income										
Miscellaneous Income	100									
EDA In-Kind	44,273	24,128				204,060	217,760			
Net Assets Released from Restrictions										
Healthcare Appreciation Income										
Coronavirus Relief Funds										
Total Revenue	44,373	24,128	-	-	-	840,540	873,125	744,467	764,165	785,018
Operating Expenses										
Advertising						724			200	200
Board Expense - Appreciation & Meeting				50						
Board Expense - Planning										
Business Accelerator										
Business Incubation										
Business Recruitment and Expansion										
Conferences/Professional Development	750	710		1,873		3,855	5,070	9,455	3,704	4,000
Contingency										
Contract Support										
Dues and Subscriptions	7,364	4,466	4,414	1,262		26,027	29,738	15,258	17,602	17,500
EDA Reimbursement			85,530	78,544	99,103			506,588	493,920	529,451
Event Expense	16,825	23,973	25,500	8,156	8,000				2,700	2,700
Hosted Meetings	882	908		793	1,000		221		200	200
Insurance	592	1,395				3,958	9,567	1,440		
Investment in Economic Activity								2,500		
Loan Processing Expense						10,531	9,829	12,000	15,022	18,000
Marketing - Departmental	16,552	19,427	26,500	11,394	17,000	1,061	256	1,078	1,044	1,000
Marketing - Organizational	9,843	18,606	5,000	23,955	15,000	1,319	1,006			
Membership Development										
Office Equipment								2,400		
Office Expense and Supplies	1,813	1,284		15		8,941	9,068		1,450	1,500
Postage						805	1,120	840	1,300	1,500
Professional Fees - Accounting										
Professional Fees - Consulting	1,105	1,526				12,883	8,691	6,000	6,000	6,000
Professional Fees - Legal						21,124	41,059	50,000	25,000	25,000
Rent	3,476	4,508				59,033	63,656	6,809	7,620	6,000
Rock31 Outreach										
Salaries & Wages	62,662	76,799				381,678	422,363			
Sponsorships	92	7,193	7,000	5,080	6,000	615	133		150	150
Staff Expense - WorkThriveLive		136		103						
Staff Expense - Planning and Recruitmer										
Telecommunications	2,366	2,125	1,800	1,650	1,680	16,702	12,764	5,286	1,130	1,560
Travel	460	2,518		126	250	6,173	13,551	9,343	11,077	20,000
Utilities	581	535				3,882	3,047			
Miscellaneous	1,280	995	2,000			12,525	9,872	661	550	650
Healthcare Appreciation										
Total Operating Expenses	126,643	167,104	157,744	133,001	148,033	571,836	641,011	629,658	588,669	635,411
Net Operating Revenue	(82,270)	(142,976)	(157,744)	(133,001)	(148,033)	268,704	232,114	114,809	175,496	149,607
Non-Operating Income/Expense										
BSTSP Capital Campaign										
Coulson Park										
Interest Income						9	2,216	18,000	1,862	1,900
Bad Debt Expense						309	(2,230)			
Contribution Expense										
Net Revenue Over (Under) Expense	(82,270)	(142,976)	(157,744)	(133,001)	(148,033)	269,022	232,100	132,809	177,358	151,507

Big Sky EDC Programs  
FY21-FY24 Comparison  
3.5% wage increase

	G&A					Member Investor				
	FY21 Actual	FY22 Actual	FY23 Budget	FY23 Projected	FY24 Budget	FY21 Actual	FY22 Actual	FY23 Budget	FY23 Projected	FY24 Budget
Operating Revenue										
504 Loan Servicing										
504 Loan Origination										
504 Loan Closing Attorney Fees										
Federal EDA RLF Loan Origination										
Float Income										
Member Investment						275,925	271,773	282,000	270,171	308,500
Event Income										
Federal EDA RLF Loan Interest										
RLF Business Loan Interest										
Stabilization Loan Interest										
SSBCI Orig Fees/Loan Interest										
Loan Processing Fee Income										
Grant Administration										
Donation Income				600						
Miscellaneous Income	1,160					1,592	(1,592)			
EDA In-Kind	(76,032)	(79,206)				4,872	28,709			
Net Assets Released from Restrictions	5,000									
Healthcare Appreciation Income	33,273									
Coronavirus Relief Funds	107,488									
Total Revenue	70,889	(79,206)	-	600	-	282,389	298,890	282,000	270,171	308,500
Operating Expenses										
Advertising										
Board Expense - Appreciation & Meeting	1,291	1,497	1,000	2,635	500					
Board Expense - Planning	497	895	3,850	1,280	500					
Business Accelerator										
Business Incubation										
Business Recruitment and Expansion										
Conferences/Professional Development				230		567				
Contingency	4,000		10,000		10,000					
Contract Support							19,000			
Dues and Subscriptions	1,139	660		1,606		7,174	2,369	588		
EDA Reimbursement			78,605	89,715	102,400			50,201	57,189	63,522
Event Expense		1,524		2,055			200			
Hosted Meetings	3,278	3,679		2,732		12,720	3,549	1,200	300	1,200
Insurance	10,382	10,577	10,810	11,448	12,250	505	1,342			
Investment in Economic Activity										
Loan Processing Expense										
Marketing - Departmental	10,499					1,500	1,114			
Marketing - Organizational	35,671					2,667				
Membership Development				357		4,121	4,486	13,200	3,000	10,000
Office Equipment										
Office Expense and Supplies	5,174		200	6,199		554	1,235		150	150
Postage				549					50	50
Professional Fees - Accounting	14,500	15,000	16,500	20,280	20,000					
Professional Fees - Consulting	3,059			3,000		3,192	6,779		670	1,000
Professional Fees - Legal			2,000							
Rent						2,965	5,452			
Rock31 Outreach										
Salaries & Wages						44,246	44,806			
Sponsorships				900		6,078	22			
Staff Expense - WorkThriveLive	4,490	4,951	5,800	5,117					300	
Staff Expense - Planning and Recruitmer	304	4,921	3,000	986						
Telecommunications				455		2,609	1,968	600	780	780
Travel	100			348		508	872	1,500	300	1,500
Utilities						495	515			
Miscellaneous	17	35		1,066		1,245	1,112			
Healthcare Appreciation	74,590									
Total Operating Expenses	168,991	43,739	131,765	150,958	145,650	91,146	94,821	67,289	62,739	78,202
Net Operating Revenue	(98,102)	(122,945)	(131,765)	(150,358)	(145,650)	191,243	204,069	214,711	207,432	230,298
Non-Operating Income/Expense										
BSTSP Capital Campaign										
Coulson Park										
Interest Income				5						
Bad Debt Expense						(41,250)	(17,000)		(14,500)	(15,000)
Contribution Expense	(5,000)	(410,000)								
Net Revenue Over (Under) Expense	(103,102)	(532,945)	(131,765)	(150,353)	(145,650)	149,993	187,069	214,711	192,932	215,298

Big Sky EDC Programs  
FY21-FY24 Comparison  
3.5% wage increase

	Recruitment					Rock31				
	FY21 Actual	FY22 Actual	FY23 Budget	FY23 Projected	FY24 Budget	FY21 Actual	FY22 Actual	FY23 Budget	FY23 Projected	FY24 Budget
Operating Revenue										
504 Loan Servicing										
504 Loan Origination										
504 Loan Closing Attorney Fees										
Federal EDA RLF Loan Origination										
Float Income										
Member Investment										
Event Income										
Federal EDA RLF Loan Interest										
RLF Business Loan Interest										
Stabilization Loan Interest										
SSBCI Orig Fees/Loan Interest										
Loan Processing Fee Income										
Grant Administration										
Donation Income										
Miscellaneous Income	863	250	15,000							
EDA In-Kind	171,055	223,065								
Net Assets Released from Restrictions										
Healthcare Appreciation Income										
Coronavirus Relief Funds										
Total Revenue	171,918	223,315	15,000	-	-	-	-	-	-	-
Operating Expenses										
Advertising		285								
Board Expense - Appreciation & Meeting				86						
Board Expense - Planning										
Business Accelerator								10,000	10,000	10,000
Business Incubation	3,989					1,211				
Business Recruitment and Expansion		1,336	15,000	2,299	17,500					
Conferences/Professional Development	1,376	6,824	1,500	5,826					300	
Contingency										
Contract Support										
Dues and Subscriptions	4,903	5,708	1,406	1,882		742	520		753	
EDA Reimbursement										
Event Expense						113	300		708	500
Hosted Meetings	746	3,409	8,800	4,321	4,000	31	536		421	
Insurance	1,146	2,741								
Investment in Economic Activity										
Loan Processing Expense										
Marketing - Departmental	380	325		2,165						
Marketing - Organizational		233								
Membership Development										
Office Equipment										
Office Expense and Supplies	1,257	2,523							28	
Postage	45									
Professional Fees - Accounting										
Professional Fees - Consulting	19,838	17,714	15,350	10,594	10,000				105	
Professional Fees - Legal				234	5,000					
Rent	9,604	14,846								
Rock31 Outreach				1,715		697	171			3,000
Salaries & Wages	116,372	151,673								
Sponsorships	178	46				3,000				
Staff Expense - WorkThriveLive		135		92						
Staff Expense - Planning and Recruitmer										
Telecommunications	4,704	4,062	600	390			572			
Travel	5,114	11,267	15,000	13,809	5,000		44		139	
Utilities	1,124	1,052								
Miscellaneous	2,324	1,937		70		127			451	
Healthcare Appreciation										
Total Operating Expenses	173,100	226,116	57,656	43,483	41,500	5,921	2,143	10,000	12,905	13,500
Net Operating Revenue	(1,182)	(2,801)	(42,656)	(43,483)	(41,500)	(5,921)	(2,143)	(10,000)	(12,905)	(13,500)
Non-Operating Income/Expense										
BSTSP Capital Campaign										
Coulson Park										
Interest Income										
Bad Debt Expense										
Contribution Expense										
Net Revenue Over (Under) Expense	(1,182)	(2,801)	(42,656)	(43,483)	(41,500)	(5,921)	(2,143)	(10,000)	(12,905)	(13,500)

Big Sky EDC Programs  
FY21-FY24 Comparison  
3.5% wage increase

	Workforce					EDC Totals				
	FY21 Actual	FY22 Actual	FY23 Budget	FY23 Projected	FY24 Budget	FY21 Actual	FY22 Actual	FY23 Budget	FY23 Projected	FY24 Budget
Operating Revenue										
504 Loan Servicing						495,070	395,123	396,605	398,500	425,000
504 Loan Origination						62,821	78,611	180,000	187,298	198,000
504 Loan Closing Attorney Fees						-	32,500	50,000	25,000	25,000
Federal EDA RLF Loan Origination						-	-	-	3,000	2,500
Float Income						21,837	31,630	10,000	73,000	20,000
Member Investment				1,000		275,925	271,773	282,000	271,171	308,500
Event Income		1,500				-	1,500	-	-	-
Federal EDA RLF Loan Interest						-	2,195	-	21,238	52,000
RLF Business Loan Interest						19,829	18,526	15,600	12,899	12,000
Stabilization Loan Interest						2,419	1,514	634	633	18
SSBCI Orig Fees/Loan Interest						19,205	23,574	18,000	24,824	18,000
Loan Processing Fee Income						15,298	59,843	23,628	12,880	25,000
Grant Administration						-	11,849	50,000	4,893	7,500
Donation Income						-	-	-	600	-
Miscellaneous Income		249				3,714	(1,093)	15,000	-	-
EDA In-Kind						348,228	414,456	-	-	-
Net Assets Released from Restrictions						5,000	-	-	-	-
Healthcare Appreciation Income						33,273	-	-	-	-
Coronavirus Relief Funds						107,488	-	-	-	-
Total Revenue	-	1,749	-	1,000	-	1,410,108	1,342,001	1,041,467	1,035,936	1,093,518
Operating Expenses										
Advertising						724	285	-	200	200
Board Expense - Appreciation & Meeting						1,291	1,497	1,000	2,771	500
Board Expense - Planning						497	895	3,850	1,280	500
Business Accelerator						-	-	10,000	10,000	10,000
Business Incubation						5,200	-	-	-	-
Business Recruitment and Expansion				300		-	1,336	15,000	2,599	17,500
Conferences/Professional Development						6,548	12,604	10,955	11,933	4,000
Contingency						4,000	-	10,000	-	10,000
Contract Support						-	19,000	-	-	-
Dues and Subscriptions						47,349	43,461	21,666	23,105	17,500
EDA Reimbursement						-	-	720,924	719,368	794,476
Event Expense	2,484			4,755	2,500	19,422	25,997	25,500	18,374	13,700
Hosted Meetings	773	17	2,000	448	500	18,430	12,319	12,000	9,215	6,900
Insurance						16,583	25,622	12,250	11,448	12,250
Investment in Economic Activity						-	-	2,500	-	-
Loan Processing Expense						10,531	9,829	12,000	15,022	18,000
Marketing - Departmental	367	270		3,173		30,359	21,392	27,578	17,776	18,000
Marketing - Organizational	93			511		49,593	19,845	5,000	24,466	15,000
Membership Development						4,121	4,486	13,200	3,357	10,000
Office Equipment						-	-	2,400	-	-
Office Expense and Supplies						17,739	14,110	200	8,621	1,650
Postage						850	1,120	840	1,899	1,550
Professional Fees - Accounting						14,500	15,000	16,500	20,280	20,000
Professional Fees - Consulting						40,077	34,710	21,350	17,369	17,000
Professional Fees - Legal						21,124	41,059	52,000	25,234	30,000
Rent						75,078	88,462	6,809	7,620	6,000
Rock31 Outreach						697	171	-	1,715	3,000
Salaries & Wages						604,958	695,641	-	-	-
Sponsorships	3,000			500		12,963	7,394	7,000	6,630	6,150
Staff Expense - WorkThriveLive						4,490	5,222	5,800	5,612	-
Staff Expense - Planning and Recruitmer						304	4,921	3,000	986	-
Telecommunications						26,381	21,491	8,286	4,405	4,020
Travel						12,355	28,252	25,843	25,799	26,750
Utilities						6,082	5,149	-	-	-
Miscellaneous	(6,500)	4				11,018	13,955	2,661	2,137	650
Healthcare Appreciation						74,590	-	-	-	-
Total Operating Expenses	217	291	2,000	9,687	3,000	1,137,854	1,175,225	1,056,112	999,221	1,065,296
Net Operating Revenue	(217)	1,458	(2,000)	(8,687)	(3,000)	272,254	166,776	(14,645)	36,715	28,222
Non-Operating Income/Expense										
BSTSP Capital Campaign						36,040	178,414	-	36,000	-
Coulson Park						51,500	25,000	-	-	-
Interest Income						9	2,216	18,000	1,867	1,900
Bad Debt Expense						(40,941)	(19,230)	-	(14,500)	(15,000)
Contribution Expense						(5,000)	(531,554)	-	(92,800)	-
Net Revenue Over (Under) Expense	(217)	1,458	(2,000)	(8,687)	(3,000)	313,862	(178,378)	3,355	(32,718)	15,122





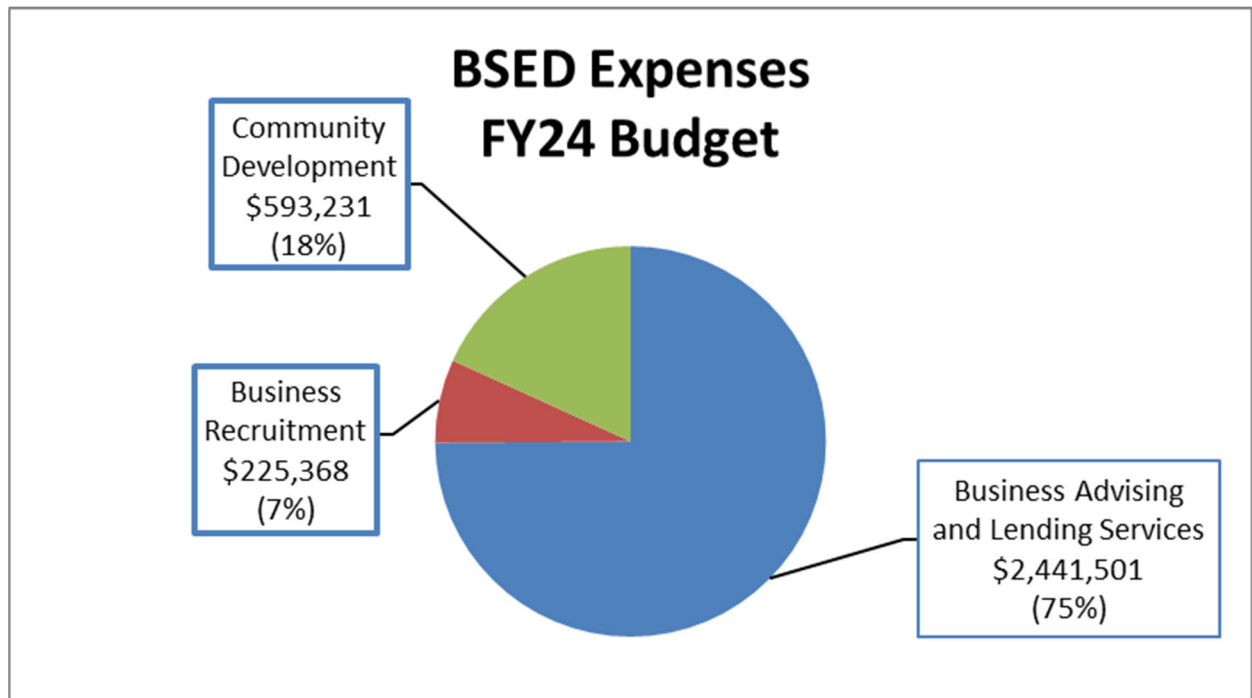
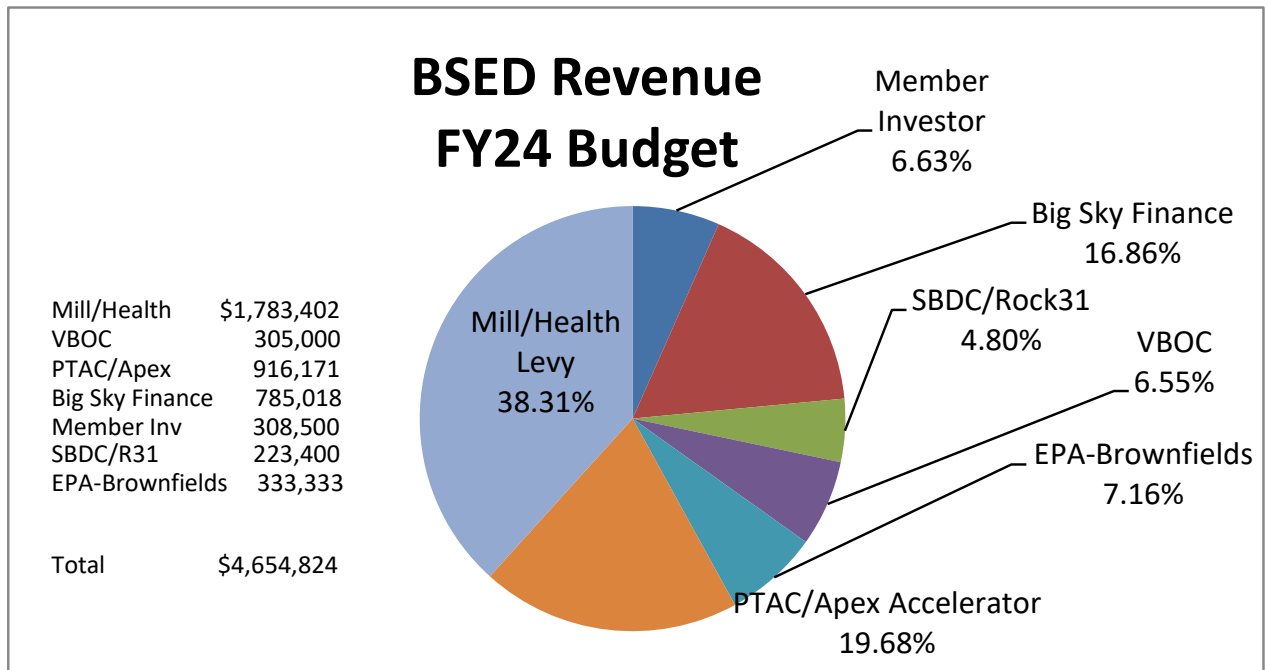
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# ATTACHMENT F



## Allocation of Resources



## **FY 2024 Organizational Budget**

### **Resource Allocation Framework**

#### **Values that Guide Budget Priorities**

- Retain and develop our team
- Allocate resources where we can have the greatest impact
- Create margin to manage uncertainties
- Retain leadership role in our community to build/rebuild our economic future

### **Key Assumptions**

#### **EDA Revenue Assumptions**

- Full Mill Levy with approximately 3.2% increase adds approximately \$43,000
- Tax Protests at 2.5%
- State Entitlement projection adds approximately \$19,000
- Stable funding from Federal Partners
- Anticipated full occupancy/membership for Rock 31

#### **EDA Expense**

- Staff salary adjustments – increase of approximately \$170,500 (includes placeholder for vacant positions and new positions)
- Included expense contingency of \$50,000 (decrease of \$10,000)
- Included strategic priorities budget of \$15,000 (consistent with FY23)
- Property tax protest budget of \$25,000 (1.8%) of mill levy
- Occupancy costs for new building total \$187,000 (maintenance, janitorial, security, utilities, insurance, etc.)

### EDC Revenue

- Growth assumption for Member-Investor revenue – \$39,000 new revenue (26 new member investors)
  - \$308,500 Member-Investor revenue (increase from \$269,500 in FY23)
- Growth assumption for Big Sky Finance – \$49,000 new revenue across the program
  - \$198,000 SBA 504 Loan origination fee revenue (increase from \$187,000 projected in FY23)
  - \$425,000 SBA 504 Loan servicing revenue (increase from \$398,000 projected in FY23)

### EDC Expense

- Included expense contingency of \$10,000 (consistent with FY23)
- EDA Reimbursement:

### EDA-EDC Cost Sharing

	Salary	Fringe	Rent	Phone & Internet	Liability Insurance
Director- Business Finance	100%	100%	100%	100%	100%
Loan Officers (3 officers)	100%	100%	100%	100%	100%
Loan Specialist	100%	100%	100%	100%	100%
Director of Development and Business Growth Services	50%	50%	50%	50%	50%
Director of Marketing and BillingsWorks	50%	50%	50%	50%	50%
Marketing Specialist	50%	50%	50%	50%	50%
Executive Director	25%	25%	-	-	-
Director of Finance	25%	25%	-	-	-

## FY24 Budget Comparison

### Program Operating Revenue and Expense Comparison FY23 to FY24

	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	859,843	131,765	145,650	1,113,929	1,005,493
BSTSP					-	-
Communications & Outreach	245,579	290,448	157,744	148,033	403,323	438,481
Community Development	429,986	593,231			429,986	593,231
Big Sky Finance	515,248	512,047	629,658	635,411	1,144,906	1,147,458
Member Investor	49,700	153,138	67,289	78,202	116,989	231,340
Recruitment	103,718	183,868	57,656	41,500	161,374	225,368
PTAC/Apex Accelerator	674,402	892,435			674,402	892,435
Rock31	240,185	248,516	10,000	13,500	250,185	262,016
SBDC	259,135	215,836			259,135	215,836
VBOC	234,176	233,189			234,176	233,189
Workforce	55,600	49,200	2,000	3,000	57,600	52,200
Total Operating Expenses	<b>3,789,893</b>	<b>4,231,751</b>	<b>1,056,112</b>	<b>1,065,296</b>	<b>4,846,005</b>	<b>5,297,047</b>
<b>Net Operating Revenue (Expense)</b>	<b>5,013</b>	<b>134,031</b>	<b>3,355</b>	<b>28,222</b>	<b>8,368</b>	<b>162,253</b>

# **Fiscal Year 2024 Budget Narrative**

## **Opportunities and Challenges**

### **Opportunities**

- Accomplishing Important Mission and Strategic Priorities
- Building capacity
  - Retaining our talent
  - Hiring vacant positions and new positions
  - Investing in the professional development of our team
- Building the Senior Leadership Team by filling the remaining open position and investing in their professional leadership growth
- Grow the Big Sky Finance program
- Sustain and grow the Member Investor program

### **Challenges**

- Continued commitment to fund the investment in our expanded capacity and new structure
- Sustaining the Member Investor Program
- Staff retention during a very competitive market for talent



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# ATTACHMENT G

**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>	<u>-</u>	<u>785,018</u>	<u>-</u>	<u>308,500</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,093,518</u>
<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>	<u>148,033</u>	<u>635,411</u>	<u>145,650</u>	<u>78,202</u>	<u>41,500</u>	<u>13,500</u>	<u>3,000</u>	<u>1,065,296</u>
<b>Net Operating Revenue</b>	<u>(148,033)</u>	<u>149,607</u>	<u>(145,650)</u>	<u>230,298</u>	<u>(41,500)</u>	<u>(13,500)</u>	<u>(3,000)</u>	<u>28,222</u>

SBA 504 Program Contribution to Economic Development	
504 Loan Servicing	\$ 425,000
504 Loan Origination	198,000
504 Loan Closing Attorney Fees	25,000
Float Income	20,000
Total 504 Program-related Revenue	<u>\$ 668,000</u>
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)
Allowable for Economic Reinvestment	<u>\$ 127,306</u>
Business Recruitment	41,500
Workforce Development	3,000
Communications and Outreach	148,033
Rock31 Entrepreneurial Program	13,500
	<u>\$ 206,033</u>



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# ATTACHMENT H



**June 2023  
Executive Director's Report  
to the Board of Directors**

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***Strategic Priorities (FY 2023-24)***

**Strategic Objectives** (updates in *blue/italic*)

**1. Build out the Billings entrepreneurship ecosystem to support new, innovative, diverse business startups** (Leads: Business Advising & Lending Programs)

**Strategies**

- a. Complete the Rock31/BSED facility development project to its full vision—*The AV mic systems changes are completed. That should wrap up the project!!! We will have a small balance of project funds remaining (\$10k). I recommend we set those dollars aside for building upgrades/repairs that may come over the next year or two. The use of the space (membership and rentals) has been outstanding, generating over \$60,000 through April of 2023. We will be budgeting \$75,000 in membership revenue and \$5,000 in facility rental revenue for FY '24.*

- b. Execute the Rock31 program plan, build Rock31 membership and roll out acceleration programming—*Our search process for our Rock31 Director of Entrepreneurship is underway. We have filled the Rock31 Community Manager position temporarily with Nik, who is doing double duty, also serving as facility management support. I have also appointed Kayla as the Interim Director for Rock31. We are sustaining and growing this program area even with these interim assignments—all the credit to Kayla and Nik.*

*The Rock31 Accelerator Program ended May 23<sup>rd</sup> with the pitch competition, awarding \$10,000 in prize funds to three winning companies. Outstanding effort Rock31 team!*

- c. Build awareness of all business advising and lending programs and tools—*Our partnership with the Native American Development Corporation to serve their client base through our existing Rock31 and Small Business Development Center programs is still pending. The grant results should be known mid-July.*

**2. Act Now to redevelop downtown, building essential workforce housing and connection/complementing medical corridor investment** (Leads: Executive Director, Community Development, and Recruitment)

**Strategies**

- a. Partner to create a Development Action Fund (pool of tools and resources) to attract and incent downtown housing/mix-use development—*Meetings continue with key property owners in downtown and the medical corridor. We will be reconvening the Downtown Housing Working Group for a debriefing session very soon. There is a planned Gazette building project meeting in June. The City has released a request for proposals to redevelop the City-owned properties downtown (including City Hall). BSED now has funding available to support brownfield issues*

*that may be present in the buildings. We are also working on support data for a potential development in our downtown core. Our goal is to support the business case for a downtown housing/mixed-use development. We're hopeful a project will be initiated this summer—with our help.*

- b. Develop a marketing/outreach strategy and solicit developer proposals—no new info to share.*
- c. Update the 2017 downtown housing study to guide decision making for City/BSED and private developers—**COMPLETED**; we're looking to add a section specific to recommended solutions. This new data will be out July 2023.*
- d. Seek a more development-friendly approach from the City—No progress in this area, yet. A meeting with City team and local developers/home builders is absolutely needed.*

### **3. Invest in the quality of our community through a comprehensive parks and trails development and funding plan (Leads: Community Development)**

#### **Strategies**

- a. Facilitate working groups that feed the policy-making process—A small working group is hammering-out details for a proposed parks, trails, and rec center development/funding plan. It now appears that we will only need a bond issue for development funding not a separate mill levy vote for O&M costs. This change does mean that we have not identified a source of dedicated funds for trails maintenance. The current working plan would also place a 20% funding requirement on private donations -- \$13.8 million up front and then another \$13.8 million over the life of the bonds (20 years). This requirement is a sticking point for sure. I believe with a lot of hard work we could find \$5.0 to \$6.0 million in private donations, but the \$13.8 million upfront is unrealistic. So, we have work to do. Our next working group meeting is June 5<sup>th</sup>. City Council is planning a work session on June 19<sup>th</sup>, and then a final decision at their July 10<sup>th</sup> Council meeting. Put both of those dates on your calendar as we will need BSED Board support/testimony in front of Council. More details to follow.*
- b. Provide research and data that articulates the value in parks and trails development—no new work in this area.*
- c. Build public awareness regarding parks and trails investment—Significant work ahead.*
- d. Complete \$1.0 million in phase-one Coulson Park development— no new info to share.*

### **4. Grow, retain and attract a qualified workforce (Leads: BillingsWorks)**

#### **Strategies** *(see BillingsWorks section for updates)*

- a. Curate & share quarterly job market/industry data reports and solutions for employers to help them make data informed decisions related to talent attraction and retention*
- b. Collaborate with Think Billings to advance talent attraction and retention resource with targeted marketing campaigns that align business recruitment efforts and talent attraction efforts*
- c. Sustain partnerships and focus on education and industry alignment and collaboration through participation in STEM Yellowstone, internships, Yellowstone County Summer Jobs Program, the Summer Intern Leadership Institute, and continued convening (quarterly) of the BillingsWorks Steering Committee*

## ***Program Updates***

### **Community Development Program Report**

#### **Tax Abatements:**

WP East 80 and Players Club Inc requested tax abatements on remodeling and expansion. The County public hearing was held for both applications on May 16<sup>th</sup>. The applications will be presented to Billings City Council on July 11.

#### **Brownfields Program:**

Assessment Grant—Granite Peak Environmental is on board as our environmental consultant for the Assessment grant. They are currently updating the Quality Assurance Project Plan (QAPP) and preparing to start work on Phase I assessments.

Exciting news! BSED received a new **US EPA grant for \$1 Million** to create a Revolving Loan Fund to clean up sites with contamination. This will allow us to offer low or no interest loans to property owners to assist with revitalization and redevelopment in downtown and East Billings starting in October.

#### **Coulson Park:**

No new information.

#### **Downtown Housing:**

Attending the Housing Strategies Planning Session to address the City's housing policies.

#### **Lockwood Industrial Park Targeted Economic Development District (TEDD):**

The County has approved contracting with KLJ to develop two grant proposals seeking funding for phase I infrastructure in the TEDD.

#### **Space2Place:**

The Space2Place grant recipients are working on their projects throughout Yellowstone County.

#### **Parks and Trails:**

The Parks and Trail committee has developed a plan for seeking support for 9 priority projects. As the plan is developed, we will provide the Board with an additional update.

#### **Department of Transportation Thriving Communities Grant:**

Waiting for the technical advisors to be assigned to our project.

Thom attended and represented BSED at Select USA as part of the Montana delegation on recruitment in Washington, DC.

#### **Professional Development:**

Community Development staff attended the MEDA Spring Conference, US EDA Disaster Relief Funding training, and BSTF rule setting

Dianne attended the Chat GPT for Economic Analysis training through IEDC

Thom attended the Strong Towns Conference and Training and the Congress of National Urbanism training in Charlotte, NC.

## **PTAC**

Since August 1st, companies across the state that have been assisted by the MT APEX Accelerator network (formerly PTAC) have secured **\$234,162,112 million** in federal, state and local contracts. Of that, contracts valued at **\$41 million** were awarded to APEX clients within the Billings region and **\$31 million** was awarded to companies served by **Big Sky EDA's remote location** based in Dillon. Lynnette Hale provides assistance to companies in Butte, Helena, Bozeman and the neighboring regions. BSED has subrecipient agreements with partner organizations across the state to provide MT APEX Accelerator services in their areas. Sub locations include Lewistown, Great Falls, Kalispell and Missoula.

### **Educational Workshops & Networking Opportunities:**

Upcoming workshops include WOSB Certification (June 6<sup>th</sup>), Move Beyond SAM (June 21<sup>st</sup>, monthly series) and How to Respond to a Federal RFP (July 12<sup>th</sup>). [Navy Week will be held in Billings](#) August 7 - 13. Billings APEX was asked by the [Naval Office of Small Business Programs](#) to coordinate a workshop and networking event for MT companies in conjunction with the festivities. Mr. Dave Walz, Deputy of the Small Business Program for the [Naval Undersea Warfare Center Division, Keyport](#) will be arriving in Billings from Keyport, WA to present information on "How to do Business with the Marines and Navy." The presentation will be in the morning and there will be a "mini" GovMatch (matchmaking) component in the afternoon. A "Save the Date" is attached. The U.S. Navy [purchases approximately \\$12 billion in products and services](#) from small businesses each year. Naval Sea Systems Command (NAVSEA) alone purchases approximately \$3 billion annually. Registration information will be forthcoming.

**This event is open to all MT companies/industries.**

### **A Few Success Stories:**

**Hardin based BCL Enterprises LLC won a \$63,650 contract with Indian Health Services for septic tank services.**

**Billings based Hutzen and Associates LLC won a contract from Indian Health Services for \$128,795 for maintenance of water supply facilities.**

**Columbus based Holden Excavating LLC won a \$234,988 contract with BLM for the construction, demolition and replacement of culverts along Cottonwood Rd.**

**Billings based Conditioned Air Systems, Inc. secured a \$86,000 contract with the State of Montana to replace the chiller at the Naval facility in Billings.**

### **New Name for PTAC – APEX Accelerator**

On October 1st, 2022, DoD changed PTAC's name to APEX Accelerator. Over the next few months, you will begin to see APEX Accelerator replace PTAC.

## **Member Investor Program**

Continued efforts direct me to the VBOC Program with Dustin and Kevin leaving BSED. Monthly reimbursements for April were submitted to SBA within compliance requirements. To confirm, we received announcement of award for a full 5-year VBOC direct announcement grant which guarantees the

VBOC Program to be under the umbrella of BSED until 2028! Rick Brown was offered and has accepted the VBOC Director Position and will on-board with BSED Monday, June 19<sup>th</sup>! Three new Member Investors have been added to BSED! Wood's Powr-Grip, GMC of Billings, and Montana Fly Fishing Lodge have graciously joined as Builder Level Member Investors! In addition, Rocky Mountain Bank, who previously was taken off the list have joined back on at the Builder Level.

The Member Investor Committee joined late May to discuss the MI Program including strategies and kick-off for a campaign starting July 1, 2023, to meet and exceed our goal of 160 Member Investors. In addition, we reviewed a new "benefits" package to the MI Program. I look forward to a Member Investor update at the June Board Meeting. Connect with me regarding new perspective Member Investor referrals or communications with current Member Investors at [patrick@bigskyeda.org](mailto:patrick@bigskyeda.org), 869-8419.

## **Marketing/BillingsWorks**

### **Marketing:**

- Attended SelectUSA on behalf of BSED and recruitment department
  - Hosted lead from SelectUSA in Billings, the company is coming back to Montana for another visit
- Continued partnership with BSED programs with marketing needs
- Hosted the MEDA Spring conference in Billings, statewide attendees/audience
- Attended the monthly DBA BID Board meeting on behalf of BSED
- Working on modifications to the Rock31 website
- Launched two new podcast episodes, recorded 2 new episodes that will post later this summer
- Continued work done on behalf of the organization to provide support, bring awareness, and strengthen brand
- Attended MSUB Wine & Food Festival
- Press Releases announcing:
  - Rock31 Accelerator Pitch Competition Winners
  - BSED has been selected to receive a \$1,000,000 Brownfield Revolving Loan Fund (RLF) grant

### **BillingsWorks:**

- Continue to participate in the MEDA Monthly Workforce Working Group, MCOM Student, JSEC
- Continue to partner with SBDC to record The Vault podcast episodes about small business, entrepreneurship, and workforce development
- Attended the BuildMT Billings graduation
- Attended first MTAA Spring Steering Council (new board member for this organization)
- Hosted the YCSJP Kick-Off event with students, mentors, and employers
- Meeting with local organization to discuss BOIB website and how their organization can best utilize this new tool (Billings Clinic, RVU-MCOM, Coldwell, Converge, with additional meetings set for early June with other organizations)

## **SBDC/Rock31**

### **Noteworthy:**

- ★ Kayla Vokral was named Interim Rock31 Director
- ★ SBDC/Rock31 team completed the 10-week Accelerator Program
  - 8 companies participated in the training
- ★ SBDC/Rock31 Pitch Competition
  - 4 companies participated with winners
    - Christian Orms - Montana Pure Protein (\$1,500)
    - Jennifer Dillabaugh & Rachael Brower - Rock Creek Soaps (\$3,500)
    - Marc Leberger - Georgette's Galette's (\$5,000)

### **Team Activity:**

- The Vault Podcast – recording episodes on Wednesdays
  - 11 episodes have been released
  - 3048 downloads in North America and 104 internationally
  - We are on all continents but Africa and Antarctica
- Sent out monthly newsletter to all SBDC clients
- Member attended 1 Million Cups on Wednesday
- Rock 31
  - Met with the Founders on Thursdays in the lower level
  - Sent out a weekly email update to Rock31 members
  - Sent out a monthly newsletter to Rock31 members
- Team members attended or participated in:
  - Member Investor Lunch – May 2
  - Economic Development Week – May 8-12
  - Leadership Billings graduation – May 12
  - Outreach to Red Lodge & Columbus – May 18
  - Beartooth Board meeting – May 18
  - MEDA conference – May 22-24
- Monthly training:
  - Start-up Roadmap, monthly recurring training – May 11
  - Profit Mastery – May 9 & 16
  - Accelerator – May 1, 4, 8, 11, 15, 18, 22
    - May 1, 8, 15, 22 Monday) 10 am – noon
    - May 4, 11, 18 (Thursday) noon – 2 pm
    - Pitch Competition May 23, 3 pm

## **Big Sky Finance**

Following is our loan activity for the month:

SBA 504 Loans Approved	1 - \$272,000
SBA 504 Loans Funded	3 - \$6,410,000
EDA RLF Loans Approved	4 - \$505,500

The 504 loan approved was for a small manufacturer located in Hamilton, MT. The loans funded were: Buggy Bath car wash (Billings), Flora Bella Italian restaurant (Missoula), and 406 Windows (Billings). All are great projects with either new construction or renovations, and all have job creation. The Buggy Bath car wash project was significant in that it consisted of properties in Montana and Wyoming, new construction, renovations to an existing property, and debt refinance, all in one project!

Brandon and Nina were in Kalispell for an SBA 504 loan closing for a Miracle Ear franchise which will fund in June. While in Kalispell, we met with several lenders in Kalispell and Whitefish, discussing the 504 Loan program and how we can be of assistance. We also made a stop in Butte along the way and met with several banks there. These visits were well received and a great opportunity to get in front of our lending partners. We have received prospects because of the meetings! We are in the process of underwriting a number of 504 loans and the activity remains positive.

Brandon attended the MEDA conference in Billings and had a booth showcasing the SBA 504 Loan program to our Economic Development partners across the state.

We continue to push out the EDA RLF funds. We will be closing on three of the approved loans in June. Our pipeline is full, and if all prospects come to fruition, we will have all our funds accounted for in the next quarter. However, we are still taking applications!

Interest rates continue to be below market, and favorable, on the 504 loans.

- 25-year debenture = 6.03%
- 20-year debenture = 6.08%
- 10-year debenture = 6.05%

### ***Organizational/Policy Matters***

1. Staffing Plans – We have filled the Director of VBOC position—Rick Brown. Rick will begin his work for BSED in July. We are in the second phase of interviews for our Senior Director – Recruitment and Community Development position, although that has been a start-and-stop process as we did have our top candidate finally decide not to relocate to Billings. Our next round of interviews are planned for mid-June. We have one strong candidate in our pool, with a potential for one or two more. Filling this position will likely take another 30 to 60 days. We have an active search in process for our Director of Entrepreneurship/Rock31. I reviewed 10 applications yesterday and I’m working toward first-round interviews next week. Our search for a Business Development Officer for Big Sky Finance is underway as well, with 4 active candidates under review. Interviews should start soon. Lastly, we are launching a search process for a Marketing Manager position, June 2<sup>nd</sup>.

Here are our Active Searches:

Senior Director- Recruitment and Community Development  
Director of Entrepreneurship/Rock31  
Business Development Officer—Big Sky Finance  
Marketing Manager

Pending Searches:

Rock31 Community Manager (front desk)  
BillingsWorks Support Position  
Member Investor Support Position

A lot of work ahead for me and our senior directors as we buildout our team—clearly one of my Executive Director priorities for FY 2024

2. Legislative Priorities for the 2023 Session—We are still reviewing the many changes and new programs that the legislature made to the community and economic development tools. We will attend briefing sessions in Helena the first week of June to better understand the changes made to the Big Sky Trust Fund. We currently use that tool to support the planning and job creation needs of our businesses. The structure of that tool is changing (from grants to loans) that will change how we support the needs of growing businesses. A lot to study over the next few weeks. Follow-up details to come.
3. Air Service Strategies— The Air Service Taskforce is working with our airport director to prepare for the JumpStart event—an event that hosts airline representatives and gives Montana communities a chance to encourage new air service. We will be represented at this event by Jeff Roach (Airport Director) and Allison Corbyn (Western Skies Strategies - working under a contract funded by the Chamber and BSED). Western Skies is also working on fundraising to secure the local match needed for our pending air service federal grant. More local partners are needed.
4. FY 2024 Budget—The Proposed FY '24 Budgets were sent to the Board along with the Board packet. Two key areas that are important to consider as you review the budget: 1) we are committing more dollars to build the capacity of our organization (fill current and new positions), create a smarter leadership structure, and invest in our talented team; and 2) we are asking our Big Sky Finance Team and MI program to generate more revenue for the organization. We need the Board's continued support for this new commitment. We will walk through the details of the Budget at the June 8<sup>th</sup> Board meeting and Budget hearing.
5. Executive Director Focus—attached for your review is the draft set of focus items for the Executive Director for FY '24. We will discuss these items at the June Board meeting and then look to set the Executive Director Areas of Focus at the July Board meeting.
6. Out of the Office—As I noted at the May Board meeting, I will be out of the office beginning June 6 through June 9 (son's graduation from residency). I will do what I can to join the Board meeting via Zoom. I will also be out of town the week of June 12, preparing for and attending my father's funeral service in Spokane. Thank you all for your words of encouragement—very much appreciated.

Patrick will serve as the Acting Executive Director during my leave time. Please feel free to reach out to Patrick for any and all executive-level needs you may have during this time. Patrick and Sarah will be able to reach me if needed.

**Respectfully submitted, June 8, 2023**



**Steve Arveschoug**  
**Executive Director**





BIG SKY  
ECONOMIC DEVELOPMENT

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# ATTACHMENT I

## **DRAFT**

### **Executive Director Focus FY 2024**

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#### **Building Capacity to Serve with Passion and Excellence**

Fiscal year 2024 will be a year of opportunity for Big Sky Economic Development, mixed with growing pains. The Board wisely recognized that as the accomplishments of BSED continue to mount—serving the community and its businesses in unique and important ways-- the expectations on BSED are multiplying as well. As one Board member put it, “We have to build capacity as an organization because we are serving a growing community.”

The focus of my work in fiscal-year '24 will be centered in -- building the team to strengthen our capability to serve our community with passion and excellence. We have a very talented and dedicated team, yet, for us to respond to the emerging needs of our community, and thrive as an organization, we need to engage with and retain our current team, add new talent in strategic areas, and strengthen our leadership structure. These objectives are in process, with more work ahead.

The outcome—a team with the growing expertise, capacity, and passion to thrive in their role while executing our mission with excellence.

It is with that objective in the forefront that I frame the Areas of Focus for the Executive Director.

#### **Areas of Focus FY 2024**

##### **A. Build the BSED Team for the Future**

1. Engage and Grow our BSED Team (WTL)
2. Complete the Capacity-Building Plan
3. Empower the Senior Director Structure
  - Complete Stewardship Agreement
  - Execute SD/Team Professional Development Plan

##### **B. Lead/Support Strategic Priorities Initiatives**

1. Downtown Redevelopment to Complement Medical Corridor Investment
2. Parks/Trails Comprehensive Development/Funding Plan

##### **C. Strengthen our Key Partnerships**

1. Board Member Connections
2. MI Connections
3. Key Industry Leadership
4. Key Partnerships Locally—County, City, Chamber, SD2, RMC, MSUB, RVU/MCOM, Downtown
5. Department of Commerce and Other Key State Partners

##### **D. Strategic Planning for FY '25 and '26**

1. Conduct Stakeholder Survey and Focus Groups
2. Seek a Partnership Approach for a Comprehensive Economic/Community Development Strategy
3. Update Succession Plan Framework with Executive Committee/Board

##### **E. Build Awareness and BSED Brand**

1. Engage in 8 “community conversations” about the role, scope, and impact of BSED