



**EDA/EDC – Joint Board Meeting**  
**Thursday, August 14, 2025**  
**7:30 A.M. to 9:00 A.M.**  
**Rock31/BSED Building**  
**Zoot Training and Event Space (2<sup>nd</sup> Level)**

**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.

**Agenda**

- 7:30 A.M. Call to Order/Pledge of Allegiance/Roll Call – Debbie Desjarlais, EDA Chair**
- 7:32 A.M. Public Comment/Introductions & Special Guest Presentations**
- Senator Sheehy
  - Member Investor Spotlight- Morgan with Sundown Security
- 8:00 A.M. Changes to Today's Agenda**
- 8:02 A.M. Consent Items for Board Action**
- Minutes- June 19, 2025
  - EDA & EDC FY'25 May Financial Statements
  - Big Sky Finance Loan Approval
- (Action)  
(Attachment A) (EDA & EDC)  
(Attachment B) (EDA & EDC)  
(Attachment C) (EDC Only)
- 8:05 A.M. Executive Director Report -- Paul**
- Yellowstone County MOU
  - Omaha Trip update
  - BSED Committees/Planning
  - Org Chart Update
  - Staff Updates/Division of Responsibilities
- (info)  
(info)  
(Info)  
(Attachment D)  
(Info)
- 8:35 A.M. Program Action Items/Reports**
- Member Investor program updates – Tyler
  - Workforce Updates -- Marcell
  - Big Sky Finance- Personnel Memo
- (Info)  
(Info)  
(Attachment E) (EDC Only)
- 8:45 A.M. Public Comment**
- 8:50 A.M. Adjourn**

**Next EDA/EDC Board Meeting: September 11, 2025, 7:00 AM to 9:00 AM, Zoot Training and Event Space, Rock31/BSED.** The *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 406-256-6871.

# ATTACHMENT A

**Big Sky EDA/EDC Joint Board Meeting Minutes**  
**June 19<sup>th</sup>, 2025 - 7:00 A.M. to 9:00 A.M.**  
**Zoot Training & 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.

**Committee Members Present:** **EDA** – Debbie Desjarlais, Lucy Aspinwall, Bryan Wood, Riley Bennett, Aaron Redland, Ken Lutton, Darin Uselman  
**Ex-officio** – Mike Waters, Katy Schreiner

**EDC** – Nick Pancheau, Jennifer Kobza, Jennifer Weaver Kondracki, Dr. Stefani Hicswa, Dave Ballard, DJ Clark, Keagan Harsha, Mike Marsh, Nichole Mehling, Michael Phillips, Matt Robertson, Molly Schwend, Jerry Simonson, George Warmer, Dr. Bob Wilmouth, Tyler Wiltgen

**Committee Members Absent:** **EDA** – Kate Vogel, Zachary Dunn, Vince Mistretta, Turk Stovall **Ex-officio** – Dr. Erwin Garcia, John Brewer, Mike Boyett, Kurt Markegard

**EDC** – Andy Gott, Cole Derks, Spencer Frederick, Kim Jakub, Mark Morse, Judi Powers

**Staff and Others Present:** Paul Green, Reann Keller, Marcell Bruski, Tyler Wink, Tami Fleetwood, Lorene Hintz, Dianne Lehm, Deanna Langman, Tereza Brownell, Brandon Berger, Katelyn Harmon, Thom Maclean, Ashley Kavanagh, Debbie Potter, Kama Humphrey, Mark LeMoyne

**Call to Order:**

Nick Pancheau, EDC Chair, called the meeting to order at 7:00 A.M.

**Public Comment/Introductions & Special Guest Presentation:**

- Billings Chamber Board Chair, Debbie Potter, joined the board meeting as John Brewer was unable to attend.
- KOA | Care Camps Golf Tournament – Kama Humphrey and Mark LeMoyne shared details of the charity golf tournament they are hosting scheduled for September 12<sup>th</sup>. Funds go to Care Camps Foundation where they offer medically supervised camps for children with cancer. KOA is currently looking for sponsors as well as participants in the tournament. Their goal is to have 36 teams signed up for the tournament this year.

**Agenda Changes for Today's Meeting:**

None

## **REGULAR AGENDA**

### **Consent Items for Board Action**

#### **Approval to May 15, 2025 EDA/EDC- Joint Board Meeting Minutes**

Motion: **Darin Uselman** to approve the May 15, 2025 EDA/EDC Joint Board Meeting minutes as presented to the Board.

Second: **Jen Kobza**

Discussion: None

Motion: Carried

#### **Approval EDA/EDC FY '25 April Financial Statements**

Motion: **DJ Clark** to approve the EDA/EDC FY '25 April Financial Statements as presented to the Board.

Second: **Jen Kobza**

Discussion: None

Motion: Carried

### **Other Financial Matters**

#### **Presentation of FY '26 Preliminary Budget Updates**

Tami provided an update on significant changes made to the preliminary budget due to recent information provided by Yellowstone County that BSED could anticipate the funds from the county being reduced from approximately \$2 million to \$1.3 million for FY'26. In response, BSED had to reduce staff by 5 positions, cut the Workforce program and will not be back filling Patrick's Senior Director position. There will also be a focus on reducing travel, conferences and professional development expenses. EDA has a net operating loss position of approximately \$38,000 and EDC has a net revenue position of approximately \$18,000. An important note regarding the EDA budget, there are a couple of programs that are on both the EDA and EDC budgets, so funds can be moved around to help offset some of these expenses. Requests the Board consider approving this preliminary budget with a net loss position, knowing that BSED is continuing to look for ways to reduce expenses. Discussion regarding the difficult decision that was made by the Executive Committee and the loss of the Workforce Program and the importance of finding another organization that could potentially continue this line of work. Commissioner Waters shared that this reduction is not an indictment on the organization and that this reduction had to happen so that they could allocate more of the county's budget towards public safety, specifically increasing the budget for County Attorney Public Defenders and funding for the jail. Concerns were raised regarding the delivery of this news and feedback given that Board members would have appreciated communication from BSED before hearing about it out in the community. Paul shared that decision was made to cut a program instead of more staff. Asked that the Board consider these individuals for any career opportunities. No additional cuts are anticipated currently. There is still uncertainty with the VBOC program and whether it will continue past September. APEX received a contract for the next 11 months. Request from the Board for talking points regarding these staff reductions that can be shared as things come up in the community as well as an update next Board meeting on actions that have been implemented in response to redistributing responsibilities due to staff reduction. Noted that other Economic Development organizations in the state are not funded as heavily from county if at all. Discussion around float income, typically BSED budgets conservatively, for FY'26 the budget was increased to \$50,000. It was shared that so far for FY'25 actual float income is approximately \$70,000 so there is the potential that some of the loss can be made up in float income for FY'26 but it is not a guarantee.

Motion: **Jen Kobza** to approve preliminary budget updates for FY'26 as presented to the Board.  
Second: **Riley Bennett**  
Discussion: None  
Motion: Carried

### **Program Updates/Action**

#### **Big Sky Finance – Loan Considerations**

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

1. **Guerrero's Polson LLC**– The purpose of this request is for the purchase of an existing commercial real estate building, renovations and equipment for Guerrero's Polson LLC. Guerrero's will be a new full-service Mexican restaurant located in Polson, MT. Ownership will be with Everardo Guerrero, his wife and two sons. Everardo has managed another family Mexican restaurant in Polson for 22 years, and the rest of the family has extensive background in restaurant operations. This new location will be on the opposite end of town to the family's other restaurant, in a very good location just off Highway 35 and 93. Ten new jobs are expected to be created with the opening of the restaurant.

The total SBA debenture will be \$368,000 on a 25-year note comprising 40% of the total project. 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. The project meets Public Policy goals of Rural Development, minority ownership, located in a HUBZone and new income to the community.

Motion: **Tyler Wiltgen** to approve the 504 Loan request for Guerrero's Polson LLC in the amount of \$368,000 as presented to the Board.  
Second: **DJ Clark**  
Discussion: None  
Motion: Carried

### **Executive Director Report**

It was noted that Paul had already spoken to the agenda topic regarding staffing changes earlier in the meeting, no additional comments needed.

### **Public Comment**

- Nick Pancheau wanted to share that he remains committed to the mission of the organization and is optimistic about the future. The Executive Committee will continue focusing on the growth and development of the community and Yellowstone County.

**Adjourn:**

Motion: **Jen Kobza** to adjourn the meeting.

Nick Pancheau adjourned the meeting at 7:58 A.M.

Next Meeting – July 10<sup>th</sup>, 2025

Respectfully submitted,

---

Bryan Wood, EDA Secretary/Treasurer

---

Jennifer Weaver Kondracki, EDC Secretary/Treasurer



BIG SKY  
ECONOMIC DEVELOPMENT

EDA • EDC    CREATING MONTANA BUSINESS OPPORTUNITIES

# ATTACHMENT B



**Big Sky Economic Development Authority (BSEDA)**  
**Financial Summary for Board of Directors**  
**FY25 - As of and for the period ended May 31, 2025**

**Statement of Operations**

Net Operating Revenue: \$ 181,514

Factors Driving Net Operating Revenue:

The net operating revenue for the fiscal year to date through May 31, 2025 is more than the budgeted net operating revenue by approximately \$35K. Total revenues are less than budget by \$119K and total expenses are less than budget by \$154K. See below for factors contributing to the variances:

Revenue

- County Mill Levy ahead of budget by \$44K due to more property tax collections than estimated
- Health insurance reimbursement from the County behind by \$9.5K due to vacancy of two employees for two months and FY25 budget included costs for one additional APEX advisor position that was not filled
- EDC Reimbursement behind by \$6.5K due to variance in salary for position that was vacated
- Rock 31 membership behind by \$14K due to membership changes and loss of barista rent for last quarter
- Grant Revenue ahead by \$50K due to MT DOC award granted to APEX after budget prep
- Grant Administration behind by \$21K due to loss of NADC grant that was cut
- Federal cooperative agreements behind by \$176.7K (reimbursement based, so offset by expenses below)

Expense

- Salaries overspent by \$31.4K due to overlap of Executive Director position for April and part of May and accumulated YTD overtime wages for hourly employees
- Employer Contributions overspent by \$20.3K due to error in FY25 budget workup not considering salary increases that became effective on 7/1/24 at start of new fiscal year when budgeting for compensated absences
- Contingency has not been used, so underspent by \$40K
- Workforce Programming underspent by \$32.6K due to timing since the program activity is heaviest in May/June, but budget allocation was more even during early months
- Federal cooperative agreements underspent by \$176.7K (reimbursement based, so offset by revenues above)
- Other expense category variances are reasonable with slight variations over and under

Non-operating income consists of interest income earned on Opportunity Fund CDs, Money Market, and Savings accounts. Non-operating expense consists of Depreciation (\$239.5K) Amortization (\$2.1K) and immaterial bank fees (under \$500).

**Statement of Financial Position**

Cash available for operations: \$1,847,838  
Opportunity Fund cash and CDs: \$3,332,764  
Accounts receivable: \$318,950  
Due from EDC: \$69,920





Operating cash is deemed to be all of the checking/savings line items on the Statement of Financial Position aside from the opportunity fund bank accounts and CDs. A portion of the operating cash has been set aside as reserves for operations and reserves for repair and replacement. The amount set aside as reserves is \$539,888. BSEDA's cash position is good and sufficient to meet the needs of the organization.

The accounts receivable balances outstanding at May 31, 2025 include one customer balance that is aged more than 60 days (APEX Advisor support payment). However, BSEDA received payment for the outstanding balance in June 2025. The amount owed from Big Sky EDC is for costs of salaries/wages/fringe benefits and building operations/maintenance for the month of February and is included on the Due to/Due from EDC line.

**Big Sky Economic Development Authority**  
**Statements of Operations - Budget vs. Actual**  
For the Month and YTD Ended May 31, 2025

	May 2025			YTD			Fiscal Year
	Actual	Budget	over Budget	Actual	Budget	over Budget	Annual Budget
Income							
40000 County Taxes Mill Levy Revenue	\$ 160,497	\$ 130,006	\$ 30,491	\$ 1,474,011	\$ 1,430,066	\$ 43,945	\$ 1,560,072
40010 Entitlement	23,691	23,691	-	260,605	260,605	-	284,296
40020 Health Ins Mill Levy Revenue	9,010	9,540	(530)	95,400	104,940	(9,540)	114,480
40030 Recovery of Protested Taxes			-			-	1,000
40050 Department of Defense - APEX	80,000	74,193	5,807	827,819	816,124	11,695	890,317
40060 EDC Reimbursement	61,429	65,770	(4,341)	716,965	723,470	(6,505)	789,240
40070 EPA Brownfields - Assessment	6,129	11,207	(5,077)	138,102	123,272	14,830	134,478
40080 EPA Brownfields - Project Mgmt		2,653	(2,653)	18,013	29,181	(11,168)	31,834
40090 EPA Brownfields - RLF	320	15,557	(15,237)	9,100	171,131	(162,030)	186,688
40100 APEX Advisor Agreement Support	6,000	3,000	3,000	36,000	33,000	3,000	36,000
40110 MT Dept of Commerce - SBDC	11,583	11,250	333	127,759	123,750	4,009	135,000
40120 SBDC Program Income	40		40	3,539	-	3,539	-
40130 SBA - VBOC	25,333	27,619	(2,285)	277,955	303,806	(25,852)	331,425
40140 Rock31 Membership Revenue	7,274	8,417	(1,143)	80,801	92,583	(11,783)	101,000
40150 Zoot/Other Room Rent Revenue	356	667	(310)	6,641	7,333	(692)	8,000
40160 Rock31 Barista Rent Revenue		700	(700)	6,050	7,700	(1,650)	8,400
40180 Grant Revenue			-	50,000	-	50,000	-
40185 Grant Administration		9,950	(9,950)	88,288	109,450	(21,162)	119,400
40200 Miscellaneous Revenue			-	0	-	0	-
Total Income	391,664	394,219	(2,555)	4,217,047	4,336,411	(119,364)	4,731,630
Gross Profit	391,664	394,219	(2,555)	4,217,047	4,336,411	(119,364)	4,731,630
Expenses							
50100 Salaries/Wages	213,136	173,201	39,935	1,936,603	1,905,209	31,393	2,078,410
50110 Employer Contributions	13,532	53,815	(40,283)	610,756	590,490	20,266	644,305
50140 Advertising		750	(750)	6,286	8,250	(1,964)	9,000
50150 Barista Equipment Maintenance		-	-	260	500	(240)	2,500
50160 Barista Supplies		-	-	187	250	(63)	500
50170 Board Expenses		88	(88)	5,989	5,913	76	6,000
50180 Brownfields Assessment Expense	6,129	11,207	(5,077)	138,102	123,272	14,830	134,478
50190 Brownfields Project Mgmt Exp		2,653	(2,653)	18,013	29,181	(11,168)	31,834
50200 Brownfields RLF Expense	320	15,557	(15,237)	9,100	171,131	(162,030)	186,688
50210 Building Art and Decor		-	-	285	-	285	1,000
50220 Building Operations/Maintenance	6,204	9,012	(2,808)	86,416	99,134	(12,718)	108,146
50240 Community Development Projects		7,500	(7,500)	41,903	35,000	6,903	55,000
50250 Community Partner Projects		-	-	-	3,500	(3,500)	3,500
50260 Conferences	(95)	128	(223)	23,881	8,416	15,465	30,044
50270 Contingency		-	-	-	40,000	(40,000)	40,000
50280 Contribution Expense			-			-	3,500
50300 Dues/Subscriptions/Memberships	8,763	10,667	(1,904)	97,145	110,266	(13,121)	121,783
50400 Event Expense	215	625	(410)	30,515	24,875	5,640	30,401
50410 Hosted Meetings	489	929	(440)	9,252	10,821	(1,568)	12,400
50430 Insurance	4,507	5,032	(525)	48,469	55,187	(6,718)	60,219
50440 Marketing	14,916	6,625	8,291	77,804	72,875	4,929	79,500
50450 Office Equip & Furn < \$5000		-	-	8,681	6,000	2,681	23,351
50460 Office Expense and Supplies	1,234	2,466	(1,232)	27,921	27,131	791	32,597
50470 Payroll Processing Expense	2,336	2,408	(72)	24,312	26,488	(2,176)	28,896
50480 Professional Development	5,715	792	4,923	16,353	8,708	7,644	27,274
50490 Professional Fees	4,125	4,208	(83)	98,781	81,292	17,489	85,500
50510 Programming - Workforce	183	9,500	(9,317)	11,859	44,500	(32,641)	54,000
50520 Property Tax Protests	6,680	-	6,680	21,615	39,002	(17,387)	39,002
50530 APEX Subcenter	45,114	43,908	1,206	470,462	482,987	(12,525)	526,895
50540 Rent	709	988	(279)	9,626	10,868	(1,242)	11,856
50550 Repairs	648	1,000	(352)	18,470	11,000	7,470	12,000
50560 Rock31 Programming	69	236	(167)	1,712	2,599	(887)	2,835
50570 SBDC Program Expense			-	1,385	-	1,385	-
50571 Program Expense for TrueSpace			-	741	-	741	-

**Big Sky Economic Development Authority**  
**Statements of Operations - Budget vs. Actual**  
For the Month and YTD Ended May 31, 2025

	May 2025			YTD			Fiscal Year
	Actual	Budget	over Budget	Actual	Budget	over Budget	Annual Budget
50580 Special Assessments BID	2,025	1,250	775	4,051	2,500	1,551	2,500
50590 Sponsorships	1,650	500	1,150	16,313	5,500	10,813	10,650
50600 Staff Expenses	143	375	(232)	6,525	7,125	(600)	9,600
50610 Strategic Priorities			-			-	15,000
50630 TEDD			-			-	600
50640 Telecommunications	5,319	4,715	604	54,589	51,867	2,722	56,582
50650 Travel	9,734	7,367	2,367	94,047	83,037	11,010	116,104
50670 Miscellaneous	(206)	269	(475)	7,124	4,838	2,285	6,727
Total Expenses	353,595	377,770	(24,176)	4,035,533	4,189,711	(154,178)	4,700,577
Net Operating Income	38,070	16,449	21,621	181,514	146,700	34,814	31,053
Other Income							
70000 Non-Operating Income	4,273	10,500	(6,227)	115,906	89,500	26,406	100,000
Total Other Income	4,273	10,500	(6,227)	115,906	89,500	26,406	100,000
Other Expenses							
80000 Non-Operating Expense	22,079	21,948	132	241,874	241,426	448	263,374
Total Other Expenses	22,079	21,948	132	241,874	241,426	448	263,374
Net Other Income	(17,807)	(11,448)	(6,359)	(125,967)	(151,926)	25,959	(163,374)
Net Income	\$ 20,263	\$ 5,001	\$ 15,262	\$ 55,546	\$ (5,226)	\$ 60,773	\$ (132,321)

**Big Sky Economic Development Authority**  
**Statements of Financial Position - Comparison to Previous Year**  
As of May 31, 2025

	As of May 31, 2025	As of May 31, 2024 (PY)	Change	% Change
<b>ASSETS</b>				
Current Assets				
Bank Accounts				
10000 Main Operating - FIB	\$ 379,240	\$ 506,234	\$ (126,994)	-25.09%
10010 Recovered Property Taxes - FIB	627	627	0	0.05%
10020 Operating Reserve - FIB	354,972	252,922	102,050	40.35%
10030 Reserve for Replacement - FIB	184,915	134,736	50,179	37.24%
10040 Pass-through - Cabelas Conduit	9,564	4,897	4,667	95.30%
10050 Opportunity Fund Savings Accounts	1,170,723	1,142,096	28,627	2.51%
10060 Opportunity Fund CDs-current	2,162,041	2,094,198	67,843	3.24%
10080 Yellowstone County Funds	918,520	765,465	153,055	20.00%
Total Bank Accounts	5,180,602	4,901,174	279,427	5.70%
Accounts Receivable				
10100 Accounts Receivable	3,426	77,357	(73,930)	-95.57%
10110 Accounts Receivable - APEX	181,338	260,899	(79,561)	-30.50%
10120 Accounts Receivable - SBDC	23,167	20,071	3,095	15.42%
10130 Accounts Receivable - VBOC	102,235	111,480	(9,245)	-8.29%
10140 Accounts Receivable - Brownfields	8,784	38,450	(29,666)	-77.15%
Total Accounts Receivable	318,950	508,256	(189,307)	-37.25%
Other Current Assets				
10200 Accrued Revenue	47,383		47,383	
10210 Due To/Due From EDC	69,920	70,472	(553)	-0.78%
10230 Tax Levy Receivable	116,773	78,719	38,054	48.34%
10240 Tax Levy Receivable - Protested	21,615	3,122	18,493	592.38%
10241 Allowance for Doubtful Accts - Protested Taxes	(21,615)	(3,122)	(18,493)	-592.38%
10260 American Airlines Rev Guarantee	6,887	6,887	-	0.00%
10270 Prepaid Expenses	27,959	13,100	14,859	113.43%
10299 Undeposited Funds	-	2,021	(2,021)	-100.00%
Total Other Current Assets	268,921	171,199	97,722	57.08%
Total Current Assets	5,768,473	5,580,630	187,843	3.37%
Fixed Assets				
10410 Bank Building - Land	301,750	301,750	-	0.00%
10420 Bank Building - Building	6,303,890	6,303,890	-	0.00%
10430 Furniture	227,169	227,169	-	0.00%
10440 Equipment	6,700	6,700	-	0.00%
10450 Barista Equipment	12,000	12,000	-	0.00%
10460 Accumulated Depreciation	(758,249)	(496,874)	(261,375)	-52.60%
Total Fixed Assets	6,093,260	6,354,635	(261,375)	-4.11%
Other Assets				
10600 Deferred Outflow of Resources	89,782	90,930	(1,148)	-1.26%
10630 Deposit	173	173	-	0.00%
10660 Right of Use Asset	11,243	5,345	5,898	110.35%
Total Other Assets	101,198	96,448	4,750	4.93%
<b>TOTAL ASSETS</b>	<b>\$ 11,962,931</b>	<b>\$ 12,031,712</b>	<b>\$ (68,781)</b>	<b>-0.57%</b>

**Big Sky Economic Development Authority**  
**Statements of Financial Position - Comparison to Previous Year**  
As of May 31, 2025

	As of May 31, 2025	As of May 31, 2024 (PY)	Change	% Change
<b>LIABILITIES AND EQUITY</b>				
<b>Liabilities</b>				
<b>Current Liabilities</b>				
Total Accounts Payable	\$ 102,543	\$ 111,246	\$ (8,703)	-7.82%
Total Credit Cards	6,104	32,429	(26,325)	-81.18%
<b>Other Current Liabilities</b>				
20200 Accrued Expenses	173,751	158,854	14,897	9.38%
20220 Compensated Absences	165,761	187,308	(21,547)	-11.50%
20230 Payroll Liabilities	277	6,688	(6,411)	-95.86%
20300 Deferred Revenues	133,006	39,000	94,006	241.04%
20400 Direct Deposit Liabilities	-	7,249	(7,249)	-100.00%
Total Other Current Liabilities	472,795	399,098	73,696	18.47%
Total Current Liabilities	581,442	542,774	38,668	7.12%
<b>Long-Term Liabilities</b>				
20500 Deferred Inflow of Resources	69,377	204,425	(135,048)	-66.06%
20600 Pension Liability	626,208	628,001	(1,793)	-0.29%
20700 Lease Liability	11,242	5,345	5,898	110.36%
Total Long-Term Liabilities	706,827	837,771	(130,943)	-15.63%
Total Liabilities	1,288,270	1,380,545	(92,275)	-6.68%
<b>Equity</b>				
30100 Net Assets	7,908,005	7,666,804	241,201	3.15%
30200 Contributed Capital	3,193,580	3,193,580	-	0.00%
30300 Prior Period Adjustment	(482,470)	(482,470)	-	0.00%
Net Income	55,546	273,253	(217,707)	-79.67%
Total Equity	10,674,661	10,651,168	23,493	0.22%
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$ 11,962,931</b>	<b>\$ 12,031,712</b>	<b>\$ (68,781)</b>	<b>-0.57%</b>



**Big Sky Economic Development Corporation (BSEDC)  
Financial Summary for Board of Directors  
FY25 - As of and for the period ended May 31, 2025**

**Statement of Operations**

Net Operating Revenue: \$ 156,105

**Factors Driving Net Operating Revenue:**

The net operating revenue for the fiscal year to date through May 31, 2025 is more than the budgeted net operating revenue by approximately \$80K. Total revenues are more than budget by \$68.5K and total expenses are less than budget by \$11.6K. See below for factors contributing to the variances:

**Revenue**

- 504 Loan Servicing and Origination are behind by \$36K due to timing of closings for loans in progress. There is one additional loan that funded in June and eleven additional 504 loans in progress in various stages of the loan process, some of which are for businesses undergoing construction. Loan closings for four loans occurred in May 2025 and will be funded in July 2025 with expected loan origination funds of approximately \$42,000. The other seven 504 loans in progress amount to approximately \$93K in loan origination revenues.
- 504 Float Income is ahead by \$75.5K due to strong portfolio
- Member Investor Pledges are ahead by \$29K

**Expense**

- Operating expenses variances are reasonable with slight variations over and under resulting in net underspending of \$11.6. No notable large variances.

Non-operating income consists primarily of SSBCI 2.0 LPP Revenue (\$184.5K) for the loans that closed in July and August 2024, and revenue received from State of Montana DOC (\$530K) for RLF lending. Non-operating expense consists of bad debt expense.

**Statement of Financial Position**

Cash available for general operations: \$361,720  
Cash designated for loan programs: \$1,599,339  
Cash designated for Coulson Park and Opportunity Funds: \$178,771  
Opportunity Fund cash: \$60,981  
Accounts receivable: \$61,795  
Loan portfolios, net of allowance for loan losses: \$3,861,072  
Accounts payable: \$4,051  
Due to EDA: \$69,920

Cash available for general operations consists of FIB main operating checking and long term reserve bank accounts. BSEDC has a management services agreement in which it reimburses BSEDA for the cost of BSEDC employee salaries and building operations and maintenance. The amounts owed to BSEDA are reflected as liabilities on the Statement of Financial Position on the Due to/Due from EDA line and consists of amounts owed for May 2025. The average monthly cost to BSEDC for the management services agreement is approximately \$65,000-\$70,000.

**Big Sky Economic Development Corporation**  
**Statement of Operations - Budget vs. Actual**  
For the Month and YTD Ended May 31, 2025

	May 2025			YTD			Fiscal Year
	Actual	Budget	over Budget	Actual	Budget	over Budget	Annual Budget
Revenue							
40010 504 Loan Servicing	\$ 32,764	\$ 35,333	\$ (2,569)	\$ 369,857	\$ 388,667	\$ (18,810)	\$ 424,000
40020 504 Loan Origination		11,250	(11,250)	109,054	123,750	(14,696)	135,000
40040 504 Loan Closing Attorney Fees		2,083	(2,083)	20,000	22,917	(2,917)	25,000
40050 504 Float Income	52,284	10,000	42,284	105,564	30,000	75,564	30,000
41010 Member Investment Pledges		-	-	322,200	290,000	32,200	290,000
41020 Member Investment - Trades	447	2,083	(1,636)	19,942	22,917	(2,975)	25,000
42010 Federal EDA RLF Loan Interest	8,890	7,900	990	99,246	91,100	8,146	98,987
42020 RLF Loan Interest	2,197	5,500	(3,303)	18,841	32,282	(13,441)	37,782
42025 RLF Origination Fees			-	1,750	-	1,750	-
42030 MT RLF Loan Interest	363		363	1,485	-	1,485	-
42040 SSBCI Loan Interest	3,035	2,300	735	29,687	25,300	4,387	41,400
42045 SSBCI Origination Fees		500	(500)	-	5,500	(5,500)	8,600
42050 SSBCI 2.0 Loan Interest	1,121	1,241	(120)	14,795	13,659	1,136	-
42055 SSBCI 2.0 Origination Fees		-	-	1,500	1,500	-	-
43000 Other Revenue		-	-	2,262	-	2,262	250
Total Revenue	101,101	78,191	22,910	1,116,182	1,047,591	68,591	1,140,019
Gross Profit	101,101	78,191	22,910	1,116,182	1,047,591	68,591	1,140,019
Expenditures							
50140 Advertising	1,061	250	811	7,451	2,750	4,701	3,000
50170 Board Expenses		-	-	978	1,000	(22)	1,000
50240 Business Development Outreach	192	125	67	718	1,375	(657)	1,500
50250 Business Recruitment and Expans		1,332	(1,332)	13,097	13,668	(571)	15,000
50260 Conferences	1,500	-	1,500	3,500	3,720	(220)	4,560
50270 Contingency			-			-	20,000
50300 Dues/Subscriptions/Memberships	1,985	2,094	(109)	19,095	23,033	(3,938)	25,127
50330 EDA Reimbursement	61,429	65,770	(4,341)	716,965	723,470	(6,505)	789,240
50340 Event Expense	1,385	1,635	(250)	20,474	23,115	(2,641)	24,500
50360 Hosted Meeting Expense	3,166	875	2,291	5,584	3,675	1,909	7,800
50380 Insurance	1,983	1,265	718	19,654	13,912	5,742	15,177
50390 Loan Expenses	3,625	(130)	3,755	12,934	(2,020)	14,954	(2,150)
50400 Marketing	3,268	3,600	(332)	14,888	15,100	(212)	19,000
50410 Membership Development	65	708	(643)	1,801	7,792	(5,991)	8,500
50420 Member Investor Trades	447	2,083	(1,636)	16,442	22,917	(6,475)	25,000
50450 Office Expenses and Supplies		65	(65)	320	735	(415)	800
50460 Postage		-	-	154	50	104	100
50470 Professional Development	950	-	950	5,991	8,000	(2,009)	8,000
50480 Professional Fees	7,234	6,104	1,130	73,052	66,146	6,907	72,250
50490 Program Development - Workforce		200	(200)	-	800	(800)	1,000
50500 Rent	238	193	45	2,568	2,120	448	2,313
50510 Rock31 Business Accelerator		1,600	(1,600)	-	6,400	(6,400)	8,000
50530 Rock31 Member Appreciation	96	200	(104)	111	800	(689)	1,000
50540 Rock31 Programming		600	(600)	-	2,400	(2,400)	3,000
50550 Sponsorships	272	-	272	1,272	500	772	1,000
50560 Staff Expenses		223	(223)	267	927	(660)	1,150
50570 Telecommunications	140	205	(65)	2,190	2,255	(65)	2,460
50580 Travel	1,299	4,025	(2,726)	19,350	25,775	(6,425)	30,280
50610 Miscellaneous	123	121	2	1,221	1,329	(108)	1,450
Total Expenditures	90,458	93,143	(2,686)	960,078	971,743	(11,666)	1,114,057
Net Operating Revenue	10,643	(14,953)	25,596	156,105	75,848	80,257	25,962

**Big Sky Economic Development Corporation**  
**Statement of Operations - Budget vs. Actual**  
For the Month and YTD Ended May 31, 2025

	May 2025			YTD			Fiscal Year
	Actual	Budget	over Budget	Actual	Budget	over Budget	Annual Budget
Other Revenue							
70000 Non-Operating Income	181	192	(11)	770,657	2,108	768,549	12,300
Total Other Revenue	181	192	(11)	770,657	2,108	768,549	12,300
Other Expenditures							
80000 Non-Operating Expense		-	-	4,000	5,000	(1,000)	10,000
Total Other Expenditures	-	-	-	4,000	5,000	(1,000)	10,000
Net Other Revenue	181	192	(11)	766,657	(2,892)	769,549	2,300
Net Revenue	\$ 10,824	\$ (14,761)	\$ 25,585	\$ 922,762	\$ 72,956	\$ 849,806	\$ 28,262



**Big Sky Economic Development Corporation**  
**Statements of Financial Position - Comparison to Previous Year**  
As of May 31, 2025

	As of May 31, 2025	As of May 31, 2024 (PY)	Change	% Change
<b>ASSETS</b>				
Current Assets				
Bank Accounts				
10000 Main Operating - FIB	\$ 111,720	\$ 117,020	\$ (5,300)	-4.53%
10020 Long Term Reserve - FIB	250,000	250,000	-	0.00%
10030 Coulson Park - FIB x0594	178,771	111,628	67,143	60.15%
10050 Opportunity Fund Savings - FIB	60,981	60,951	30	0.05%
10060 RLF Principal - FIB	628,042	341,888	286,154	83.70%
10070 SSBCI Principal - FIB/Stockman	750,345	586,341	164,004	27.97%
10080 Federal EDA RLF Principal- FIB	220,951	242,979	(22,027)	-9.07%
Total Bank Accounts	2,200,811	1,710,807	490,004	28.64%
Accounts Receivable				
10100 Accounts Receivable	61,795	33,500	28,295	84.46%
Total Accounts Receivable	61,795	33,500	28,295	84.46%
Other Current Assets				
10199 Undeposited Funds	1,500	2,500	(1,000)	-40.00%
10200 Fed EDA RLF Portfolio - Current	79,521	42,520	37,001	87.02%
10240 Traditional RLF Portfolio - Current	6,766	3,484	3,282	94.18%
10270 MT RLF Portfolio - Current	929		929	
10300 SSBCI Portfolio - Current	10,989	4,878	6,112	125.30%
10330 SSBCI 2.0 Portfolio - Current	19,921		19,921	
10360 Stabilization - Current	-	1,534	(1,534)	-100.00%
10370 Prepaid Expenses	13,540	8,630	4,911	56.90%
Total Other Current Assets	133,167	63,545	69,621	109.56%
Total Current Assets	2,395,773	1,807,852	587,920	32.52%
Other Assets				
10600 Fed EDA RLF - Non-Current	1,724,595	1,735,789	(11,194)	-0.64%
10640 Traditional RLF Portfolio - Non-Current	369,900	167,999	201,902	120.18%
10670 MT RLF Portfolio - Non-Current	60,407		60,407	
10700 SSBCI Portfolio - Non-Current	765,883	754,708	11,175	1.48%
10730 SSBCI 2.0 Portfolio - Non-Curre	965,293	595,250	370,043	62.17%
10790 Allowance for Loan Losses	(143,132)	(26,357)	(116,776)	-443.06%
Total Other Assets	3,742,946	3,227,389	515,557	15.97%
<b>TOTAL ASSETS</b>	<b>\$ 6,138,719</b>	<b>\$ 5,035,241</b>	<b>\$ 1,103,477</b>	<b>21.92%</b>
<b>LIABILITIES AND EQUITY</b>				
Liabilities				
Current Liabilities				
Total Accounts Payable	\$ 4,051	\$ 73,147	\$ (69,096)	-94.46%
Total Credit Cards	1,919	6,059	(4,140)	-68.33%
Other Current Liabilities				
20150 Due to/Due From EDA	69,920	70,472	(553)	-0.78%
20200 Accrued Expenses	16,702	(2,500)	19,202	768.10%
Total Other Current Liabilities	86,622	67,972	18,650	27.44%
Total Current Liabilities	92,592	147,178	(54,586)	-37.09%
Total Liabilities	92,592	147,178	(54,586)	-37.09%
Equity				
30100 Retained Earnings	5,123,364	3,500,911	1,622,453	46.34%
Net Revenue	922,762	1,387,152	(464,390)	-33.48%
Total Equity	6,046,126	4,888,063	1,158,063	23.69%
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$ 6,138,719</b>	<b>\$ 5,035,241</b>	<b>\$ 1,103,477</b>	<b>21.92%</b>

# ATTACHMENT C

**SBA 504 Loan Request**

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

1. **MT Cleaning LLC (MST Investments LLC)** – The purpose of this request is for the purchase of an existing commercial real estate building for MT Cleaning LLC. MT Cleaning was established in 2015 and is owned 100% by Miguel Mascarena. MT Investments is a janitorial company specializing in window cleaning, commercial and residential cleaning and post construction clean-up.

The total SBA debenture will be \$116,000 on a 25-year note comprising 40% of the total project. Big Sky EDC and the SBA will be in a 2<sup>nd</sup> lien position on the real property behind Western Security Bank. The project meets Public Policy goals of minority ownership and located in a HUBZone.

2. **Pharm406, Inc.** – The purpose of the request is for financing the purchase of an existing commercial real estate building located in Butte, MT, for Pharm406. This acquisition will be an expansion for Pharm406, allowing them to better service their clientele in western Montana and further grow the business. Pharm406 is an independently owned full-service pharmacy headquartered in Billings and provides prescriptions for assisted living facilities around the state which this location will help to serve. The business is 100% owned by Kyle Austin and opened its first location in 2020 in Billings. Five (5) new jobs are expected to be created because of this project.

The total SBA debenture will be \$416,000 on a 25-year note comprising 40% of the total project. Big Sky EDC and the SBA will be in a 2<sup>nd</sup> lien position on the real property behind Yellowstone Bank. The project meets Community Development goals of Improving/strengthening the community and new income to the community.

3. **Jump Time Montana LLC** – The purpose of this request is for the acquisition of commercial real estate associated with a partner buy-out. Jump Time Montana LLC is a trampoline park started in 2020 in Bozeman, MT. It has been owned 50/50 by Chad Babcock and Eric Anderson. Big Sky EDC financed the construction of the building in 2020 with a 504 loan. Chad is buying out Eric's interest in the business and Eric's equity in the commercial real estate. The requested financing is only associated with buying out Eric's interest in the real estate. Chad and his wife Katherine will be 100% owners of the real estate resulting from this project/buyout. Katherine will be added as a personal guarantor on this note and the existing 504 note.

The total SBA debenture will be \$642,000 on a 25-year note comprising 40% of the total project. Big Sky EDC and the SBA will be in a 3<sup>rd</sup> lien position behind First Security Bank of Bozeman and the original SBA 504 note. Big Sky's loan to value remains strong in the 3<sup>rd</sup> position. The project meets a public policy goal of Rural Development and the existing 11.5 FTE's will be retained.

# ATTACHMENT D

# ORGANIZATIONAL CHART

BUSINESS ADVISING & LENDING • COMMUNITY DEVELOPMENT • NEW BUSINESS RECRUITMENT • WORKFORCE DEVELOPMENT



**PAUL GREEN**  
*Executive Director*



**MARCELL BRUSKI**  
*Senior Director of Engagement*



**KEITH HART**  
*Rock31 Director*



**KATELYN HARMON**  
*Marketing Manager*



**TYLER WINK**  
*Business Development Manager*



**ASHLEY KAVANAGH**  
*Senior Director of Recruitment & Community Development*



**DIANNE LEHM**  
*Director of Community Development*



**THOM MACLEAN**  
*Senior Project Manager*



**REANN KELLER**  
*Executive Assistant/ Operations Lead*



**NIK PEDERSEN**  
*Operations Support Specialist*



**TAMI FLEETWOOD**  
*Senior Director of Finance*



**HEATHER KIRPACH**  
*Loan Officer*



**NINA PHILPOTT**  
*Loan Closing Officer*



**BRANDON BERGER**  
*Director of Big Sky Finance*



**DEANNA LANGMAN**  
*Statewide Program Manager APEX Accelerator*



**TEREZA BROWNELL**  
*Government Contracting Advisor*



**LYNNETTE ENGELHARDT**  
*Government Contracting Advisor*



**LORENE HINTZ**  
*SBDC Regional Director*



**RICK BROWN**  
*Director - VBOC*



**JUSTIN RIGBY**  
*VBOC Project Manager*

## 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.



# ATTACHMENT E

## **MEMO-Personnel Action**

### **August 14, 2025 – Big Sky Economic Development Corporation Board Meeting**

**RE:** Appointment: BSEDC Assistant Secretary

#### **Action Item**

---

Per Section 6.1 (Officers) of the Big Sky Economic Development Corporation (BSEDC) Bylaws (03-23-20), the Board of Directors of Big Sky Economic Development Corporation hereby appoint the following individual as Assistant Secretary of the Corporation.

- Heather Kirpach

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

The Board of Directors of Big Sky Economic Development Corporation do hereby approve of this action at the August 14, 2025, Board meeting.