



EDA/EDC – Joint Board Meeting
Thursday, April 9, 2026
7:30 A.M. to 9:00 A.M.
Rock31/BSED Building
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.

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 – Lucy Aspinwall, EDA Chair**

- 7:32 A.M. Public Comment/Introductions & Special Guest Presentations**
 - Space2Place Awards – April 23rd 3pm-5pm at 105 Brewing
 - Jail Expansion Presentation

- 7:50 A.M. Changes to Today’s Agenda**

- 7:52 A.M. Consent Items for Board Action**
 - EDA/EDC Joint Meeting Minutes- March 12, 2026 (Action)
 - EDA/EDC FY’26 February Financial Statements (Attachment A) (EDA & EDC)
(Attachment B) (EDA & EDC)

- 7:55 A.M. Executive Director Report – Brandon**
 - TIF update (Info)
 - ORE Grant Award (Info)
 - Budget Process (Attachment C) (Info)
 - BSED Staffing update (Info)
 - Search Committee update (Info)

- 8:30 A.M. Program Action Items/Reports**
 - Big Sky Finance – Brandon
 - EDA-RLF Plan (Info) (EDC Only)
 - Loan Approvals (Attachment D) (EDC Only)
 - VBOC update – Justin (Info)

- 9:00 A.M. Adjourn**

Next EDA/EDC Joint Board Meeting – April 9, 2026 (7:30 A.M. to 9:00 A.M.) Location-Zoot Training & Event Space, BSED Building, 2nd Floor. *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 email Reann Keller, reann@bigskyeda.org, or call Big Sky Economic Development at 406-256-6871.*



BIG SKY
ECONOMIC DEVELOPMENT

EDA • EDC CREATING MONTANA BUSINESS OPPORTUNITIES

ATTACHMENT A

Big Sky EDA/EDC Joint Board Meeting Minutes
March 12th, 2026 - 7:30 A.M. to 9:30 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** – Lucy Aspinwall, Bryan Wood, Kate Vogel, Aaron Redland, Vince Mistretta, Zachary Dunn, Austin Stacey, Turk Stovall
Ex-officio – Mike Waters, Dr. Erwin Garcia, John Brewer, Katy Schreiner, Denis Pittman

EDC – Jennifer Kobza, Jennifer Weaver Kondracki, Nichole Mehling, Nick Pancheau, Debbie Desjarlais, Dave Ballard, Shannon Christensen, DJ Clark, Kim Jakub, Mark Morse, John Pearson, Michael Phillips, Matt Robertson, Molly Schwend

Committee Members Absent: **EDA** – Riley Bennett, Stefan Cattarin, Darin Uselman
Ex-officio – Kurt Markegard

EDC – Spencer Frederick, Keagan Harsha, Dr. Stefani Hicswa, Jerry Simonson, George Warmer, Tyler Wiltgen

Staff and Others Present: Reann Keller, Brandon Berger, Tereza Brownell, Tami Fleetwood, Dianne Lehm, Keith Hart, Tyler Wink, Chris White, Sarah Stanger.

Call to Order:
Jen Kobza, EDC Chair, called the meeting to order at 7:30 A.M.

Public Comment/Introductions & Special Guest Presentation:
None

Agenda Changes for Today's Meeting:
Request to move the Pinion Audit Review Topic down to the regular agenda section.

Motion: **Mark Morse** to approve agenda change to move the Pinion Audit Review topic down to the regular part of the agenda.
Second: **Nick Pancheau**
Discussion: None
Motion: Carried

REGULAR AGENDA

EDA/EDC Audit Report Review

Sarah Stanger with Pinion provided an overview of the audit for both EDA and EDC. The summary of auditors' results for both EDA and EDC reflect no deficiencies or material weaknesses as well as no findings, which is key. Follow-up on the prior year findings for EDC reflect that all findings were resolved throughout the year. EDA did not have any prior year findings for follow-up. Appreciation shared for Pinion's work and to Tami for all of her work on the audit this year.

Motion: **Mark Morse** to approve the EDA/EDC Audit Report as presented to the Board.

Second: **Kate Vogel**

Discussion: Full copies of the audit reports will be sent out to the Board for their reference.

Motion: Carried

Consent Agenda Items for Board Action

Approval to:

- **February 12, 2026, EDA/EDC Joint Board Meeting Minutes**
- **EDA/EDC FY'26 January Financial Statements**

Motion: **Dave Ballard** to approve the February 12, 2026, EDA/EDC Joint Board Meeting Minutes and the EDA/EDC FY'26 January Financial Statements as presented to the Board.

Second: **Matt Robertson**

Discussion: VBOC Receivables are typically 2-3 months behind and then are paid all at once. We will receive 2 months payment and then there will be a hold on future payments until end of May.

Motion: Carried

Executive Director Report

SHOT Show – Brandon attended event at the end of January. BSED has been in attendance for the last few years. Multiple Montana EDOs, Fish and Wildlife, Attorney General and other organizations were present to help support MT Department of Commerce. Provided a great networking opportunity. Three or four inquiries have come in recently from companies in states that do not support production of firearms who are interested in learning more about doing business in MT.

TIFs – Brandon notified the Board that there is a City Council work session planned for April 6th to discuss TIF management. There are three separate TIFs that are managed separately and there have been questions whether it would be beneficial to have all TIFs managed by one organization and BSED may potentially be asked to submit a proposal if they decide to move forward with an RFP/RFQ process. Katie Schreiner, Executive Director of the Downtown Billings Alliance (DBA) shared information regarding Urban Renewal Districts and that each of the three districts are very different and have different management needs. She shared concerns about negative impact on current projects and for the DBA's funding. Brandon will be attending the work session on April 6th and report back to the Board at April's Board meeting.

VBOC Update – Payments are currently being paused at a federal level until end of May. We will receive payment; it will just be delayed. Services will be delivered as usual and BSED will keep an eye on cash flow but there are no immediate concerns at this point in time.

Jail Expansion – Yellowstone County Commissioners have this topic scheduled at their public hearing on March 31st. Brandon will offer public comment in support of this initiative and share how public safety impacts economic development. Jail tours are available through the Chamber for those that are interested.

BSED Hiring update – Brandon provided update on the four open positions. APEX Government Advisor position should be finalized soon. Anticipate that this will be a remote position located in Bozeman/Butte service area that was previously supported by Lynnette. The Community Development Project Manager position is wrapping up final interviews this week. The Marketing and Communications Manager role has received a large volume of strong candidates and first round interviews are underway. The Credit Analyst position had few candidates but should be finalizing an offer soon. In regard to the Executive Director search, first round interviews are scheduled for March 25th with finalist interviews on April 10th. Five candidates have been selected for first round of interviews.

Program Action Items/Reports

Big Sky Finance – Brandon

- **SBA 504 Semi-annual report** – Brandon provided an update on loan portfolio as required by the SBA. This data is through December 31, 2025. Total of 135 loans with an outstanding balance of over \$68 million. Noted that loan approvals appear to be down in 2025 compared to 2024 due to a large loan that was approved in 2024 for \$4.5 million. Seeing an increase in prepaids and there are a few loans reaching their maturity dates. Reviewed loan concentration levels which are still well within standard although it is a medium risk item. Currently have two stress loans that are over 90 days past due. There is the possibility that SBA will repurchase these notes from the borrower in which case the servicing income will then go to the SBA. Big Sky Finance SBA rankings are good. Currently ranked 1 in lender purchase rating on a scale of 1-5 with 1 being the best. The SMART score went up slightly from prior quarter due to the two stress loans with a current SMART score of 20 on a scale of 12-60, 12 being the best. Currently there are no high-risk items and no overall concerns with the portfolio.

Motion: **Mike Morse** to approve the SBA 504 Semi-annual report as presented to the Board.

Second: **Shannon Christensen**

Discussion: None

Motion: Carried

- **SBA 504 Loan Requests** – 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.
 - **Quick n' Clean Fresh, LLC (Aspen Falls, LLC)**– The purpose of this request is for the purchase of land, new construction and equipment for Quick n' Clean Fresh LLC and EL BUEN SAZON Mexican restaurant LLC located in Billings, MT. Both entities will be co-borrowers. Project consists of construction of a new building located at 4140 State Avenue which will house both the new coin-op laundromat and restaurant, each in its own unit. Both are new businesses, owned 100% by Nestor Chavez. The laundromat opened in August 2025, and the restaurant portion is nearing completion. Nestor had previously operated the restaurant out of a food truck. Nestor's wife and daughter-in-law will both assist with overall operations. There are projected to be five new jobs created as a result of this project.

The total SBA debenture will be \$927,000 on a 25-year note comprising just under 30% of the total project. Big Sky EDC and the SBA will be in a 2nd lien position on the real and personal property behind Bravera Bank. The project meets Public Policy goals as a minority owned business, new income to the community and being located in a HUBZone.

- **Guerrero's Polson LLC (Guerrero's LLC)**– This request is for an update to the loan previously approved by the Board at the June 19, 2025, Board meeting. Borrower has elected to establish a real estate holding company for the financing structure. Previously, this was structured with one entity, Guerrero's Polson LLC, as both the operating company and owner of real estate. Guerrero's Polson LLC will be the eligible passive company (EPC) and Guerrero's LLC will be the operating company (OC).

Original request June 19, 2025: 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 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 2nd 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.

- **ZATO, LLC (BHive, LLC)**.– This request is for an update to the loan previously approved by the Board at the February 12, 2026, Board meeting. Project costs have increased due to additional environmental costs to be included in the total financing. Total SBA debenture is being increased from \$278,000 to \$279,000. No other changes to the request and no impact on repayment ability.

Original request February 12, 2026: The purpose of this request is for the purchase of a commercial real estate for ZATO, LLC located in Billings, MT. ZATO was originally established in 2013 as K.E. Creative, and later changed its name to ZATO, LLC in 2017. The company was founded by Kirk Williams who is the 100% owner and operator of the business. The firm is a Pay-Per-Click marketing company whose focus is the optimization of marketing for their clientele on a month-to-month basis. There are projected to be two new positions hired over the next two years, adding to the 6 FT and 3 PT employees.

The total SBA debenture will be \$278,000 on a 25-year note comprising 40% of the total project. Big Sky EDC and the SBA will be in a 2nd lien position on the real property behind Western Security Bank. The project meets a Community Development goal being located in an Opportunity Zone.

Vote taken, quorum not met. Electronic vote was sent out on 3/12/2026 to EDC Board Members. 16 responses were received, three lenders participated in the vote. Motion passed to approve all three loans as presented to the Board. Jerry Simonson abstained from vote for ZATO, LLC (BHive, LLC).

Congressionally Directed Spending – Dianne shared that Senator Sheehy’s office is currently accepting proposals due tomorrow. BSED is putting in a request for consideration for roughly \$2 million to extend the water main in the Lockwood TEDD. The EDA grant previously received for the Lockwood TEDD has remaining funds of about \$2 million left over from previous project and a request has been submitted to the EDA to extend the scope of work through that grant but EDA shared that is not likely to be approved. This is where this appropriations request comes in. If the funding is received this project could be completed in less than a year.

Public Comment

- Jen Kobza thanks the staff and Tami for her time and hard work with the Audit.
- Keith shared that BSED will be hosting the Northwestern Energy landscape update on March 19th at 1:00pm should the Board wish to attend.

Adjourn

Motion: **Nick Pancheau** to adjourn the meeting.

Jen Kobza adjourned the meeting at 8:45 A.M.

Next Meeting – April 9, 2026

Respectfully submitted,

Kate Vogel, EDA Secretary/Treasurer

Nichole Mehling, EDC Secretary/Treasurer



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ATTACHMENT B



**Big Sky Economic Development Authority (BSEDA)
Financial Summary for Board of Directors
FY26 - As of and for the period ended February 28, 2026**

Statement of Operations

Net Operating Revenue: \$142,804

Factors Driving Net Operating Revenue:

The net operating revenue for the fiscal year to date through February 28, 2026 resulted in an increase over budgeted net operating expense by approximately \$166K. Total revenues are less than budget by approximately \$296K and total operating expenses are less than budget by \$463K. See below for factors contributing to the variances:

Revenue

- Brownfields revenue for Assessment and RLF grants are less than YTD budget by approximately \$129K due to the timing and amount of Brownfields activity during the reporting period. Note that Brownfields Assessment is a reimbursement based grant, so revenues are entirely offset by expenses. The Brownfields RLF issues loans for qualifying borrowers. The money received for the loans is reported as revenue even though it is passed through to a borrower. There is not a corresponding expense to offset the loans.
- APEX revenue is less than YTD budget by approximately \$131K. APEX is a reimbursement based grant based on actual activity for the reporting period, so revenues are offset by expenses. BSEDA's portion of the cost sharing is approximately 28% while Federal portion is approximately 72%. The program is budgeted to have 3 full-time team members, but has been operating with just a single team member since November 2025.
- SBDC revenue was originally budgeted at \$105.5K for FY26 based on the mid-year contract amendment that took place July 1, 2025 to reduce the 2025 annual calendar year budget by \$33.5K. The annual contract amount for calendar year 2026 was reduced even further to \$76K. The annual budget amount on the statement of operations has been modified for this amendment.
- VBOC revenue is less than YTD budget by approximately \$24K. VBOC is a reimbursement based grant based on actual activity for the reporting period, so revenues are offset by expenses.

Expense

- Salaries and employer contributions are underspent by approximately \$160.7K compared to budget due to loss of 50% of our workforce since 7/1/25. The budget also includes a contingency amount for staffing changes and overtime that has not been utilized YTD.
- Brownfields expenses are less than YTD budget due to amount of activity during the reporting period.
- Contingency has not been used, so underspent by amounts allocated to this reporting period.
- Federal cooperative agreements are reimbursement based, so generally underspent by the amount of revenues noted 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 and amortization and immaterial bank fees.



Statement of Financial Position

Cash available for operations: \$1,802,157
Opportunity Fund cash and CDs: \$3,417,040
Accounts receivable: \$362,636
Due from EDC: \$67,532

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 \$544,926. BSEDA's cash position is good and sufficient to meet the needs of the organization.

The accounts receivable balances outstanding at February 28, 2026 include one customer balance that is aged more than 60 days (VBOC). With the government shutdown that occurred for several months, payments were behind. The aged amounts were paid in full in March 2026, so there is currently only one month outstanding for February 2026. 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 of February 2026 and YTD Ended February 28, 2026

	Feb 2026				YTD				Fiscal Year
	Actual	Budget	over Budget	% of Budget	Actual	Budget	over Budget	% of Budget	Annual Budget
Income									
40000 County Taxes Mill Levy Revenue	\$ 176	\$ -	\$ 176		\$ 34,911	\$ -	\$ 34,911		\$ -
40001 Yellowstone County MOU	108,333	108,333	-	100.00%	866,667	866,667	0	100.00%	1,300,000
40020 Health Ins Mill Levy Revenue	4,240	7,818	(3,578)	54.24%	47,700	62,540	(14,840)	76.27%	93,810
40030 Recovery of Protested Taxes	-	83	(83)	0.00%	17,500	667	16,834	2625.18%	1,000
40050 Department of Defense - APEX	60,000	81,413	(21,413)	73.70%	519,790	651,303	(131,513)	79.81%	976,954
40060 EDC Reimbursement	47,491	57,603	(10,112)	82.45%	423,664	460,822	(37,158)	91.94%	691,233
40070 EPA Brownfields - Assessment	10,795	16,667	(5,872)	64.77%	60,830	133,333	(72,503)	45.62%	200,000
40080 EPA Brownfields - Project Mgmt		2,500	(2,500)	0.00%	8,983	20,000	(11,017)	44.92%	30,000
40090 EPA Brownfields - RLF	370	16,667	(16,297)	2.22%	87,534	133,333	(45,800)	65.65%	200,000
40100 APEX Advisor Agreement Support	2,000	2,000	-	100.00%	16,000	16,000	-	100.00%	24,000
40110 MT Dept of Commerce - SBDC	6,333	6,333	0	100.00%	49,968	49,968	0	100.00%	76,000 (1)
40120 SBDC Program Income	120	-	120		150	-	150		-
40130 SBA - VBOC	28,162	30,000	(1,838)	93.87%	216,054	240,000	(23,946)	90.02%	360,000
40140 Rock31 Membership Revenue	7,432	8,417	(985)	88.30%	62,030	67,333	(5,303)	92.12%	101,000
40150 Zoot/Other Room Rent Revenue	585	667	(82)	87.75%	4,388	5,333	(946)	82.27%	8,000
40160 Rock31 Barista Rent Revenue		700	(700)	0.00%	-	5,600	(5,600)	0.00%	8,400
40200 Miscellaneous Revenue		-	-		0	-	0		-
Total Income	276,038	339,200	(63,161)	81.38%	2,416,170	2,712,899	(296,729)	89.06%	4,070,397 (1)
Expenses									
50100 Salaries/Wages	95,728	149,907	(54,179)	63.86%	1,132,692	1,199,255	(66,563)	94.45%	1,798,883
50110 Employer Contributions	31,990	47,946	(15,955)	66.72%	289,422	383,566	(94,144)	75.46%	575,349
50140 Advertising		250	(250)	0.00%	-	2,000	(2,000)	0.00%	3,000
50150 Barista Equipment Maintenance		208	(208)	0.00%	-	1,667	(1,667)	0.00%	2,500
50160 Barista Supplies		42	(42)	0.00%	-	333	(333)	0.00%	500
50170 Board Expenses	247	500	(253)	49.42%	2,218	4,000	(1,782)	55.46%	6,000
50180 Brownfields Assessment Expense	10,795	16,667	(5,872)	64.77%	61,010	133,333	(72,323)	45.76%	200,000
50190 Brownfields Project Mgmt Exp		2,500	(2,500)	0.00%	8,983	20,000	(11,017)	44.92%	30,000
50200 Brownfields RLF Expense	370	16,667	(16,297)	2.22%	2,756	133,333	(130,577)	2.07%	200,000
50210 Building Art and Decor		-	-		90	3,750	(3,660)	2.40%	5,000
50220 Building Operations/Maintenance	7,551	8,879	(1,328)	85.04%	68,980	71,033	(2,053)	97.11%	106,550
50240 Community Development Projects	250	1,000	(750)	25.00%	7,693	13,000	(5,307)	59.18%	55,000
50250 Community Partner Projects		-	-		462	-	462		3,500
50260 Conferences		1,461	(1,461)	0.00%	5,014	10,707	(5,692)	46.83%	15,990
50270 Contingency		3,333	(3,333)	0.00%	-	26,667	(26,667)	0.00%	40,000
50280 Contribution Expense		292	(292)	0.00%	-	2,333	(2,333)	0.00%	3,500
50300 Dues/Subscriptions/Memberships	14,121	6,510	7,611	216.91%	83,197	69,399	13,797	119.88%	115,345
50400 Event Expense	645	300	345	215.15%	4,532	3,400	1,132	133.30%	4,600
50410 Hosted Meetings	14	821	(807)	1.73%	2,922	6,567	(3,645)	44.49%	9,850
50430 Insurance	4,796	4,670	126	102.70%	40,279	37,357	2,922	107.82%	56,035
50440 Marketing	45	583	(538)	7.78%	4,565	4,667	(102)	97.82%	7,000
50450 Office Equip & Furn < \$5000	453	-	453		2,420	2,100	320	115.25%	14,000
50460 Office Expense and Supplies	1,968	2,861	(893)	68.77%	13,386	22,887	(9,502)	58.49%	34,331
50470 Payroll Processing Expense	(722)	1,835	(2,557)	-39.37%	11,620	14,678	(3,058)	79.17%	22,017
50480 Professional Development		1,875	(1,875)	0.00%	1,684	15,000	(13,316)	11.23%	22,500
50490 Professional Fees	6,947	5,417	1,530	128.24%	63,259	43,333	19,926	145.98%	65,000
50510 Programming - Workforce		-	-		305	-	305		-
50520 Property Tax Protests		-	-		1,921	-	1,921		-
50530 APEX Subcenter	42,202	43,765	(1,563)	96.43%	348,629	350,122	(1,493)	99.57%	525,183
50540 Rent	364	876	(512)	41.50%	5,755	7,007	(1,252)	82.13%	10,511
50550 Repairs	188	1,333	(1,146)	14.06%	8,717	10,667	(1,950)	81.72%	16,000
50560 Rock31 Programming		250	(250)	0.00%	779	2,000	(1,221)	38.95%	3,000
50570 SBDC Program Expense	7	-	7		58	-	58		-
50580 Special Assessments BID		-	-		2,144	2,250	(106)	95.27%	4,500
50590 Sponsorships		1,333	(1,333)	0.00%	5,750	11,667	(5,917)	49.29%	16,000
50600 Staff Expenses	61	842	(781)	7.24%	1,301	6,733	(5,432)	19.32%	10,100
50610 Strategic Priorities		-	-		-	7,500	(7,500)	0.00%	15,000
50630 TEDD		50	(50)	0.00%	79	400	(321)	19.68%	600
50640 Telecommunications	3,798	5,025	(1,228)	75.57%	38,913	40,153	(1,241)	96.91%	60,305
50650 Travel	3,790	8,705	(4,915)	43.54%	45,934	69,639	(23,704)	65.96%	104,458
50670 Miscellaneous	157	542	(385)	28.95%	5,897	4,333	1,563	136.08%	6,500
Total Expenses	225,764	337,244	(111,480)	66.94%	2,273,366	2,736,837	(463,471)	83.07%	4,168,607
Net Operating Income	50,275	1,956	48,319	2570.04%	142,804	(23,938)	166,742	-596.56%	(98,210) (1)

Big Sky Economic Development Authority
 Statements of Operations - Budget vs. Actual
 For the Month of February 2026 and YTD Ended February 28, 2026

	Feb 2026				YTD				Fiscal Year
	Actual	Budget	over Budget	% of Budget	Actual	Budget	over Budget	% of Budget	Annual Budget
Other Income									
70000 Non-Operating Income	6,730	12,500	(5,770)	53.84%	50,193	100,000	(49,807)	50.19%	150,000
Total Other Income	6,730	12,500	(5,770)	53.84%	50,193	100,000	(49,807)	50.19%	150,000
Other Expenses									
80000 Non-Operating Expense	22,079	22,079	(0)	100.00%	176,646	176,636	10	100.01%	264,954
Total Other Expenses	22,079	22,079	(0)	100.00%	176,646	176,636	10	100.01%	264,954
Net Other Income	(15,349)	(9,579)	(5,770)	160.23%	(126,453)	(76,636)	(49,818)	165.01%	(114,954)
Net Income	\$ 34,925	\$ (7,623)	\$ 42,549	-458.14%	\$ 16,350	\$ (100,574)	\$ 116,924	-16.26%	\$ (213,164) {1}

{1} - SBDC's contract was amended by SBA from \$105,500 to \$76,000, which reduces budgeted revenue, operating income, and net income

Big Sky Economic Development Authority
Statements of Financial Position - Comparison to Previous Year
As of February 28, 2026

	As of Feb 28, 2026	As of Feb 28, 2025 (PY)	Change	% Change
ASSETS				
Current Assets				
Bank Accounts				
10000 Main Operating - FIB	\$ 1,176,450	\$ 298,233	\$ 878,217	294.47%
10010 Recovered Property Taxes - FIB	627	627	0	0.05%
10020 Operating Reserve - FIB	359,887	354,442	5,444	1.54%
10030 Reserve for Replacement - FIB	185,039	184,869	170	0.09%
10040 Pass-through - Cabelas Conduit	4,900	4,898	2	0.03%
10050 Opportunity Fund Savings Accounts	1,189,759	1,163,617	26,142	2.25%
10060 Opportunity Fund CDs-current	2,227,281	2,165,460	61,820	2.85%
10080 Yellowstone County Funds	75,255	585,516	(510,261)	-87.15%
10090 Clearing Account	-	99	(99)	-100.00%
10095 Payroll Clearing Account	-	42	(42)	-100.00%
Total Bank Accounts	5,219,197	4,757,804	461,393	9.70%
Accounts Receivable				
10100 Accounts Receivable	108,049	101,361	6,688	6.60%
10110 Accounts Receivable - APEX	123,302	232,726	(109,424)	-47.02%
10120 Accounts Receivable - SBDC	18,884	34,807	(15,924)	-45.75%
10130 Accounts Receivable - VBOC	111,915	74,848	37,067	49.52%
10140 Accounts Receivable - Brownfields	486	18,827	(18,341)	-97.42%
Total Accounts Receivable	362,636	462,570	(99,934)	-21.60%
Other Current Assets				
10200 Accrued Revenue	-	47,383	(47,383)	-100.00%
10210 Due To/Due From EDC	67,532	66,578	954	1.43%
10225 Accrued Interest Receivable	6,428		6,428	
10230 Tax Levy Receivable	26,105	650,792	(624,687)	-95.99%
10240 Tax Levy Receivable - Protested	1,921	14,935	(13,015)	-87.14%
10241 Allowance for Doubtful Accts - Protested Taxes	(1,921)	(14,935)	13,015	87.14%
10260 American Airlines Rev Guarantee	6,887	6,887	-	0.00%
10270 Prepaid Expenses	44,448	68,573	(24,126)	-35.18%
10299 Undeposited Funds	-	69,000	(69,000)	-100.00%
Total Other Current Assets	151,399	909,213	(757,814)	-83.35%
Total Current Assets	5,733,232	6,129,587	(396,355)	-6.47%
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	12,500	12,000	500	4.17%
10460 Accumulated Depreciation	(954,280)	(692,905)	(261,375)	-37.72%
Total Fixed Assets	5,897,729	6,158,604	(260,875)	-4.24%
Other Assets				
10600 Deferred Outflow of Resources	293,982	89,782	204,199	227.44%
10630 Deposit	173	173	-	0.00%
10660 Right of Use Asset	8,803	12,034	(3,230)	-26.84%
10700 Notes Receivable - Brownfields/EDC	84,778		84,778	
Total Other Assets	387,736	101,989	285,747	280.17%
TOTAL ASSETS	\$ 12,018,697	\$ 12,390,180	\$ (371,483)	-3.00%

Big Sky Economic Development Authority
Statements of Financial Position - Comparison to Previous Year
As of February 28, 2026

	As of Feb 28, 2026	As of Feb 28, 2025 (PY)	Change	% Change
LIABILITIES AND EQUITY				
Liabilities				
Current Liabilities				
Total Accounts Payable	\$ 103,295	\$ 111,825	\$ (8,529)	-7.63%
Total Credit Cards	11,007	14,652	(3,645)	-24.88%
Other Current Liabilities				
20200 Accrued Expenses	95,915	138,053	(42,137)	-30.52%
20220 Compensated Absences	122,420	215,391	(92,971)	-43.16%
20230 Payroll Liabilities	(401)	103	(504)	-489.19%
20300 Deferred Revenues	116,333	546,009	(429,676)	-78.69%
Total Other Current Liabilities	334,268	899,555	(565,287)	-62.84%
Total Current Liabilities	448,570	1,026,032	(577,462)	-56.28%
Long-Term Liabilities				
20500 Deferred Inflow of Resources	20,034	69,377	(49,343)	-71.12%
20600 Pension Liability	900,910	626,208	274,702	43.87%
20700 Lease Liability	8,803	12,034	(3,230)	-26.84%
Total Long-Term Liabilities	929,747	707,619	222,129	31.39%
Total Liabilities	1,378,317	1,733,651	(355,334)	-20.50%
Equity				
30100 Net Assets	7,912,919	7,908,005	4,914	0.06%
30200 Contributed Capital	3,193,580	3,193,580	-	0.00%
30300 Prior Period Adjustment	(482,470)	(482,470)	-	0.00%
Net Income	16,350	37,414	(21,064)	-56.30%
Total Equity	10,640,380	10,656,529	(16,149)	-0.15%
TOTAL LIABILITIES AND EQUITY	\$ 12,018,697	\$ 12,390,180	\$ (371,483)	-3.00%



**Big Sky Economic Development Corporation (BSEDC)
Financial Summary for Board of Directors
FY26 - As of and for the period ended February 28, 2026**

Statement of Operations

Net Operating Revenue: \$155,410

Factors Driving Net Operating Revenue:

The net operating revenue for the fiscal year to date through February 28, 2026 is more than the budgeted net operating revenue by approximately \$125K. Total revenues are less than budget by approximately \$21K and total operating expenses are less than budget by approximately \$146K. See below for factors contributing to the variances:

Revenue

- 504 Loan Servicing is behind YTD budget by approximately \$28K due primarily to early payoffs of outstanding principal. 504 Loan Origination is behind YTD budget by approximately \$41K due to timing of closings for loans in progress. The pipeline for 504 loans includes additional processing fees of approximately \$98K yet to fund this fiscal year. 504 Float Income is ahead of YTD budget by approximately \$28K with another installment yet to deposit in May 2026.
- Member Investment Pledges are in line with YTD budget as of February 2026. However, BSEDC has become aware that write-offs of approximately \$17K are needed due to Members indicating budgetary constraints, among other reasons, so those will be reflected in March 2026 financials. Additional write-offs may occur over the next few months to ensure the revenue reflected for the fiscal year is representative of what is expected to be collected and can be used as a base for establishing next year's budget.
- Interest earned from Big Sky Finance loan programs is ahead of YTD budget by approximately \$23K. It is expected that interest earnings will even out with the budgeted amount for the fiscal year since there have been a few loan payoffs.

Expense

- Event expenses are less than YTD budget by approximately \$21K due to the timing of when events are held as compared to allocating the year's expenses equally over 12 months. Additionally, the Annual Meeting, which is typically a significant expense for the organization, was cancelled in light of organizational changes that occurred the first part of this fiscal year. Event expenses are expected to remain under budget this fiscal year.
- Other operating expenses variances are reasonable with slight variations over and under resulting in net underspending of approximately \$146K.

Non-operating income consists primarily of SSBCI 2.0 loan proceeds (\$1.53M) plus interest income. Non-operating expense consists of bad debt expense (\$5.2K) and expenses on the Coulson Park project (\$49K).



Statement of Financial Position

Cash available for general operations: \$638,956
Cash designated for loan programs: \$2,645,947
Cash designated for Coulson Park and Opportunity Funds: \$155,029
Accounts receivable: \$143,150
Loan portfolios, net of allowance for loan losses: \$4,110,365
Notes receivable Brownfields RLF: \$70,447 (new in December 2025)
Accounts payable: \$103,208
Due to EDA: \$67,532

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 January 2026. The average monthly cost to BSEDC for the management services agreement is approximately \$45,000-\$60,000.

BSEDC issued its first loan using the Brownfields RLF funds that were awarded to the organization. The loan was funded by Brownfields to BSEDC to pass along to the borrower, so there is no cash effect to BSEDC. The principal amount of the loan will remain on BSEDC's balance sheet as a Note Receivable during repayment.

Big Sky Economic Development Corporation
Statements of Operations - Budget vs. Actual
For the Month of February 2026 and YTD Ended February 28, 2026

	Feb 2026				YTD				Fiscal Year
	Actual	Budget	over Budget	% of Budget	Actual	Budget	over Budget	% of Budget	Annual Budget
Revenue									
40010 504 Loan Servicing	\$ 31,738	\$ 35,900	\$ (4,162)	88.41%	\$ 258,781	\$ 287,200	\$ (28,419)	90.10%	\$ 430,800
40020 504 Loan Origination		12,375	(12,375)	0.00%	58,061	99,000	(40,939)	58.65%	148,500
40040 504 Loan Closing Attorney Fees		2,083	(2,083)	0.00%	15,000	16,667	(1,667)	90.00%	25,000
40050 504 Float Income		-	-		53,124	25,000	28,124	212.50%	50,000
41010 Member Investment Pledges	5,000	-	5,000		213,251	208,000	5,251	102.52%	299,450
41020 Member Investment - Trades	2,057	-	2,057		12,049	18,750	(6,701)	64.26%	25,000
42010 Federal EDA RLF Loan Interest	7,683	8,298	(615)	92.59%	72,556	66,383	6,173	109.30%	99,575
42020 RLF Loan Interest	2,461	3,714	(1,252)	66.28%	17,785	29,709	(11,925)	59.86%	40,364
42025 RLF Origination Fees		-	-		257	-	257		-
42030 MT RLF Loan Interest	314	-	314		2,665	-	2,665		4,200
42040 SSBCI Loan Interest	2,784	1,079	1,705	258.05%	23,156	8,632	14,524	268.26%	4,541
42050 SSBCI 2.0 Loan Interest	2,519	399	2,119	630.54%	11,148	3,195	7,953	348.89%	13,200
42055 SSBCI 2.0 Origination Fees		-	-		3,900	-	3,900		-
43010 Donation Income	-	-	-		-	-	-		250
Total Revenue	54,555	63,848	(9,294)	85.44%	741,733	762,537	(20,804)	97.27%	1,140,880
Expenditures									
50140 Advertising	165	750	(585)	22.00%	3,160	6,000	(2,840)	52.67%	9,000
50170 Board Expenses		200	(200)	0.00%	-	200	(200)	0.00%	1,000
50240 Business Development Outreach	210	125	85	168.00%	665	1,000	(335)	66.48%	1,500
50250 Business Recruitment and Expansion		1,250	(1,250)	0.00%	5,200	10,000	(4,800)	52.00%	15,000
50259 Community Recruitment Projects		1,000	(1,000)	0.00%	-	2,000	(2,000)	0.00%	3,000
50260 Conferences		1,125	(1,125)	0.00%	1,210	9,035	(7,825)	13.39%	13,575
50260 Contingency	-	-	-	0.00%	-	-	-		20,000
50300 Dues/Subscriptions/Memberships	2,798	2,005	793	139.53%	22,561	16,142	6,419	139.76%	24,163
50330 EDA Reimbursement	47,491	57,603	(10,112)	82.45%	423,664	460,822	(37,158)	91.94%	691,233
50340 Event Expense	3,539	7,900	(4,361)	44.80%	6,486	27,550	(21,064)	23.54%	45,500
50360 Hosted Meeting Expense		792	(792)	0.00%	2,752	6,333	(3,581)	43.46%	8,000
50380 Insurance	2,026	2,000	26	101.29%	15,965	16,000	(35)	99.78%	24,000
50390 Loan Expenses	286	833	(548)	34.30%	(4,207)	6,667	(10,874)	-63.11%	10,000
50400 Marketing	2,221	7,167	(4,946)	30.98%	31,381	57,333	(25,953)	54.73%	86,000
50410 Membership Development	300	708	(408)	42.36%	550	5,667	(5,117)	9.71%	8,500
50420 Member Investor Trades	2,057	2,083	(27)	98.72%	12,049	16,667	(4,618)	72.29%	25,000
50450 Office Expenses and Supplies		42	(42)	0.00%	268	333	(66)	80.25%	500
50460 Postage		-	-		20	175	(155)	11.52%	175
50470 Professional Development		625	(625)	0.00%	2,825	5,500	(2,675)	51.36%	8,000
50480 Professional Fees	2,971	5,042	(2,070)	58.94%	48,791	44,083	4,708	110.68%	68,000
50500 Rent	251	280	(29)	89.67%	1,931	2,240	(309)	86.21%	3,360
50510 Rock31 Business Accelerator		667	(667)	0.00%	-	5,333	(5,333)	0.00%	8,000
50530 Rock31 Member Appreciation		83	(83)	0.00%	70	667	(597)	10.50%	1,000
50540 Rock31 Programming		83	(83)	0.00%	-	667	(667)	0.00%	1,000
50550 Sponsorships		150	(150)	0.00%	850	1,000	(150)	85.00%	1,000
50555 SSBCI Servicing Fee		321	(321)	0.00%	-	2,567	(2,567)	0.00%	3,850
50560 Staff Expenses		100	(100)	0.00%	93	800	(707)	11.62%	1,200
50570 Telecommunications	65	190	(125)	34.21%	970	1,520	(550)	63.82%	2,280
50580 Travel	720	3,058	(2,338)	23.55%	7,752	24,767	(17,015)	31.30%	37,200
50610 Miscellaneous	227	176	51	129.33%	1,317	1,215	102	108.39%	1,750
Total Expenditures	65,327	96,358	(31,031)	67.80%	586,323	732,282	(145,960)	80.07%	1,122,786
Net Operating Revenue	(10,772)	(32,509)	21,737	33.14%	155,410	30,254	125,156	513.68%	18,094
Other Revenue									
70000 Non-Operating Income	1,063,138	1,006	1,062,132	105671.29%	1,532,129	8,049	1,524,080	19035.88%	12,073
Total Other Revenue	1,063,138	1,006	1,062,132	105671.29%	1,532,129	8,049	1,524,080	19035.88%	12,073
Other Expenditures									
80000 Non-Operating Expense	46,401	-	46,401		54,351	5,000	49,351	1087.02%	10,000
Total Other Expenditures	46,401	-	46,401		54,351	5,000	49,351	1087.02%	10,000
Net Other Revenue	1,016,737	1,006	1,015,731	101059.23%	1,477,778	3,049	1,474,729	48473.35%	2,073
Net Revenue	\$ 1,005,964	\$ (31,503)	\$ 1,037,468	-3193.21%	\$ 1,633,188	\$ 33,303	\$ 1,599,885	4904.03%	\$ 20,167

Big Sky Economic Development Corporation
Statements of Financial Position - Comparison to Previous Year
As of February 28, 2026

	As of Feb 28, 2026	As of Feb 28, 2025 (PY)	Change	% Change
ASSETS				
Current Assets				
Bank Accounts				
10000 Main Operating - FIB	\$ 388,956	\$ 127,151	\$ 261,805	205.90%
10020 Long Term Reserve - FIB	250,000	250,000	-	0.00%
10030 Coulson Park - FIB x0594	94,025	178,726	(84,701)	-47.39%
10050 Opportunity Fund Savings - FIB	61,004	60,974	30	0.05%
10060 RLF Principal - FIB	602,555	572,978	29,577	5.16%
10070 SSBCI Principal - FIB/Stockman	1,709,576	683,263	1,026,313	150.21%
10080 Federal EDA RLF Principal - FIB	333,316	124,089	209,227	168.61%
10085 ORE Loan Program - FIB	500		500	
Total Bank Accounts	3,439,932	1,997,181	1,442,751	72.24%
Total Accounts Receivable	143,150	95,620	47,530	49.71%
Other Current Assets				
10199 Undeposited Funds	4,000	22,500	(18,500)	-82.22%
10200 Fed EDA RLF Portfolio - Current	270,448	125,208	145,240	116.00%
10240 Traditional RLF Portfolio - Current	34,712	26,237	8,475	32.30%
10270 MT RLF Portfolio - Current	3,951	3,685	266	7.23%
10300 SSBCI Portfolio - Current	19,274	26,149	(6,875)	-26.29%
10330 SSBCI 2.0 Portfolio - Current	49,311	54,823	(5,512)	-10.05%
10370 Prepaid Expenses	22,512	22,134	378	1.71%
Total Other Current Assets	404,209	280,735	123,473	43.98%
Total Current Assets	3,987,291	2,373,536	1,613,755	67.99%
Other Assets				
10600 Fed EDA RLF - Non-Current	1,219,093	1,724,595	(505,502)	-29.31%
10640 Traditional RLF Portfolio - Non-Current	379,660	369,900	9,759	2.64%
10670 MT RLF Portfolio - Non-Current	48,824	60,407	(11,583)	-19.18%
10700 SSBCI Portfolio - Non-Current	717,913	765,883	(47,970)	-6.26%
10730 SSBCI 2.0 Portfolio - Non-Curre	1,579,987	965,293	614,694	63.68%
10790 Allowance for Loan Losses	(212,808)	(143,132)	(69,676)	-48.68%
10800 Notes Receivable - Brownfields	70,447		70,447	
Total Other Assets	3,803,115	3,742,946	60,170	1.61%
TOTAL ASSETS	\$ 7,790,407	\$ 6,116,482	\$ 1,673,925	27.37%
LIABILITIES AND EQUITY				
Liabilities				
Current Liabilities				
Total Accounts Payable	\$ 103,208	\$ 80,369	\$ 22,839	28.42%
Total Credit Cards	4,311	4,821	(510)	-10.58%
Other Current Liabilities				
20150 Due to/Due From EDA	67,532	66,578	954	1.43%
20200 Accrued Expenses	16,124	(5,000)	21,124	422.48%
Total Other Current Liabilities	83,656	61,578	22,078	35.85%
Total Current Liabilities	191,175	146,767	44,407	30.26%
Long-Term Liabilities				
20800 Notes Payable - Brownfields/EDA	70,447		70,447	
Total Long-Term Liabilities	70,447	-	70,447	
Total Liabilities	261,622	146,767	114,854	78.26%
Equity				
30100 Retained Earnings	5,895,597	5,123,364	772,233	15.07%
Net Revenue	1,633,188	846,350	786,838	92.97%
Total Equity	7,528,785	5,969,715	1,559,070	26.12%
TOTAL LIABILITIES AND EQUITY	\$ 7,790,407	\$ 6,116,482	\$ 1,673,925	27.37%



BIG SKY
ECONOMIC DEVELOPMENT

EDA • EDC CREATING MONTANA BUSINESS OPPORTUNITIES

ATTACHMENT C

FY27 Budget Setting Process and Timeline

A. Key Outcomes

1. EDA and EDC operating budgets that allow the team to make impacts and have a positive net operating outcome
2. Board approval of final preliminary budgets – June 11, 2026 Board Meeting
3. EDA Budget Presentation and Yellowstone County (YC) MOU approval – County Commissioners – set budget hearing for 3rd week in June 2026
 - YC sends an estimated MOU projection – April/May
 - YC asks BSED to pick a budget hearing date/time with the Commissioners (we select the date following our Board approval in June)
 - YC drafts MOU and provides to EDA for signature in August
4. Final budget approval for EDA/EDC Boards—September 10, 2026 Board Meeting
 - This final budget includes any necessary changes based upon the County's final MOU decision

B. Process and Timeline

1. Build a fixed costs estimate for FY27 (staffing/salary projections and fixed operating costs)
2. Build revenue projections
 - YC MOU; program income from service contracts/cooperative agreements (VBOC, SBDC, APEX); Member Investor income; and Big Sky Finance loan revenue
3. Establish a set of opportunities and limitations to share with the Leadership Team before we begin the program-level funding needs discussions
4. Program work plans and goals done by each program leader – this should lead the program funding discussions
5. Meet with each Program Leader to discuss specific program funding needs – April 2026
6. Leadership Team recommendations and discussions:
 - a. Priorities for discretionary spending and program funding
 - b. Salary adjustment discussion for FY27 increases
7. Program Leaders Collaborative meeting to go over preliminary combined budgets for EDA and EDC – end of April or early May 2026
8. Budget workshop for Board – Date TBD (as part of the Executive Committee meeting)
9. Draft budget to the Board – May 14, 2026
10. Final preliminary budget and BSED Board approval – June 11, 2026



BIG SKY
ECONOMIC DEVELOPMENT

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ATTACHMENT D

SBA 504 Loan Request

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. **Made to Move Chiropractic LLC (Level 10 Properties LLC)** – The purpose of this request is for the purchase of a commercial condo unit for Made to Move Chiropractic, located in Helena, MT. This purchase is part of a business acquisition of another chiropractic practice, currently occupying the condo being acquired. Made to Move Chiropractic is an existing practice owned 100% by Dr. Aaron Jones. Dr. Jones began his practice in 2019 but has over 20 years of clinical experience. Dr. Jones provides a broad range of chiropractic and movement-based services. There will be one FTE retained with the purchase.

The total SBA debenture will be \$107,000 on a 25-year note comprising 40% of the total project. Big Sky EDC and SBA will be in a 2nd lien position on the real property behind Valley Bank of Helena, Division of Glacier Bank. The project meets a Community Development Goal for improving/strengthening the community.

2. **Ignite MT, LLC dba Burn Boot Camp Kalispell (Lakshmi Properties, LLC)** – The purpose of this request is for the purchase of land and new construction of a gym facility for Burn Boot Camp, located in Kalispell, MT. Burn Boot Camp will be a new fitness franchise, and the first of its kind in Montana. The facility will be located north of Kalispell off Highway 93 across from the new Costco, an area of new, rapid development. Sandra Godley is 100% owner of real estate and majority owner in the gym. The minority owner in the gym is Shawn Kimmet who will serve as the lead trainer and facility manager. Burn Boot Camp is a membership-based gym providing challenging 45-minute cardio and strength workouts (boot camps). Eleven jobs are projected to be created because of this project.

The total SBA debenture will be \$825,000 on a 25-year note comprising 35% of the total project. Big Sky EDC and SBA will be in a 2nd lien position on the real property behind Farmers State Bank. The project meets Public Policy goals of Rural Development and Woman-Owned business ownership.