

**Big Sky EDA/EDC
Executive Committee Agenda
January 3, 2024
7:00 AM to 9:00 AM**

Venture Conference Room (Lower Level BSED Building)

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

Committee Members

EDC—Andy Gott, Nick Pancheau, Jennifer Kobza, Kim Jakub, Judi Powers

EDA—Riley Bennett, Debbie Desjarlais, Zach Dunn, Bryan Wood, Ken Lutton

7:00 A.M.— Call to Order – Andy Gott, EDC Chair

Public Comments/Board Member and Staff Announcements

Agenda Changes

REGULAR AGENDA

A. Approval of EDA/EDC Minutes

- December 6, 2023 Ex. Committee Meeting

(Attachment A) (Action)

B. Approval of EDA/EDC Financials—Tami/Steve

- Approve November Financial Statements
- Employer Flexible Service Contract
- FY23 Audit Update

(Attachment B) (Action)

(Attachment C) (Action)

(Info)

C. Executive Director Report--Steve

- Staffing Update
- Strategy Partners Next Steps (Dec. 19th Meeting)
- Planning for Board Roundtable – January 11, 7:00AM to 9:30AM
 - Looking back at your business in 2023—What went well? What challenged you?
 - Looking forward to 2024—What excites you about the year to come? Any worries?
- Board Engagement—2024 Board Meeting Time Changes?

(Info)

(Info)

(Info)

(Info)(Action)

D. Program Action Items/Reports

1. SBDC/Rock31 TrueSpace Partnership—Kayla/Steve
2. Conflict of Interest Policy Review—Sarah/Steve
3. Org Calendar Review—Sarah/Marcell
4. Review of Board/Program Committees—Steve/Sarah

(Attachment D) (Action)

(Attachment E) (Info)

(Handout) (Info)

(Handout) (Info)

Consideration of Executive Session (as needed)

Public Comment

Adjourn

Next Executive Committee Meeting – February 7 (7:00 A.M. to 9:00 A.M.) Location-Venture Conference Room, 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 Economic Development at 256-6871.*



BIG SKY
ECONOMIC DEVELOPMENT

EDA • EDC CREATING MONTANA BUSINESS OPPORTUNITIES

ATTACHMENT A

Venture Conference Room (Lower Level BSED Building)

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.

EDC –Andy Gott, Jen Kobza, Kim Jakub, Nick Pancheau

EDC – Ann Kosempa

Sarah Myhre, Steve Arveschoug, Tami Fleetwood

Kim Jakub, EDC Chair, called the meeting to order at 7:00 A.M.

Marcell introduced Billings Works Manager, Shaye Metcalf, to the Executive Committee.

Steve will provide an update on the Joint Strategy Partners Board meeting scheduled for December 19th.

REGULAR AGENDA

Approval of November 1, 2023 Executive Committee Meeting Minutes

Motion: Ken Lutton to approve the November 1, 2023, Executive Committee Meeting Minutes, as presented to the Executive Committee.
Second: Riley Bennett
Discussion: None
Motion: Carried

Approval of EDA/EDC Financials-Tami

Approval of October Financials

The EDA statement of operations is at \$1.12 million year to date operating revenue. This is ahead of budget by \$137,000. Contributing factors are salary and benefits due to vacancy savings. Marketing and professional fees are also under budget. Marketing expenses are more heavily represented on the EDC side, this should shift to EDA to utilize the budget. Revenue pieces are under budget due to expense reimbursement-based funding. On the balance sheet checking and savings is the same data but Tami combined opportunity fund accounts into one line item. All CD's are in current. Operating cash consisting of the main operating, FIB, and business accounts are at \$848,000. The remainder is set aside for opportunity fund and the repair and replacement fund. Invoices from Apex subcenters are currently behind. The EDC statement of operations net operating expense position is \$50,000. The EDC is under budget by approximately \$42,000. Revenue is down due to 504 loan origination. Brandon will speak to the pipeline and expectations. We believe budget is a bit off due to changes in interest rates and other factors. 504 loan origination is anticipated to come in under budget, but float income is up by approximately \$30,000 over budget. Float income revenue is received in November and May and will be reflected on the November Statement of Operations. RLF loan interested is under budget, but with new loans coming in this should increase. With EDC, we are monitoring spending. The Senior Leadership team meets to review quarterly expenses

and each program manager will receive year to date budget to actual for each program and program managers will receive this report monthly. 504 Loan origination revenue is anticipated at 100,000 for the year and \$198,000 was budgeted. There are other areas where we have absorbed some of the gap in revenue. Currently, we are two months behind on due to/due from EDA to EDC. EDC balance sheet operating cash is \$57,000 which represents a better cash position than this time last year. Accounts receivable represents pledges receivable at \$25,000 which was just collected subsequent to October financial statements. \$105,950 balance due to quarter two Member Investor invoices. We have collected on that balance through today's date and are currently at \$60,000 account receivable for Member Investor invoices. Accounts payable \$101,000 due to timing of invoices.

Motion: Riley Bennett to approve the October financials as presented to the Executive Committee and forward to the Board for approval.

Second: Jen Kobza

Discussion: None

Motion: Carried

FY '23 Audit-Update-Request to Delay Filing

Tami provided an update on the annual financial statement audit. Fieldwork was conducted in the first week of November and the onsite work went well. The auditors have been working remotely since fieldwork and are primarily done with the audit. Overall, the audit is going very well. Tami asked the Executive to confirm approval of filing delayed and the audit results to be shared with the Executive Committee and Board in January.

Motion: Jen Kobza to approve the request to delay filing and forward to the Board for approval.

Second: Debbie Desjarlais

Discussion: None

Motion: Carried

Executive Director Report-Steve

Re-Org/Staffing Update

Interview processes are ongoing for the VBOC Project Manager, Rock31 Community Coordinator, and Rock31 Director of Entrepreneurship.

Parks, Trails, Recreation-Comprehensive Plan-Next Steps

Steve shared that we have had an opportunity to regroup and meet with teams involved in promotion of the Parks, Trails, and Rec Bond. This groups discussed we learned and where we might be headed. Internally, BSED feels that there is a path forward to see initial investment in our community, but we may have to look at it on incremental basis. There are a handful of park development project on the list that we would like to encourage the City to move forward with as part of the Capital Improvement Plan. BSED is trying to seize opportunities where there are matching funds or an imperative to plug into the Capital Improvement Plan. BSED's thought is this is a smart approach as it is important to show the community early wins and be strategic in identifying and making progress. BSED has also spent time talking to the YMCA regarding their redevelopment planning. This represent an opportunity for us to into a supportive role in YMCA project. Ashley shared an update on the work of the Community Development team regarding the Bond. The general consensus in recent discussion is to determine to offer ice, pools, and parks trails to the community. The Community Development team consensus is to remain dedicated to this effort. Ashley explored how to move forward including priorities such as Stagecoach and South pool and BSED's contribution and timelines. The value proposition behind this effort is still present and BSED needs to take this incrementally and determine the best use of funds while remaining aware of factors impacting the results of the vote such as property tax and future bonds. Again, now it is important to show community wins. The Executive Committee shared that we need to highlight how Parks, Trails, and Rec help public safety and make this a primary focus of efforts moving forward and also open the conversation to focus on the greater context of the impact in Yellowstone County, not only Billings.

December 19th-Joint Strategy Partners Board Meeting

The Chamber, DBP, BSED, City Council, and County Commissioners will come together to discuss shared goals and reflect on the last two years at the Joint Strategy Partners Board meeting scheduled on December 19th. Steve shared that in order to make progress on goals as a community, we need to get on the same page. Steve encouraged the Executive Committee to participate in these discussions.

Board Attendance Report- "Engagement"

Steve asked the Board members to define the expectation for Board attendance. The Board asked that we think holistically about engagement only considering attendance at Board meetings but also evaluating service on committees and work within the community and other BSED obligations. The Executive Committee recommended deferring to BSED's bylaws regarding attendance.

Nominating Committee Recommendation

EDA Board Positions

2024 BSED Officers/Ex Committee

The Nominating Committee met on December 1st and conducted interviews of three candidates for the two open seats on the EDA Board of Directors. The Nominating Committee recommends Andy Rahn, Montana Land Source, and Darin Uselman, COO, Kampgrounds of America to serve a five-year term on the EDA Board of Directors beginning January 2024. Also on December 1st, the Nominating Committee recommended the following to serve as the EDA/EDC Officers/Executive Committee:

EDA Officers/Members:

Riley Bennett, Chair
Debbie Desjarlais, Vice Chair
Zack Dunn, Treasurer
Bryan Wood, Member at Large
Ken Lutton, Member at Large

EDC Officers/Members:

Andy Gott, Chair
Nick Pancheau, Vice Chair
Jennifer Kobza, Secretary/Treasurer
Kim Jakub, Immediate Past Chair
Judi Powers, Member at Large

Motion: Nick Pancheau to approve the Nominating Committee recommendations and forward to the Board for approval.

Second: Ken Lutton

Discussion: None

Motion: carried

Program Action Items/Reports

BSF-Brandon

504 & EDA RLF Lending Year-to-Date Status

Brandon shared an update on the 504 and EDA RLF Lending Year to Date Status. Three 504 loans have closed and funded year to date. There are several loans approved in addition to the three closed loans. Two loans in the queue were approved by the SBA but both borrowers pulled out. There are two remaining 504 loans that were approved and should close and fund in this fiscal year which are of significant size. Brandon reviewed prospect which represent loans that have submitted applications or are undergoing preliminary underwriting. Brandon anticipates \$106,000-\$116,000 in projected revenue with a shortfall of \$84,000 in origination fees. The float income will offset this deficit to some extent. Brandon shared that Big Sky Finance is completing outreach and the

rates are competitive, but interest rates are high now for all lenders. When talking to lenders a lot of lenders ask about prepayment penalty. Borrowers may be reluctant to lock into a rate when they anticipate rates may go down. Big Sky Finance loans do have a prepayment penalty, but very few loans do prepay. Brandon also shared there is competition and other 504 lenders than there has been in past years. The Big Sky Finance team will continue heavy outreach efforts.

SSBCI Loan Approval

Heart Rock, LLC (ACES)

Purpose of this request is for the purpose of a commercial warehouse/shop space. Financing structure is being proposed to utilize the MT SSBC loan participation program. Big Sky EDC will participate with Little Horn State Bank (primary lender) on a 50/50 basis. Big Sky EDC is requesting the use of funds, up to 50% of the total project financing, from the MT SSBCI program through the state of Montana. The total purchase price is \$487,000 for the commercial real estate unit. Little Horn State Bank will provide \$243,000 on a 20-year note at 8.02% (50% of total financing). Big Sky EDC, utilizing the MT SSBCI funds, will provide \$243,000 for 20 years at 3.5%. This will be in the form of a bifurcated note and both LHSB and BSEDC (MT SSBCI) will be in a shared first lien position.

Motion: Riley Bennett to approve the SSBCI loan request for Heart Rock, LLC (ACES) in the amount of \$243,500 and forward to the Board for approval.

Second: Ken Lutton

Discussion: None

Motion: Carried

SBDC Program Update

Lorene and Kayla shared an update on the Small Business Development Center. Lorene reviewed the goals and shared the SBDC has exceeded these goals for the year. Kayla reviewed the training schedule for 2024. Specifically, Kayla highlighted partnership with the 504 program on lender lunches in each county to speak on the 504 loan program and resources within the SBDC. The SBDC reached out to the community and clients regarding training that would be helpful to include in the new year and have included these in the schedule.

December Board Meeting-Holiday Breakfast/Board Member Recognition-RSVP

Steve reminded the Executive Committee that the BSED December Board meeting on December 14th will include a holiday breakfast and Board member recognition.

Business Leaders-Building a Safe, Thriving Community"

Steve shared a handout from the City Council work session highlighting public safety issues. Steve would like to work with the City and Chamber to educate the business community about what we are currently doing and what is proposed in the future. BSED will continue conversations with City Council and understand how we can get plugged in. Our part is to engage, involve, and inform the business community. Dr. Wilmouth is hosting an event tomorrow at Rocky with youth providers to get feedback on their needs and will turn to business community on how they can get involved.

Executive Session:

None

Public Comment:

The Committee shared updates on various positions within their organization that are in active search processes.

Adjourn:

Judi Powers adjourned the meeting at 9:12 am.

Next Meeting – January 3, 2023



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ATTACHMENT B

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

	Month			YTD			Fiscal Year
	Actual	Budget	Variance	Actual	Budget	Variance	Annual Budget
Operating Revenue							
Income							
County Taxes Mill Levy Revenue	\$ (1,106)	\$ -	\$ (1,106)	\$ 1,462,599	\$ 1,436,001	\$ 26,598	\$ 1,476,001
Entitlement	-	-	-	67,166	67,166	-	268,665
Health Ins Mill Levy Revenue	7,950	10,825	(2,875)	37,100	47,184	(10,084)	110,240
Recovery of Protested Taxes	-	-	-	-	-	-	1,000
Department of Defense - APEX	65,000	73,348	(8,348)	314,127	366,738	(52,611)	880,171
EDC Reimbursement	69,486	64,740	4,746	329,323	341,293	(11,970)	794,476
EPA Brownfields - Assessment	14,104	25,237	(11,133)	56,787	126,184	(69,397)	302,841
EPA Brownfields - Grant Admin	-	-	-	4,293	7,623	(3,330)	30,492
APEX Advisor Agreement Support	3,000	3,000	-	15,000	15,000	-	36,000
MT Dept of Commerce - SBDC	11,250	11,250	-	56,250	56,250	-	135,000
SBA - VBOC	15,759	25,417	(9,658)	76,668	127,083	(50,415)	305,000
Rock31 Membership Revenue	7,281	6,250	1,031	37,531	31,250	6,281	75,000
Zoot/Other Room Rent Revenue	3,123	417	2,706	5,698	2,083	3,615	5,000
Rock31 Barista Rent Revenue	-	700	(700)	3,100	3,500	(400)	8,400
Grant Administration	300	-	300	675	1,000	(325)	9,000
Total Operating Revenue	196,147	221,184	(25,037)	2,466,317	2,628,355	(162,038)	4,437,286
Operating Expense							
Salaries/Wages	144,355	170,503	(26,148)	682,566	794,282	(111,716)	1,987,806
Employer Contributions	44,565	53,782	(9,217)	208,541	248,070	(39,529)	605,895
Advertising	-	117	(117)	1,500	583	917	1,400
Barista Equipment Maintenance	-	208	(208)	-	1,042	(1,042)	2,500
Barista Supplies	-	42	(42)	-	208	(208)	500
Board Expenses	361	83	278	1,034	417	617	6,000
Brownfields Assessment Expense	14,104	25,209	(11,105)	56,787	126,378	(69,591)	302,841
Brownfields Grant Admin Expense	-	2,541	(2,541)	4,293	12,705	(8,412)	30,492
Building Art and Decor	259	-	259	569	-	569	10,000
Building Operations/Maintenance	12,406	8,396	4,010	42,075	41,296	779	96,200
Community Development Projects	-	1,259	(1,259)	(43)	405	(448)	49,667
Conferences	1,050	1,656	(606)	6,960	11,644	(4,684)	26,400
Contingency	-	-	-	-	-	-	50,000
Dues/Subscriptions/Memberships	2,297	3,527	(1,230)	55,165	38,715	16,450	70,145
Event Expense	798	-	798	3,671	-	3,671	-
Hosted Meetings	904	476	428	2,476	2,234	242	5,650
Insurance	4,921	6,255	(1,334)	23,395	30,196	(6,801)	71,630
Marketing							
Departmental	1,259	1,875	(616)	14,640	11,144	3,496	24,075
Organizational	6,026	5,833	193	8,382	29,167	(20,785)	70,000
Total Marketing	7,285	7,708	(423)	23,022	40,311	(17,289)	94,075
Office Equip & Furn < \$5000	100	833	(733)	16,634	6,251	10,383	12,084
Office Expense and Supplies	1,907	2,411	(504)	10,712	12,055	(1,343)	28,932
Professional Development	(417)	3,138	(3,555)	6,471	14,428	(7,957)	35,700
Professional Fees							
Accounting	3,600	4,000	(400)	34,000	34,000	-	34,500
Consulting	-	2,917	(2,917)	-	14,583	(14,583)	35,000
HR Consulting	3,389	1,833	1,556	12,150	9,167	2,983	22,000
Legal Fees	360	250	110	1,236	1,250	(14)	3,000
Other	-	1,667	(1,667)	5	8,333	(8,328)	20,000
Total Professional Fees	7,349	10,667	(3,318)	47,391	67,333	(19,942)	114,500
Property Tax Protests	19,186	3,750	15,436	19,186	18,750	436	45,000
APEX Subcenter	35,620	46,547	(10,927)	180,110	232,737	(52,627)	558,569
Rent	895	1,994	(1,099)	4,402	10,597	(6,195)	22,599
Repairs	-	950	(950)	5,666	4,750	916	11,400
Rock 31 Outreach	-	417	(417)	-	2,083	(2,083)	5,000
Special Assessments BID	1,901	-	1,901	1,901	-	1,901	2,500
Sponsorships	-	833	(833)	2,020	4,167	(2,147)	11,000
Staff Expenses	588	825	(237)	4,096	5,366	(1,270)	14,700
Strategic Priorities	-	-	-	-	-	-	15,000
TEDD	-	18	(18)	-	18	(18)	1,000
Telecommunications	4,184	4,911	(727)	21,176	24,355	(3,179)	56,425
Travel	10,985	5,770	5,215	34,925	30,668	4,257	77,675
Miscellaneous	1,068	108	960	2,660	542	2,118	3,000
Total Operating Expense	316,671	364,934	(48,263)	1,469,361	1,782,586	(313,225)	4,426,285
Net Operating Revenue (Expense)	(120,524)	(143,750)	23,226	996,956	845,769	151,187	11,001

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

	Month			YTD			Fiscal Year
	Actual	Budget	Variance	Actual	Budget	Variance	Annual Budget
Non-Operating Income/Expense							
Non-Operating Income							
Contribution Revenue	12,219	-	12,219	12,219	-	12,219	-
Interest Income	7,319	2,083	5,236	23,498	10,417	13,081	25,000
Total Non-Operating Income	19,538	2,083	17,455	35,717	10,417	25,300	25,000
Non-Operating Expense							
Amortization Expense	120	109	11	589	547	42	1,313
Depreciation Expense	21,781	22,992	(1,211)	108,906	113,162	(4,256)	261,373
Interest Expense	53	63	(10)	277	313	(36)	750
Total Non-Operating Expense	21,954	23,164	(1,210)	109,772	114,022	(4,250)	263,436
Net Non-Operating Income (Expense)	(2,416)	(21,081)	18,665	(74,055)	(103,605)	29,550	(238,436)
Change in Net Assets	\$ (122,940)	\$ (164,831)	\$ 41,891	\$ 922,901	\$ 742,164	\$ 180,737	\$ (227,435)

Big Sky EDA
Balance Sheet - Comparison with Previous Year
As of November 30, 2023

	November 30, 2023	November 30, 2022	\$ Change	% Change
ASSETS				
Current Assets				
Checking/Savings				
Main Operating - FIB	\$ 135,246	\$ 313,971	\$ (178,725)	(57%)
Recovered Property Taxes - FIB	626	626	-	0%
Operating Reserve - FIB	252,163	251,589	574	0%
Reserve for Replacement - FIB	134,668	32,965	101,703	309%
Opportunity Fund Bank Accounts	1,104,415	734,879	369,536	50%
Opportunity Fund CDs-current	2,059,171	1,735,672	323,499	19%
Yellowstone County Funds	954,187	807,441	146,746	18%
Total Checking/Savings	4,640,476	3,877,143	763,333	20%
Accounts Receivable				
Accounts Receivable	61,798	214,590	(152,792)	(71%)
Accounts Receivable - APEX	253,758 *	108,369	145,389	134%
Accounts Receivable - SBDC	22,500	26,220	(3,720)	(14%)
Accounts Receivable - VBOC	30,553	72,906	(42,353)	(58%)
Accounts Receivable-Brownfields	14,104	-	14,104	100%
Total Accounts Receivable	382,713	422,085	(39,372)	(9%)
Other Current Assets				
Due To/Due From EDC	205,262	-	205,262	100%
Tax Levy Receivable	681,747	599,988	81,759	14%
Tax Levy Receivable - Protested	22,308	12,536	9,772	78%
Allowance for Doubtful Accts	(22,308)	(12,536)	(9,772)	(78%)
American Revenue Guarantee	6,887	6,887	-	0%
Prepaid Expenses	35,174	8,091	27,083	335%
Undeposited Funds	50,000	-	50,000	100%
Total Other Current Assets	979,070	614,966	364,104	59%
Total Current Assets	6,002,259	4,914,194	1,088,065	22%
Fixed Assets				
Construction in Progress	-	4,797,614	(4,797,614)	(100%)
Bank Building - Land	301,750	301,750	-	0%
Bank Building - Building	6,303,890	1,473,250	4,830,640	328%
Furniture	227,169	-	227,169	100%
Equipment	6,700	-	6,700	100%
Barista Equipment	12,000	12,000	-	0%
Accumulated Depreciation	(366,187)	(119,625)	(246,562)	(206%)
Total Fixed Assets	6,485,322	6,464,989	20,333	0%
Other Assets				
Deferred Outflow of Resources	90,930	129,336	(38,406)	(30%)
Opportunity Fund CDs-Noncurrent	-	642,380	(642,380)	(100%)
Deposit	173	5,181	(5,008)	(97%)
Cabelas Conduit x0603	4,896	4,925	(29)	(1%)
Right of Use Asset	6,086	7,459	(1,373)	(18%)
Total Other Assets	102,085	789,281	(687,196)	(87%)
TOTAL ASSETS	\$ 12,589,666	\$ 12,168,464	\$ 421,202	3%

Big Sky EDA
Balance Sheet - Comparison with Previous Year
As of November 30, 2023

	November 30, 2023	November 30, 2022	\$ Change	% Change
LIABILITIES & EQUITY				
Liabilities				
Current Liabilities				
Accounts Payable	\$ 104,520 *	\$ 85,253	\$ 19,267	23%
Credit Cards	21,075	21,312	(237)	(1%)
Other Current Liabilities				
Contributions Payable	25,000	-	25,000	100%
Accrued Expenses	113,297	96,409	16,888	18%
Compensated Absences	166,189	162,949	3,240	2%
Payroll Liabilities	(743)	(776)	33	4%
Deferred Revenues	21,000	24,845	(3,845)	(15%)
Total Other Current Liabilities	324,743	283,427	41,316	15%
Total Current Liabilities	450,338	389,992	60,346	15%
Long Term Liabilities				
Deferred Inflow of Resources	204,425	386,724	(182,299)	(47%)
Pension Liability	628,001	563,223	64,778	12%
Lease Liability	6,087	7,459	(1,372)	(18%)
Total Long Term Liabilities	838,513	957,406	(118,893)	(12%)
Total Liabilities	1,288,851	1,347,398	(58,547)	(4%)
Equity				
Net Assets	7,666,804	7,242,523	424,281	6%
Contributed Capital	3,193,580	3,193,580	-	0%
Prior Period Adjustment	(482,470)	(482,470)	-	0%
Net Income	922,901	867,433	55,468	6%
Total Equity	11,300,815	10,821,066	479,749	4%
TOTAL LIABILITIES & EQUITY	\$ 12,589,666	\$ 12,168,464	\$ 421,202	3%

* Includes estimate for current month for APEX receivable and APEX subcenter payable

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

	Month			YTD			Fiscal Year
	Actual	Budget	Variance	Actual	Budget	Variance	Annual Budget
Operating Revenue							
504 Loan Servicing	\$ 33,739	\$ 35,417	\$ (1,678)	\$ 170,915	\$ 177,083	\$ (6,168)	\$ 425,000
504 Loan Origination	-	16,500	(16,500)	25,265	82,500	(57,235)	198,000
504 Loan Closing Attorney Fees	-	2,083	(2,083)	7,500	10,417	(2,917)	25,000
Federal EDA RLF Loan Orig	750	208	542	750	1,042	(292)	2,500
Float Income	49,632	20,000	29,632	49,632	20,000	29,632	20,000
Member Investment	(500)	-	(500)	108,450	118,000	(9,550)	308,500
Federal EDA RLF Loan Interest	5,716	4,333	1,383	24,524	21,667	2,857	52,000
RLF Business Loan Interest	920	1,000	(80)	4,668	5,000	(332)	12,000
Stabilization Loan Interest	-	-	-	14	18	(4)	18
SSBCI Loan Interest	2,268	1,500	768	11,070	7,500	3,570	18,000
Loan Processing Fee Income	-	2,083	(2,083)	7,975	10,417	(2,442)	25,000
Grant Administration	-	-	-	2,853	1,875	978	7,500
Donation Income	-	-	-	10,250	-	10,250	-
Total Operating Revenue	92,525	83,124	9,401	423,866	455,519	(31,653)	1,093,518
Operating Expense							
Advertising	-	-	-	-	50	(50)	200
Board Expenses	427	42	385	532	333	199	1,000
Business Accelerator	-	-	-	-	-	-	10,000
Business Recruitment and Expans	-	1,458	(1,458)	7,990	7,292	698	17,500
Conferences	-	-	-	29	1,000	(971)	4,000
Contingency	-	-	-	-	-	-	10,000
Dues and Subscriptions	881	1,538	(657)	10,096	7,688	2,408	18,450
EDA Reimbursement	69,486	64,740	4,746	329,323	341,293	(11,970)	794,476
Event Expense	-	2,917	(2,917)	24,831	14,583	10,248	35,000
Hosted Meeting Expense	213	908	(695)	740	4,542	(3,802)	10,900
Insurance	1,014	950	64	4,794	4,601	193	11,250
Loan Expenses	(31)	1,500	(1,531)	873	7,500	(6,627)	18,000
Marketing							
Departmental Marketing	470	1,333	(863)	4,878	6,667	(1,789)	16,000
Organizational Marketing	33	1,250	(1,217)	19,564	6,250	13,314	15,000
Total Marketing	503	2,583	(2,080)	24,442	12,917	11,525	31,000
Membership Development	134	708	(574)	975	3,542	(2,567)	8,500
Office Equip & Furn < \$5000	-	-	-	329	-	329	-
Office Expenses and Supplies	-	125	(125)	363	675	(312)	1,650
Postage	-	108	(108)	3	554	(551)	1,350
Professional Development	-	375	(375)	3,900	1,875	2,025	4,500
Professional Fees							
Accounting	2,000	3,000	(1,000)	21,000	22,000	(1,000)	22,000
Consulting	-	833	(833)	-	10,167	(10,167)	17,000
Legal Fees	-	417	(417)	1,600	2,083	(483)	5,000
Attorney Fees - 504 Closing	-	-	-	8,000	7,500	500	25,000
Total Professional Fees	2,000	4,250	(2,250)	30,600	41,750	(11,150)	69,000
Rent	387	500	(113)	1,992	2,500	(508)	6,000
Rock31 Outreach	-	333	(333)	-	667	(667)	3,000
Sponsorships	-	-	-	2,670	-	2,670	2,150
Staff Expenses	-	83	(83)	478	442	36	1,100
Telecommunications	270	335	(65)	1,155	1,675	(520)	4,020
Travel	4,511	2,250	2,261	15,148	11,250	3,898	27,000
Miscellaneous	257	-	257	719	-	719	-
Total Operating Expense	80,052	85,703	(5,651)	461,982	466,729	(4,747)	1,090,046
Net Operating Revenue (Expense)	12,473	(2,579)	15,052	(38,116)	(11,210)	(26,906)	3,472

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

	Month			YTD			Fiscal Year
	Actual	Budget	Variance	Actual	Budget	Variance	Annual Budget
Non-Operating Income/Expense							
Non-Operating Income							
Federal Grant Revenue	493,087	-	493,087	718,087	225,000	493,087	585,000
Interest Income	163	158	5	917	792	125	1,900
Total Non-Operating Income	493,250	158	493,092	719,004	225,792	493,212	586,900
Non-Operating Expense							
Bad Debt Expense	-	-	-	4,000	3,750	250	15,000
Total Non-Operating Expense	-	-	-	4,000	3,750	250	15,000
Net Non-Operating Income (Expense)	493,250	158	493,092	715,004	222,042	492,962	571,900
Change in Net Assets	\$ 505,723	\$ (2,421)	\$ 508,144	\$ 676,888	\$ 210,832	\$ 466,056	\$ 575,372

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

	November 30, 2023	November 30, 2022	\$ Change	% Change
ASSETS				
Current Assets				
Checking/Savings				
FIB Main Operating	\$ 118,075	\$ 85,075	\$ 33,000	39%
FIB x0594-Coulson Park	86,579	76,540	10,039	13%
FIB/Stockman - SSBCI Principal	302,715	453,061	(150,346)	(33%)
FIB - Long Term Reserve	250,000	250,000	-	0%
FIB - Opportunity Fund	60,936	60,905	31	0%
FIB - Federal EDA RLF	20,911	200,527	(179,616)	(90%)
FIB - RLF	229,093	273,730	(44,637)	(16%)
Total Checking/Savings	1,068,309	1,399,838	(331,529)	(24%)
Accounts Receivable				
Pledges Receivable	2,500	62,000	(59,500)	(96%)
Accounts Receivable	545,037	61,000	484,037	794%
Total Accounts Receivable	547,537	123,000	424,537	345%
Other Current Assets				
Undeposited Funds	9,500	-	9,500	100%
Fed EDA RLF Portfolio - Current	96,271	41,730	54,541	131%
RLF Portfolio - Current	20,125	19,165	960	5%
SSBCI Portfolio - Current	26,210	27,126	(916)	(3%)
Stabilization - Current	2,557	26,073	(23,516)	(90%)
Prepaid Expenses	1,242	-	1,242	100%
Total Other Current Assets	155,905	114,094	41,811	37%
Total Current Assets	1,771,751	1,636,932	134,819	8%
Other Assets				
Fed EDA RLF - Non-Current	1,775,358	610,555	1,164,803	191%
RLF Portfolio - Non-Current	167,999	200,949	(32,950)	(16%)
SSBCI Portfolio - Non-Current	754,708	795,368	(40,660)	(5%)
Stabilization - Non-Current	-	7,506	(7,506)	(100%)
Allowance for Loan Losses	(20,150)	(23,856)	3,706	16%
Total Other Assets	2,677,915	1,590,522	1,087,393	68%
TOTAL ASSETS	\$ 4,449,666	\$ 3,227,454	\$ 1,222,212	38%
LIABILITIES & EQUITY				
Liabilities				
Current Liabilities				
Accounts Payable	\$ 44,845	\$ 20,178	\$ 24,667	122%
Credit Cards	9,553	14,902	(5,349)	(36%)
Other Current Liabilities				
Due to/Due From EDA	205,262	111,308	93,954	84%
Accrued Expenses	6,000	44	5,956	13,536%
Total Other Current Liabilities	211,262	111,352	99,910	90%
Total Current Liabilities	265,660	146,432	119,228	81%
Total Liabilities	265,660	146,432	119,228	81%
Equity				
Retained Earnings	3,507,118	2,939,820	567,298	19%
Net Income	676,888	141,202	535,686	379%
Total Equity	4,184,006	3,081,022	1,102,984	36%
TOTAL LIABILITIES & EQUITY	\$ 4,449,666	\$ 3,227,454	\$ 1,222,212	38%



BIG SKY
ECONOMIC DEVELOPMENT

EDA • EDC CREATING MONTANA BUSINESS OPPORTUNITIES

ATTACHMENT C

CSA - Big Sky Economic Development Authority

Employer Flexible Client Service Agreement

This Service Agreement is entered into by and between Employer Flexible HR ("eFlex") and Big Sky Economic Development Authority ("Client").

1. **Term.** This Agreement shall commence on 1/16/2024 (the "Effective Date") for an initial 12 months, and renew automatically thereafter for additional twelvemonth periods unless terminated. Either Client or eFlex may terminate this Agreement at any time, for any reason by giving written notice.
2. **Nature of Services.**
 - a. Client has engaged eFlex to provide certain human resource support services to employees who will be covered under this Agreement ("Staff"). Client has not and will not manage or control Client's business or operations. Client shall continue to hire, fire, promote, train, discipline, assign, supervise, direct and control the Staff. Client shall retain the exclusive right and responsibility to set compensation rates and compensation for Staff.
 - b. This Agreement is subject to the applicable state law regulating professional employment agency or staff leasing services for the state in which the employees are located or where Client's workplaces ("Applicable PEO Law").
 - c. Client may enforce any right and is obligated to perform all employer obligations under this Agreement or under Applicable PEO Law. Client may enforce any right not expressly allocated to eFlex under this Agreement or required of eFlex under Applicable PEO Law.
 - d. eFlex may enforce only those employer rights and is subject to only those employer obligations expressly allocated to eFlex under this Agreement or required of eFlex under Applicable PEO Law.

3. **Staff Subject to Agreement.**

- a. Client will designate the employees who will become co-employees under this Agreement.

Start signing



BIG SKY
ECONOMIC DEVELOPMENT

EDA • EDC CREATING MONTANA BUSINESS OPPORTUNITIES

ATTACHMENT D

TrueSpace is a professional learning community for Founders and their leadership team. Learn a new model of business building to change how you use your time, invest capital and lead talent. This program provides the structure for businesses to align around achieving predictable results and increased options.

Cost:

This accelerator costs \$5,500. (a \$7,000 savings) The program is 6 months long, but you will have access to the online platform for 12 months. The time commitment is 2 hours in person and 5 hours of online curriculum per month.

TrueSpace Impact:

- Boost in customer acquisition: 15%-30% reduction in costs
- Enhanced revenue forecasting precision within +/- 10% target
- Net Promoter Score quarterly index increase of more than 5 points
- Gallup Q12 employee engagement score above 75%
- Witness your enterprise value soar by over 15% year on year

Program

- 5 Conditions assessment (\$2,500 value)
- Calendar exercise
- Professional Learning Community & connection to a national network of entrepreneurs
- Skill development via online curriculum (\$10,000/yr value)
- Monthly in-person sessions to work through online curriculum.
- Playbook template
- Certification

Testimonial:

"TrueSpace transformed us from an aspirational startup to a higher powered scaling business. If you are hoping to find an expert community with the resources and knowledge you need to reach middle market, look no further. Joining TrueSpace was one of the best decisions we ever made."

-Josh D'Angelo,
[Co-Founder & CEO at MovementX](#)

"The Five Conditions Assessment™ was transformational to my brand. From leadership training, mentorship, personal relationships and inspiration gathered from Charles Fred and his team, it was a winning package. When I started the program, I had one employee. Today, I have a team of aligned leaders."

-Leah Garcia
[Founder & CEO of NULASTIN](#)

"What has happened here is a really important contribution to entrepreneurship. It was a very scientific approach that can be replicated over and over again and that's exciting"

-Secretary Maria Contreras-Sweet, 24th Administrator of the SBA



BIG SKY
ECONOMIC DEVELOPMENT

EDA • EDC CREATING MONTANA BUSINESS OPPORTUNITIES

ATTACHMENT E

Rules of Conduct Conflict of Interest Policy Resolution

Big Sky EDA and Big Sky EDC

This Conflict of Interest policy supersedes all previous Conflict of Interest policies and amendments.

WHEREAS, Big Sky Economic Development Authority is a duly organized and existing port authority under the laws of the State of Montana, pursuant to Resolution no. 89-82 adopted December 4, 1989, by the Board of City Commissioners of Yellowstone County, Montana together with all amendments and modifications thereto, the Authorizing Resolution”); and

WHEREAS, Big Sky Economic Development Corporation is organized and shall operate within the meaning of Code Section 501 (c) (3) and is dedicated to attracting, retaining and growing jobs and business throughout Yellowstone County and the State of Montana; and

WHEREAS, the Board of Commissioners of Big Sky EDA/EDC desires to adopt formal rules of conduct regarding conflicts of interest that may arise with respect to individual Commissioners, as well as any officers, employees and agents of Big Sky EDA/EDC.

BE IT RESOLVED by the Commission as follows:

Section 1. Definitions. The terms used in this Resolution are defined as follows:

- (a) **Big Sky EDA/EDC Body** shall mean any agency, board, body, commission, committee, department or office of Big Sky EDA/EDC.
- (b) **Financial Interest** shall mean any interest which shall yield, directly or indirectly, a monetary or other material benefit (other than the duly authorized salary or compensation for his or her services to Big Sky EDA/EDC) to the Official or to any Person employing or retaining the services of the Official, provided, that a Financial Interest shall not include a direct or indirect benefit derived through corporation, partnership, limited liability company or other similar entity in which the Official owns less than five percent (5%) of the stock or of the interest in the capital, profits and losses of said corporation, partnership, limited liability company or other similar entity.
- (c) **Official** shall mean any natural person elected or appointed to the Commission or a Big Sky EDA/EDC office, or employed by Big Sky EDA/EDC Body, whether paid or unpaid and whether part-time or full-time.
- (d) **Person** shall mean any individual, corporation, partnership, joint venture, limited liability company, limited liability partnership, association, joint stock company, trust, unincorporated association or any state, county or city government or agency or political subdivision thereof other than Big Sky EDA/EDC.
- (e) **Personal Interest** shall mean any interest arising from blood or marriage relationships or from close business or political association whether or not any Financial Interest is involved; provided that the term “blood and marriage relationships” shall mean any current or former spouse of the Official (collectively a “Spouse”), any direct ancestors of the Official or a Spouse, any children or grandchildren of the Official or a Spouse, any brothers or sisters of the Official or a Spouse, and any children or grandchildren of such brothers and sisters of the Official or a Spouse, including within each category an such relationships arising or created through adoption.

- (f) **Special Interests** shall mean any direct or indirect interest of a Person in any public or private organization in which Big Sky EDA/EDC is affiliated.

Section 2. Conflicts of Interest

- (a) **Knowledge Gained.** No Official shall use his or her position, or the knowledge gained therefrom, in such a manner that a conflict between the interest of Big Sky EDA/EDC or any of its affiliates and his or her personal interest arises.
- (b) **Financial or Personal Interest.** No Official, either on his or her own behalf or on behalf of any other Person, shall have any Financial Interest or Personal Interest in any business or transaction with Big Sky EDA/EDC or any Big Sky EDA/EDC Body unless the Official first makes full public disclosure of the nature and extent of such interest.
- (c) **Disclosure and Disqualification.** Whenever the performance of his or her official duties shall require any Official to deliberate and vote on any matter involving the Official's Financial Interest or Personal Interest, the Official shall publicly disclose the nature and extent of such interest and disqualify himself or herself from participating in the deliberation as well as in the voting.
- (d) **Incompatible Employment.** No Official shall engage in private employment with, or render services for, any Person who has business transactions with Big Sky EDA/EDC or any Big Sky EDA/EDC Body unless the Official shall first makes full public disclosure of the nature and extent of such employment or services.

Section 3. Representing Special Interests.

- (a) **Prohibited Appearances and Representation.** No Official, whether paid or unpaid, shall appear on behalf of any Special Interests before Big Sky EDA/EDC or any Big Sky EDA/EDC Body. An Official shall not represent Special Interests in any action or proceeding against the interests of Big Sky EDA/EDC or any Big Sky EDA/EDC Body, or in any proceedings to which Big Sky EDA/EDC Body is a party.
- (b) **Permitted Inquiries, Investigations and Appearances.** The foregoing prohibitions shall not be construed to prevent an Official from making inquiries and investigations as provided for in the Authorizing Resolution, nor shall it prevent an Official from appearing before Big Sky EDA/EDC or any Big Sky EDA/EDC Body to express the Official's personal views as a private citizen.

Section 4. Gifts and Favors.

- (a) **No Official shall accept any gift,** whether in the form of money, thing, favor, loan or promise that would not be offered or given if the Official were not an Official. Notwithstanding the foregoing, an Official may accept a gift that entails trivial benefits incidental to personal, professional or business contacts and involving no substantial risk of undermining the Official's impartiality and such gifts may include but not necessarily limited to (a) food or beverage consumed at a single meal or event, provided the value is reasonable under the circumstances, but in no event that exceeds \$100 per person and (b) flowers, plants, food items, calendars, disk novelties, or similar items of less than \$50.00 in value.

Section 5. Nepotism.

- (a) **No Official shall appoint or vote for appointment** of any individual related to the Official by blood or marriage to any clerkship, office, position, employment or duty, when the salary, wages, pay or compensation is to be paid out of funds of Big Sky EDA/EDC or any Big Sky EDA/EDC Body.

Section 6. Duty.

- (a) **Each Official has a duty to place the interest of Big Sky EDA/EDC** foremost in any dealings with the Big Sky EDA/EDC Body and has a continuing responsibility to comply with the requirements of this Resolution.

Section 7. Repeal.

- (a) **All provisions of ordinances, resolutions and other actions and proceedings** of Big Sky EDA/EDC relating to the rules of conduct for conflicts of interest set forth herein which are in any way inconsistent with the terms of provisions of this Resolution are hereby repealed, amended and rescinded to the full extent necessary to give full force and effect to the provisions of this Resolution.

Passed and adopted by the Board of Big Sky Economic Development Authority this 12 Day of December, 2008.

Signature on File

Ted White, Chairman of the Commission of
Big Sky Economic Development Authority

Signature on File

Todd Sherman Chairman of the Commission
Big Sky Economic Development Corporation

Attest: _____
Signature on File

Steve Arveschoug, Executive Director
Big Sky Economic Development Authority/Corporation

Approved 11-19-03 Revised and Approved: 12/11/2008

Big Sky EDA/EDC Conflict of Interest Policy Statement of Understanding

Big Sky EDA/EDC is made up of community business and government individuals with the mission:

“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.”

In doing so we must be aware of conflicts of interest that may arise. Attached is a statement of understanding that all Big Sky EDA/EDC Board members are asked to sign and annually confirm when they accept a seat on one of these Boards of Directors.

I affirm, have read and understand the Big Sky EDA/EDC Conflict of interest Policy as written and approved December 11, 2008.

Signature_____Date:_____

Printed Name_____