



EDA/EDC – Joint Board Meeting
Thursday, June 11, 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 – Jen Kobza, EDC Chair**

- 7:32 A.M. Public Comment/Introductions & Special Guest Presentations**
 - Behind the Build – June 17th at 4-6pm.

- 7:35 A.M. Changes to Today’s Agenda**

- 7:37 A.M. Consent Items for Board Action** (Action)
 - EDA/EDC Joint Meeting Minutes- May 14, 2026 (Attachment A) (EDA & EDC)
 - FY’26 March/April Financial Statements (Attachment B) (EDA & EDC)

- 7:40 A.M. Other Financial Matters**
 - Presentation of FY’27 Preliminary Budget – Tami (Attachment C) (EDA & EDC)
 - Managed Services Agreement & Resolution – Brandon (Attachment D) (EDA & EDC)
 - EDC Investment in Economic Development – Brandon (Attachment E) (EDA & EDC)

- 8:15 A.M. Executive Director Report – Brandon**
 - Budget Hearing- June 24th at 9:15 (Info)
 - Workforce Update (Info)

- 8:30 A.M. Program Action Items/Reports**
 - Big Sky Finance – Brandon
 - Loan Approvals (Attachment F) (EDC Only)
 - VBOC Update (Info)

- 9:00 A.M. Adjourn**

Next EDA/EDC Joint Board Meeting – July 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
May 14, 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, Riley Bennett, Stefan Cattarin, Zachary Dunn, Austin Stacey, Turk Stovall, Darin Uselman

Ex-officio – Mike Waters, Dr. Erwin Garcia

EDC – Jennifer Kobza, Jennifer Weaver Kondracki, Nichole Mehling, Nick Pancheau, Debbie Desjarlais, Dave Ballard, Shannon Christensen, Keagan Harsha, Dr. Stefani Hicswa, Kim Jakub, John Pearson, Matt Robertson, Molly Schwend, Jerry Simonson, George Warmer

Committee Members Absent: **EDA** –
Darin Uselman

Ex-officio – John Brewer, Katy Schreiner, Denis Pitman, Kurt Markegard

EDC – DJ Clark, Spencer Frederick, Mark Morse, Michael Phillips, Tyler Wiltgen

Staff and Others Present: Reann Keller, Brandon Berger, Tami Fleetwood, Justin Rigby, Dianne Lehm, Tyler Wink, Chris White, Nik Pedersen, Julie Jaksha, Tereza Brownell, Sam Loveridge, Ryan Bermes, Darian Armer, Kimberly Bailey

Call to Order:
Lucy Aspinwall, EDA Chair, called the meeting to order at 7:30 A.M.

Public Comment/Introductions & Special Guest Presentation:

- Staff Celebrations - Leadership Billings graduates, Tyler Wink and Justin Rigby and Leadership Montana graduate, Lorene Hintz
- New Staff Member Introductions – Darian Armer - Community Development Project Manager, Julie Jaksha - APEX Government Advisor, Ryan Bermes - Credit analyst, Sam Loveridge - Marketing & Communications Manager, and Kimberly Bailey - Executive Director.

Agenda Changes for Today's Meeting:

Change VBOC Expanded Territory topic from information only to an EDA/EDC action item.

REGULAR AGENDA

Consent Agenda Items for Board Action

Approval to April 9, 2026, EDA/EDC Joint Board Meeting Minutes

Motion: **Nick Pancheau** to approve the April 9, 2026, EDA/EDC Joint Board Meeting Minutes as presented to the Board.

Second: **Steffan Cattarin**

Discussion: None

Motion: Carried

Executive Director Report

Mid-Year Progress report – Brandon provided an overview of the Mid-Year Progress report for July 1-December 31, 2026. He noted that the staff have been busy throughout the year even with a reduced staff. SBDC is down to one advisor from two the prior year, but Lorene has successfully managed to maintain counselling hours and training sessions as required by the SBA. VBOC program has undergone significant changes this year with the previous VBOC Director retiring and Justin stepping into that position. Additionally, there has been a recent request from the SBA to expand the VBOC program territories that will be explained further later in the agenda. A lot of work in Member Investor program this year as it is also under new leadership. Tyler has been focused on building relationships with the members and cleaning up the aging report. Dianne with Community Development has continued her work for Yellowstone County and continued management of ongoing projects such as Lockwood TEDD, Space2Place and Coulson Park. Brandon provided kudos to his Big Sky Finance team and shared that loan activity has not slowed down this year and Nina and Heather have managed the workload and supported Brandon as he focused on Interim Executive Director duties. Keith continues to run Rock 31 in addition to helping take on Recruitment responsibilities including joining the Select USA conference and working closely with the state on leads. Tereza stepped into the MT APEX Statewide Director role last fall and immediately had to work on submitting budget while connecting with her direct reports. Brandon showed appreciation for the work of the admin team, Tami, Reann, and Nik and their continued support of the rest of the team.

FY'27 Budget update – A preliminary budget was shared with the Executive Committee last week and there were several suggested changes made in hopes of getting closer to a more balanced budget before it was ready to move to the Board for approval. The staff has been tasked with finding areas where the budget could be further reduced as well as potential revenue sources. It is still anticipated that the EDA budget will not be in a revenue position when it is presented to the Board and may need to utilize surplus from previous years. EDC will be in a net revenue position. Salaries are the largest expense, but we have cut costs and have focused on returning to the basics with our programs but still need to run the programs we have effectively. Discussion regarding whether we foresee being able to add workforce back and that with the budget as it is, we would not be able to hire for this position but could collaborate with other groups to help contribute. Preliminary budget will be presented to the Board in June before the budget hearing with the Commissioners.

Beartooth RC&D – Brandon met with Commissioner Waters, Mike Boyett, and Myrna Lastusky with Beartooth to discuss current services provided and whether it would be reasonable to merge Beartooth with BSED. As a result of the meeting, it is felt that a merger would not be feasible and there is not a significant duplication of services. BSED will continue to work with Beartooth RC&D closely and offer them support as they continue to look to fill their Economic Developer/Executive Director position.

Program Action Items/Reports

Big Sky Finance – Brandon

- **SBA 504 Loan Requests** – Electronic vote to be sent out to EDC Board of Directors for approval as quorum required for loan approvals is not met. Two lenders on the EDC Board of Directors must be present.

- **EDA-RLF Plan** – Updates required every five years. Brandon is currently working on making minimal changes. No action is required from the Board at this time.

Member Investor update – Currently have 148 Member Investors. Several new MI added this year totaling \$9500 in revenue and \$5000 in trade value with KGHL. KGHL is offering regular ads as well as a monthly interview. 19 MI departures this year, 2 of which were trades. The primary reason shared is budgetary constraints. Tyler shared his prospect list with the Board and new outreach process. Payment collection and account aging has been a focus, the balance of the aging report was reduced significantly compared to where it was as of March 1st, going from \$115K outstanding to \$35K YTD. \$13K in write offs and two MI changed to a trade agreement. Tyler shared that JP Chase and US Bank are both listed as MI but are actually grants. He continues to work with each entity on receiving these grants each year. First MI Committee meeting was held recently and request that any ideas, referrals or suggestions that the Board has regarding the MI program be sent to Tyler so he can share them with the MI Committee. Invite extended for the next Behind the Build hosted by Langlas and Associates on June 17th. Discussion regarding implementing agreements when people sign up as a MI and tracking anniversary dates. The Board requested that updated membership guide and tier structure be sent out to the Board along with a list of current MIs. Discussion regarding potentially updating tier structure, this topic will be brought to the next MI Committee meeting.

VBOC Expanded Territory – SBA has requested that VBOC expand our service into Alaska and Idaho. An approved budget has been received from the SBA with these additional territories included. VBOC is 100% reimbursed by the SBA so there would be no additional costs for the organization. There are three individuals operating out of Alaska currently that we would like to have as independent contractors with Justin’s oversight. Request approval to accept this budget from the SBA contingent on acceptance of independent contracts and review by legal counsel.

Motion: **Stefani Hicswa** to approve VBOC budget from SBA as presented to the Board contingent on review of independent contracts by legal counsel.

Second: **Nick Pancheau**

Discussion: Impacts on cash flow if there is a delay in payment from the SBA. The SBA is currently working on a process for paying up front. New application for indirect costs in progress, subject to change. Our responsibilities over the Alaska VBOC contractors and the services being provided.

Question regarding the benefit to BSED of expanding territories- serving veterans in these areas and relationship with the SBA. One year agreement.

Motion: Carried

Public Comment

- Northwestern Energy/Black Hill merger – Brandon provided public comment in support of the merger. Recognition for Sam providing support and talking points.
- Recognized the Community Development team, Dianne and Darian for a successful Space2Place event.

Adjourn

Motion: **Vince Mistretta** to adjourn the meeting.

Second: **Dave Ballard**

Lucy Aspinwall adjourned the meeting at 8:48 A.M.

Next Meeting – June 11, 2026

Respectfully submitted,

Kate Vogel, EDA Secretary/Treasurer

Nichole Mehling, EDC Secretary/Treasurer



BIG SKY
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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 April 30, 2026**

Statement of Operations

Net Operating Revenue: \$214,285

Factors Driving Net Operating Revenue:

The net operating revenue for the fiscal year to date through April 30, 2026, resulted in an increase over budgeted net operating expense by approximately \$294K. Total revenues are less than budget by approximately \$446K and total operating expenses are less than budget by \$760K. See below for factors contributing to the variances:

Revenue

- Brownfields revenue for Assessment and RLF grants are less than YTD budget by approximately \$189K 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 \$217K. 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 was budgeted to have three full-time team members this fiscal year but operated with just a single team member from November 2025 until mid-April 2026.
- 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 \$23K. 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 \$313K 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. We have now hired four of the vacant positions as of April 13 and May 4, 2026.
- 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: \$2,117,272
Opportunity Fund cash and CDs: \$3,427,665
Accounts receivable: \$244,220
Due from EDC: \$53,786

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 \$546,107. BSEDA's cash position is good and sufficient to meet the needs of the organization.

The accounts receivable balances outstanding on April 30, 2026 include one customer balance that is aged more than 60 days (VBOC). We were notified to expect delays in payment while VBOC worked through some system changes, so payment in full is expected in August 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 Months of March and April 2026 and YTD Ended April 30, 2026

	Mar 2026			Apr 2026			YTD			Fiscal Year Annual Budget
	Actual	Budget	over (under) Budget	Actual	Budget	over (under) Budget	Actual	Budget	over (under) Budget	
Income										
40000 County Taxes Mill Levy Revenue	\$ (593)	\$ -	\$ (593)	\$ 64	\$ -	\$ 64	\$ 34,382	\$ -	\$ 34,382	\$ -
40001 Yellowstone County MOU	108,333	108,333	-	108,333	108,333	-	1,083,333	1,083,333	-	1,300,000
40020 Health Ins Mill Levy Revenue	4,240	7,818	(3,578)	4,240	7,818	(3,578)	56,180	78,175	(21,995)	93,810
40030 Recovery of Protested Taxes	1,921	83	1,837		83	(83)	19,421	833	18,588	1,000
40050 Department of Defense - APEX	42,702	81,413	(38,711)	45,000	81,413	(36,413)	597,297	814,128	(216,831)	976,954
40060 EDC Reimbursement	47,160	57,603	(10,443)	47,441	57,603	(10,162)	518,266	576,028	(57,762)	691,233
40070 EPA Brownfields - Assessment	6,075	16,667	(10,592)	4,301	16,667	(12,366)	71,206	166,667	(95,461)	200,000
40080 EPA Brownfields - Project Mgmt	1,807	2,500	(693)		2,500	(2,500)	10,790	25,000	(14,210)	30,000
40090 EPA Brownfields - RLF	307	16,667	(16,360)		16,667	(16,667)	87,841	166,667	(78,826)	200,000
40100 APEX Advisor Agreement Support	2,000	2,000	-	2,000	2,000	-	20,000	20,000	-	24,000
40110 MT Dept of Commerce - SBDC	6,333	6,333	-	6,333	6,333	-	64,972	62,634	2,338	105,500
40120 SBDC Program Income	60	-	60		-	-	210	-	210	-
40130 SBA - VBOC	23,598	30,000	(6,402)	36,746	30,000	6,746	276,594	300,000	(23,406)	360,000
40140 Rock31 Membership Revenue	7,567	8,417	(850)	7,307	8,417	(1,110)	76,884	84,167	(7,283)	101,000
40150 Zoot/Other Room Rent Revenue	950	667	283	1,785	667	1,118	7,143	6,667	476	8,000
40160 Rock31 Barista Rent Revenue		700	(700)		700	(700)	-	7,000	(7,000)	8,400
Total Income	252,461	339,200	(86,739)	263,550	339,200	(75,650)	2,924,519	3,391,298	(466,779)	4,099,897
Expenses										
50100 Salaries/Wages/Vacation	89,943	149,907	(59,964)	95,407	149,907	(54,500)	1,287,310	1,499,069	(211,759)	1,798,883
50110 Employer Contributions	28,885	47,946	(19,061)	30,101	47,946	(17,845)	378,157	479,458	(101,301)	575,349
50140 Advertising		250	(250)		250	(250)	-	2,500	(2,500)	3,000
50150 Barista Equipment Maintenance		208	(208)		208	(208)	-	2,083	(2,083)	2,500
50160 Barista Supplies		42	(42)		42	(42)	-	417	(417)	500
50170 Board Expenses	161	500	(339)	55	500	(445)	2,435	5,000	(2,565)	6,000
50180 Brownfields Assessment Expense	6,075	16,667	(10,592)	4,301	16,667	(12,366)	71,386	166,667	(95,281)	200,000
50190 Brownfields Project Mgmt Exp	2,054	2,500	(446)		2,500	(2,500)	11,037	25,000	(13,963)	30,000
50200 Brownfields RLF Expense	60	16,667	(16,607)		16,667	(16,667)	2,816	166,667	(163,851)	200,000
50210 Building Art and Decor		-	-		1,250	(1,250)	90	5,000	(4,910)	5,000
50220 Building Operations/Maintenance	5,626	8,879	(3,254)	6,950	8,879	(1,929)	81,556	88,792	(7,236)	106,550
50240 Community Development Projects		1,000	(1,000)	3,577	34,000	(30,423)	11,271	48,000	(36,729)	55,000
50250 Community Partner Projects		-	-		-	-	462	-	462	3,500
50260 Conferences	669	1,321	(652)	790	1,321	(531)	6,473	13,348	(6,875)	15,990
50270 Contingency		3,333	(3,333)		3,333	(3,333)	-	33,333	(33,333)	40,000
50280 Contribution Expense		292	(292)		292	(292)	-	2,917	(2,917)	3,500
50300 Dues/Subscriptions/Memberships	5,857	18,507	(12,650)	19,400	13,953	5,447	108,454	101,859	6,594	115,345
50400 Event Expense	400	300	100		300	(300)	4,932	4,000	932	4,600
50410 Hosted Meetings	491	821	(330)	53	821	(768)	3,465	8,208	(4,744)	9,850
50430 Insurance	4,796	4,670	126	4,796	4,670	126	49,870	46,696	3,174	56,035
50440 Marketing	489	583	(95)	128	583	(456)	5,181	5,833	(652)	7,000
50450 Office Equip & Furn < \$5000	205	6,400	(6,195)	4,264	-	4,264	7,389	8,500	(1,111)	14,000
50460 Office Expense and Supplies	1,247	2,861	(1,614)	3,441	2,861	580	18,074	28,609	(10,535)	34,331
50470 Payroll Processing Expense	1,159	1,835	(676)	277	1,835	(1,558)	13,055	18,347	(5,292)	22,017
50480 Professional Development		1,875	(1,875)		1,875	(1,875)	1,684	18,750	(17,066)	22,500
50490 Professional Fees	6,903	5,417	1,486	10,007	5,417	4,590	80,169	54,167	26,002	65,000
50510 Programming - Workforce		-	-		-	-	305	-	305	-
50520 Property Tax Protests		-	-		-	-	1,921	-	1,921	-
50530 APEX Subcenter	38,030	43,765	(5,735)	37,800	43,765	(5,965)	420,859	437,653	(16,794)	525,183
50540 Rent	362	876	(514)	472	876	(404)	6,589	8,759	(2,171)	10,511
50550 Repairs	238	1,333	(1,095)	1,252	1,333	(82)	10,206	13,333	(3,127)	16,000
50560 Rock31 Programming		250	(250)		250	(250)	779	2,500	(1,721)	3,000
50570 SBDC Program Expense	3	-	3		-	-	61	-	61	-
50580 Special Assessments BID		-	-		-	-	2,144	2,250	(106)	4,500
50590 Sponsorships	3,500	1,333	2,167	1,000	1,333	(333)	10,250	14,333	(4,083)	16,000
50600 Staff Expenses		842	(842)	2,281	842	1,439	3,582	8,417	(4,835)	10,100
50610 Strategic Priorities		-	-		-	-	-	7,500	(7,500)	15,000
50630 TEDD		50	(50)		50	(50)	79	500	(421)	600
50640 Telecommunications	3,858	5,025	(1,168)	4,531	5,025	(494)	47,301	50,204	(2,903)	60,305
50650 Travel	3,619	8,705	(5,086)	3,640	8,705	(5,065)	53,342	87,048	(33,707)	104,458
50670 Miscellaneous	558	542	16	751	542	210	7,552	5,417	2,135	6,500
Total Expenses	205,184	355,501	(150,317)	235,272	378,797	(143,525)	2,710,234	3,471,134	(760,900)	4,168,607
Net Operating Income	47,277	(16,301)	63,578	28,278	(39,597)	67,875	214,285	(79,836)	294,121	(68,710)

Big Sky Economic Development Authority
 Statements of Operations - Budget vs. Actual
 For the Months of March and April 2026 and YTD Ended April 30, 2026

	Mar 2026			Apr 2026			YTD			Fiscal Year
	Actual	Budget	over (under) Budget	Actual	Budget	over (under) Budget	Actual	Budget	over (under) Budget	Annual Budget
Other Income										
70000 Non-Operating Income	4,173	12,500	(8,327)	4,824	12,500	(7,676)	63,258	125,000	(61,742)	150,000
Total Other Income	4,173	12,500	(8,327)	4,824	12,500	(7,676)	63,258	125,000	(61,742)	150,000
Other Expenses										
80000 Non-Operating Expense	22,079	22,079	(0)	22,079	22,079	(0)	220,805	220,795	10	264,954
Total Other Expenses	22,079	22,079	(0)	22,079	22,079	(0)	220,805	220,795	10	264,954
Net Other Income	(17,907)	(9,579)	(8,327)	(17,256)	(9,579)	(7,676)	(157,547)	(95,795)	(61,752)	(114,954)
Net Income	\$ 29,370	\$ (25,880)	\$ 55,250	\$ 11,022	\$ (49,176)	\$ 60,199	\$ 56,738	\$ (175,631)	\$ 232,369	\$ (183,664)

Big Sky Economic Development Authority
Statements of Financial Position - Comparison to Previous Year
As of April 30, 2026

	As of Apr 30, 2026	As of Apr 30, 2025 (PY)	Change	% Change
ASSETS				
Current Assets				
Bank Accounts				
10000 Main Operating - FIB	\$ 1,506,880	\$ 468,251	\$ 1,038,628	221.81%
10010 Recovered Property Taxes - FIB	627	627	-	0.00%
10020 Operating Reserve - FIB	361,037	354,798	6,239	1.76%
10030 Reserve for Replacement - FIB	185,070	184,900	170	0.09%
10040 Pass-through - Cabelas Conduit	4,900	4,898	2	0.03%
10050 Opportunity Fund Savings Accounts	1,195,609	1,168,206	27,403	2.35%
10060 Opportunity Fund CDs-current	2,232,056	2,176,467	55,589	2.55%
10080 Yellowstone County Funds	58,758	399,975	(341,216)	-85.31%
Total Bank Accounts	5,544,937	4,758,122	786,815	16.54%
Accounts Receivable				
10100 Accounts Receivable	2,830	78,709	(75,879)	-96.40%
10110 Accounts Receivable - APEX	137,851	175,748	(37,897)	-21.56%
10120 Accounts Receivable - SBDC	12,667	23,167	(10,500)	-45.32%
10130 Accounts Receivable - VBOC	88,702	76,902	11,800	15.34%
10140 Accounts Receivable - Brownfields	2,170	2,335	(165)	-7.05%
Total Accounts Receivable	244,220	356,860	(112,641)	-31.56%
Other Current Assets				
10200 Accrued Revenue	-	23,691	(23,691)	-100.00%
10210 Due To/Due From EDC	53,786	67,530	(13,744)	-20.35%
10225 Accrued Interest Receivable	6,428		6,428	
10230 Tax Levy Receivable	25,274	628,284	(603,010)	-95.98%
10240 Tax Levy Receivable - Protested	-	14,935	(14,935)	-100.00%
10241 Allowance for Doubtful Accts - Protes	-	(14,935)	14,935	100.00%
10260 American Airlines Rev Guarantee	6,887	6,887	-	0.00%
10270 Prepaid Expenses	26,172	40,156	(13,984)	-34.83%
10299 Undeposited Funds	(180)	82,372	(82,552)	-100.22%
Total Other Current Assets	118,367	848,921	(730,554)	-86.06%
Total Current Assets	5,907,523	5,963,903	(56,380)	-0.95%
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	(997,842)	(736,468)	(261,375)	-35.49%
Total Fixed Assets	5,853,667	6,115,041	(261,375)	-4.27%
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	8,247	11,507	(3,260)	-28.33%
10700 Notes Receivable - Brownfields/EDC	84,778		84,778	
Total Other Assets	387,180	101,463	285,717	281.60%
TOTAL ASSETS	\$ 12,148,370	\$ 12,180,407	\$ (32,038)	-0.26%

Big Sky Economic Development Authority
Statements of Financial Position - Comparison to Previous Year
As of April 30, 2026

	As of Apr 30, 2026	As of Apr 30, 2025 (PY)	Change	% Change
LIABILITIES AND EQUITY				
Liabilities				
Current Liabilities				
Total Accounts Payable	\$ 83,631	\$ 115,474	\$ (31,843)	-27.58%
Total Credit Cards	16,610	21,295	(4,685)	-22.00%
Other Current Liabilities				
20200 Accrued Expenses	99,580	184,180	(84,600)	-45.93%
20220 Compensated Absences	117,923	217,713	(99,789)	-45.84%
20230 Payroll Liabilities	-	625	(625)	-100.00%
20300 Deferred Revenues	220,667	266,012	(45,345)	-17.05%
Total Other Current Liabilities	438,170	668,530	(230,360)	-34.46%
Total Current Liabilities	538,411	805,299	(266,888)	-33.14%
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	8,247	11,507	(3,260)	-28.33%
Total Long-Term Liabilities	929,191	707,092	222,099	31.41%
Total Liabilities	1,467,602	1,512,391	(44,789)	-2.96%
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	56,738	48,901	7,837	16.03%
Total Equity	10,680,767	10,668,016	12,751	0.12%
TOTAL LIABILITIES AND EQUITY	\$ 12,148,370	\$ 12,180,407	\$ (32,038)	-0.26%

**Big Sky Economic Development Corporation (BSEDC)
Financial Summary for Board of Directors
FY26 - As of and for the period ended April 30, 2026**

Statement of Operations

Net Operating Revenue: \$216,906

Factors Driving Net Operating Revenue:

The net operating revenue for the fiscal year to date through April 30, 2026, is more than the budgeted net operating revenue by approximately \$143K. Total revenues are less than budget by approximately \$32K and total operating expenses are less than budget by approximately \$176K. See below for factors contributing to the variances:

Revenue

- 504 Loan Servicing is behind YTD budget by approximately \$37K due primarily to early payoffs of outstanding principal. 504 Loan Origination is behind YTD budget by approximately \$47.5K due to timing of closings for loans in progress. The pipeline for 504 loans includes additional processing fees of approximately \$80K yet to fund this fiscal year. 504 Float Income is ahead of YTD budget by approximately \$28K with another installment of approximately \$45K that isn't yet reflected in the financials that was received in May 2026. Float Income will exceed budget by \$48K for the fiscal year.
- Member Investment Pledges are in line with YTD budget as of April 2026.
- Interest earned from Big Sky Finance loan programs is ahead of YTD budget by approximately \$19K. 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 \$28K due to reduction in the scale of the events. For example, the Annual Meeting, which is typically a significant expense for the organization, was cancelled in light of organizational changes that occurred in the first part of this fiscal year and a smaller scale gathering occurred later to meet the annual meeting requirement. 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 \$143K.

Non-operating income consists primarily of SSBCI 2.0 loan proceeds (\$1.53M) plus interest income. Non-operating expense consists of bad debt expense (\$31K) and expenses on the Coulson Park project (\$50K). Note that additional write-offs occurred in March and April 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.



Statement of Financial Position

Cash available for general operations: \$809,157
Cash designated for loan programs: \$2,684,391
Cash designated for Coulson Park and Opportunity Funds: \$155,042
Accounts receivable: \$86,075
Loan portfolios, net of allowance for loan losses: \$3,950,768
Notes receivable Brownfields RLF: \$70,447 (new in December 2025) *
Accounts payable: \$61,878
Due to EDA: \$53,786

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 in 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 has issued one 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 Months of March and April 2026 and YTD Ended April 30, 2026

	Mar 2026			Apr 2026			YTD			Fiscal Year
	Actual	Budget	over Budget	Actual	Budget	over Budget	Actual	Budget	over Budget	Annual Budget
Revenue										
40010 504 Loan Servicing	\$ 31,525	\$ 35,900	\$ (4,375)	\$ 31,623	\$ 35,900	\$ (4,277)	\$ 321,929	\$ 359,000	\$ (37,071)	\$ 430,800
40020 504 Loan Origination	6,060	12,375	(6,315)	12,099	12,375	(276)	76,220	123,750	(47,530)	148,500
40040 504 Loan Closing Attorney Fees	2,500	2,083	417	2,500	2,083	417	20,000	20,833	(833)	25,000
40050 504 Float Income	-	-	-	-	-	-	53,124	25,000	28,124	50,000
41010 Member Investment Pledges	-	-	-	116,000	91,450	24,550	303,751	299,450	4,301	299,450
41020 Member Investment - Trades	1,557	-	1,557	1,564	6,250	(4,686)	19,713	25,000	(5,287)	25,000
42010 Federal EDA RLF Loan Interest	6,553	8,298	(1,745)	5,977	8,298	(2,321)	85,086	82,979	2,107	99,575
42020 RLF Loan Interest	2,374	3,714	(1,340)	2,375	3,714	(1,339)	22,533	37,137	(14,604)	40,364
42025 RLF Origination Fees	-	-	-	-	-	-	257	-	257	-
42030 MT RLF Loan Interest	308	-	308	302	-	302	3,275	-	3,275	4,200
42040 SSBCI Loan Interest	2,587	1,079	1,508	2,686	1,079	1,607	28,429	10,790	17,639	4,541
42050 SSBCI 2.0 Loan Interest	2,796	399	2,396	2,738	399	2,338	16,682	3,994	12,688	13,200
42055 SSBCI 2.0 Origination Fees	650	-	650	-	-	-	4,550	-	4,550	-
43000 Other Revenue	-	250	(250)	-	-	-	-	250	(250)	250
Total Revenue	56,908	64,098	(7,190)	177,864	161,548	16,316	955,549	988,183	(32,635)	1,140,880
Expenditures										
50140 Advertising	293	750	(457)	165	750	(585)	4,012	7,500	(3,488)	9,000
50170 Board Expenses	-	200	(200)	-	200	(200)	-	600	(600)	1,000
50240 Business Development Outreach	16	125	(109)	-	125	(125)	681	1,250	(569)	1,500
50250 Business Recruitment and Expans	-	1,250	(1,250)	1,750	1,250	500	6,951	12,500	(5,549)	15,000
50259 Community Recruitment Projects	-	-	-	-	-	-	-	2,000	(2,000)	3,000
50260 Conferences	2,700	1,165	1,535	2,675	1,125	1,550	6,585	11,325	(4,740)	13,575
50300 Dues/Subscriptions/Memberships	2,852	2,005	847	2,872	2,005	867	28,284	20,153	8,132	20,000
50330 EDA Reimbursement	47,160	57,603	(10,443)	47,442	57,603	(10,161)	518,266	576,028	(57,762)	24,163
50340 Event Expense	-	3,900	(3,900)	447	3,900	(3,453)	6,933	35,350	(28,417)	691,233
50360 Hosted Meeting Expense	125	792	(667)	325	792	(467)	3,202	7,917	(4,715)	45,500
50380 Insurance	2,026	2,000	26	2,026	2,000	26	20,016	20,000	16	8,000
50390 Loan Expenses	(328)	833	(1,161)	7,966	833	7,132	3,431	8,333	(4,903)	24,000
50400 Marketing	988	7,167	(6,179)	613	7,167	(6,554)	32,981	71,667	(38,686)	10,000
50410 Membership Development	133	708	(575)	102	708	(606)	1,179	7,083	(5,904)	86,000
50420 Member Investor Trades	1,837	2,083	(247)	6,064	2,083	3,981	21,213	20,833	380	8,500
50440 Office Equip & Furn < \$5000	-	-	-	330	-	330	330	-	330	25,000
50450 Office Expenses and Supplies	-	42	(42)	497	42	455	764	417	348	500
50460 Postage	-	-	-	-	-	-	20	175	(155)	175
50470 Professional Development	-	625	(625)	-	625	(625)	2,825	6,750	(3,925)	8,000
50480 Professional Fees	5,559	5,042	517	8,462	5,042	3,421	62,812	54,167	8,646	68,000
50500 Rent	37	280	(244)	280	280	(280)	1,968	2,800	(832)	3,360
50510 Rock31 Business Accelerator	-	667	(667)	667	667	(667)	-	6,667	(6,667)	8,000
50530 Rock31 Member Appreciation	-	83	(83)	-	83	(83)	70	833	(763)	1,000
50540 Rock31 Programming	-	83	(83)	-	83	(83)	-	833	(833)	1,000
50550 Sponsorships	-	-	-	-	-	-	850	1,000	(150)	1,000
50555 SSBCI Servicing Fee (deleted)	-	321	(321)	-	321	(321)	-	3,208	(3,208)	3,850
50560 Staff Expenses	-	100	(100)	602	100	502	695	1,000	(305)	1,200
50570 Telecommunications	65	190	(125)	65	190	(125)	1,100	1,900	(800)	2,280
50580 Travel	2,684	3,058	(374)	1,120	3,058	(1,938)	11,557	30,883	(19,327)	37,200
50610 Miscellaneous	414	146	268	186	97	89	1,917	1,458	458	1,750
Total Expenditures	66,559	91,218	(24,659)	83,709	91,129	(7,421)	738,643	914,630	(175,987)	1,122,786
Net Operating Revenue	(9,651)	(27,120)	17,468	94,155	70,419	23,736	216,906	73,554	143,352	18,094
Other Revenue										
70000 Non-Operating Income	317	1,006	(689)	348	1,006	(658)	1,532,795	10,061	1,522,734	12,073
Total Other Revenue	317	1,006	(689)	348	1,006	(658)	1,532,795	10,061	1,522,734	12,073
Other Expenditures										
80000 Non-Operating Expense	12,000	2,500	9,500	15,769	-	15,769	82,120	7,500	74,620	10,000
Total Other Expenditures	12,000	2,500	9,500	15,769	-	15,769	82,120	7,500	74,620	10,000
Net Other Revenue	(11,683)	(1,494)	(10,189)	(15,421)	1,006	(16,427)	1,450,675	2,561	1,448,114	2,073
Net Revenue	\$ (21,334)	\$ (28,614)	\$ 7,280	\$ 78,735	\$ 71,425	\$ 7,310	\$ 1,667,581	\$ 76,115	\$ 1,591,466	\$ 20,167

Big Sky Economic Development Corporation
Statements of Financial Position - Comparison to Previous Year
As of April 30, 2026

	As of Apr 30, 2026	As of Apr 30, 2025 (PY)	Change	% Change
ASSETS				
Current Assets				
Bank Accounts				
10000 Main Operating - FIB	\$ 559,157	\$ 115,616	\$ 443,540	383.63%
10020 Long Term Reserve - FIB	250,000	250,000	-	0.00%
10030 Coulson Park - FIB x0594	94,033	178,756	(84,723)	-47.40%
10050 Opportunity Fund Savings - FIB	61,009	60,979	31	0.05%
10060 RLF Principal - FIB	603,028	617,721	(14,693)	-2.38%
10070 SSBCI Principal - FIB/Stockman	1,747,490	729,785	1,017,705	139.45%
10080 Federal EDA RLF Principal - FIB	333,373	198,436	134,937	68.00%
10085 ORE Loan Program - FIB	500	-	500	
Total Bank Accounts	3,648,590	2,151,293	1,497,297	69.60%
Total Accounts Receivable	86,075	102,795	(16,720)	-16.27%
Other Current Assets				
10199 Undeposited Funds	4,000	29,000	(25,000)	-86.21%
10200 Fed EDA RLF Portfolio - Current	235,123	94,500	140,623	148.81%
10240 Traditional RLF Portfolio - Current	17,435	13,514	3,921	29.02%
10270 MT RLF Portfolio - Current	1,987	1,853	134	7.23%
10300 SSBCI Portfolio - Current	11,440	15,855	(4,415)	-27.85%
10330 SSBCI 2.0 Portfolio - Current	29,910	31,479	(1,569)	-4.98%
10370 Prepaid Expenses	16,670	16,338	332	2.03%
Total Other Current Assets	316,567	202,540	114,026	56.30%
Total Current Assets	4,051,231	2,456,628	1,594,603	64.91%
Other Assets				
10600 Fed EDA RLF - Non-Current	1,145,275	1,724,595	(579,320)	-33.59%
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	1,576,008	965,293	610,715	63.27%
10790 Allowance for Loan Losses	(212,808)	(143,132)	(69,676)	-48.68%
10800 Notes Receivable - Brownfields	70,447	-	70,447	
Total Other Assets	3,725,318	3,742,946	(17,627)	-0.47%
TOTAL ASSETS	7,776,549	6,199,574	1,576,976	25.44%

Big Sky Economic Development Corporation
Statements of Financial Position - Comparison to Previous Year
As of April 30, 2026

	As of Apr 30, 2026	As of Apr 30, 2025 (PY)	Change	% Change
LIABILITIES AND EQUITY				
Liabilities				
Current Liabilities				
Total Accounts Payable	61,878	85,965	(24,088)	-28.02%
Total Credit Cards	2,901	3,019	(118)	-3.92%
Other Current Liabilities				
20150 Due to/Due From EDA	53,786	67,530	(13,744)	-20.35%
20160 504 Deposits	7,500		7,500	
20200 Accrued Expenses	16,860	6,968	9,892	141.95%
Total Other Current Liabilities	78,146	74,498	3,648	4.90%
Total Current Liabilities	142,925	163,483	(20,558)	-12.57%
Long-Term Liabilities				
20800 Notes Payable - Brownfields/EDA	70,447	-	70,447	
Total Long-Term Liabilities	70,447	-	70,447	
Total Liabilities	213,372	163,483	49,889	30.52%
Equity				
30100 Retained Earnings	5,895,597	5,123,364	772,233	15.07%
Net Revenue	1,667,581	912,727	754,854	82.70%
Total Equity	7,563,178	6,036,091	1,527,087	25.30%
TOTAL LIABILITIES AND EQUITY	\$ 7,776,549	\$ 6,199,574	\$ 1,576,976	25.44%



BIG SKY
ECONOMIC DEVELOPMENT

EDA • EDC CREATING MONTANA BUSINESS OPPORTUNITIES

ATTACHMENT C

FY27 Organizational Budget Overview

Resource Allocation Framework

Values that Guide Budget Priorities

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

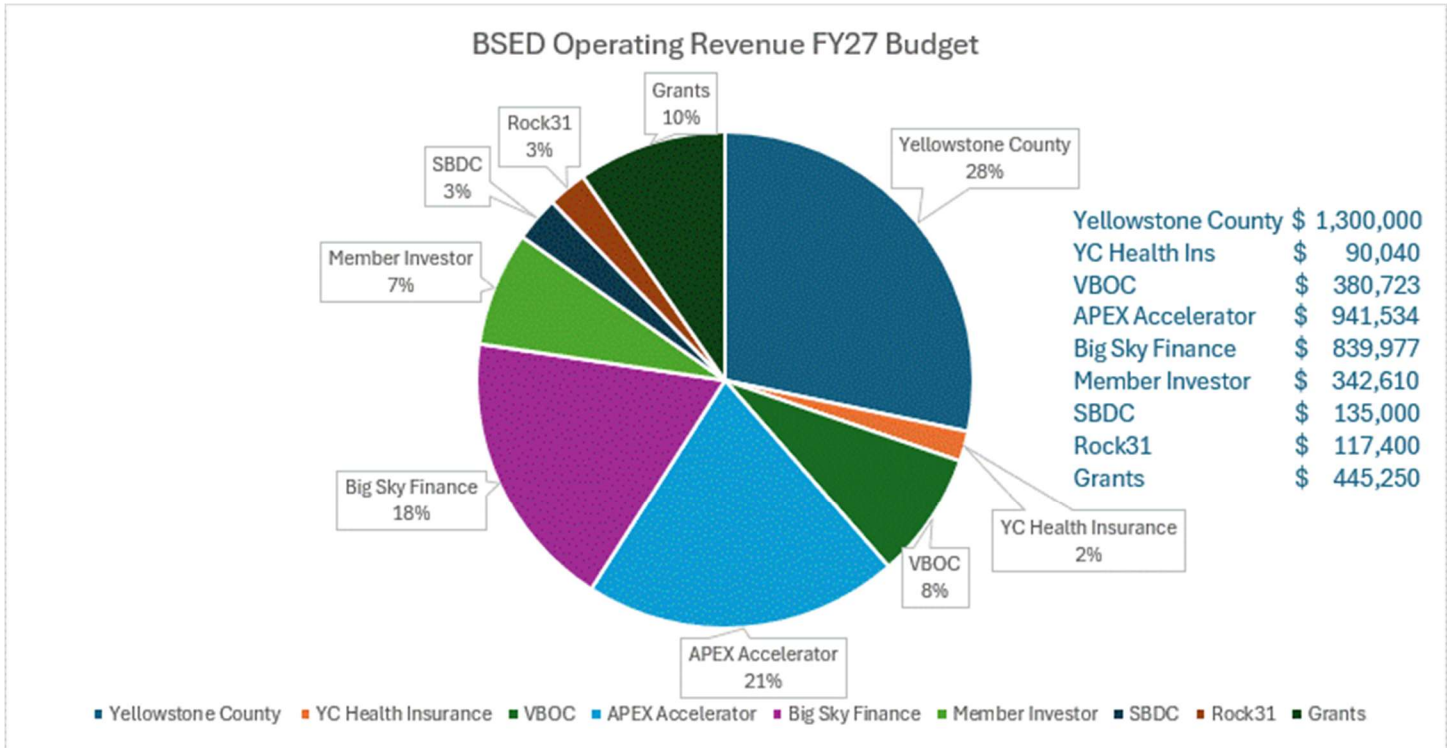
Key Assumptions

EDA Revenue Assumptions

- MOU contract revenue from Yellowstone County expected to be consistent with FY26 at \$1,300,000
- Funding from Federal and State partners budgeted at approximately \$1,863,000
 - Federal and State partners: Department of Defense (APEX), U.S. EPA (Brownfields Assessment and RLF), and Small Business Administration (VBOC and SBDC)
 - VBOC and Brownfields Assessment are fully reimbursement-based programs. Brownfields RLF has a lending component as well
 - APEX and SBDC are reimbursement-based with a matching component
 - Uncertainties exist for the Federal programs, but the preliminary budget assumes the awards will be honored
- Anticipated full occupancy/membership for Rock 31

EDC Revenue Assumptions

- Growth assumption for Member-Investor program
 - Member Investor revenue 5% increase - \$315,250 FY27 budget compared to \$299,450 FY26 budget
 - Member Investor trades - \$27,360 FY27 budget compared to \$25,000 FY26 budget
 - Grant revenue commitment - \$15,000 FY27
- Big Sky Finance SBA 504 program budgeted at \$651,000 across the program
 - SBA 504 Loan origination fee revenue - \$168,000 FY27 budget compared to \$148,500 FY26 budget
 - SBA 504 Loan servicing revenue - \$408,000 FY27 budget compared to \$430,800 in FY26 budget
 - SBA 504 float income - \$50,000 FY27 budget (consistent with FY26)
- Interest revenue from existing Federal EDA RLF, RLF, and SSBCI loans approximately \$187,000 (increase from \$162,000 in FY26)
 - Funds available to lend from balance of principal repayments for other loan types:
 - Federal EDA RLF approx. \$300,000
 - Traditional and MT RLF approx. \$600,000
 - SSBCI approx. \$700,000
 - Interest revenue will be added to the bottom line as funds are loaned out



EDA Expense Assumptions

- Staff salary/fringe – preliminary budget includes hiring for four vacant positions (Recruitment, APEX, SBDC, and VBOC). It also includes \$15K contingency for overtime and to allow flexibility during the hiring process.
 - Preliminary salary/fringe is \$2,384,880, which is comparable to FY26.
 - Salary increases for current team members include some market adjustments and/or merit increases in response to additional responsibility, certifications earned, etc. All proposed salary adjustments were reviewed and recommended by the Board’s Salary Review Committee.
- Eliminated expense contingency of \$40,000 for FY27
- Included strategic priorities budget of \$10,000 (reduction of \$5,000 from FY26 budget)

Occupancy costs for building operations and maintenance budget of approximately \$250,035 (maintenance, janitorial, security, utilities, insurance, repairs, telecommunications, etc.)

EDC Expense Assumptions

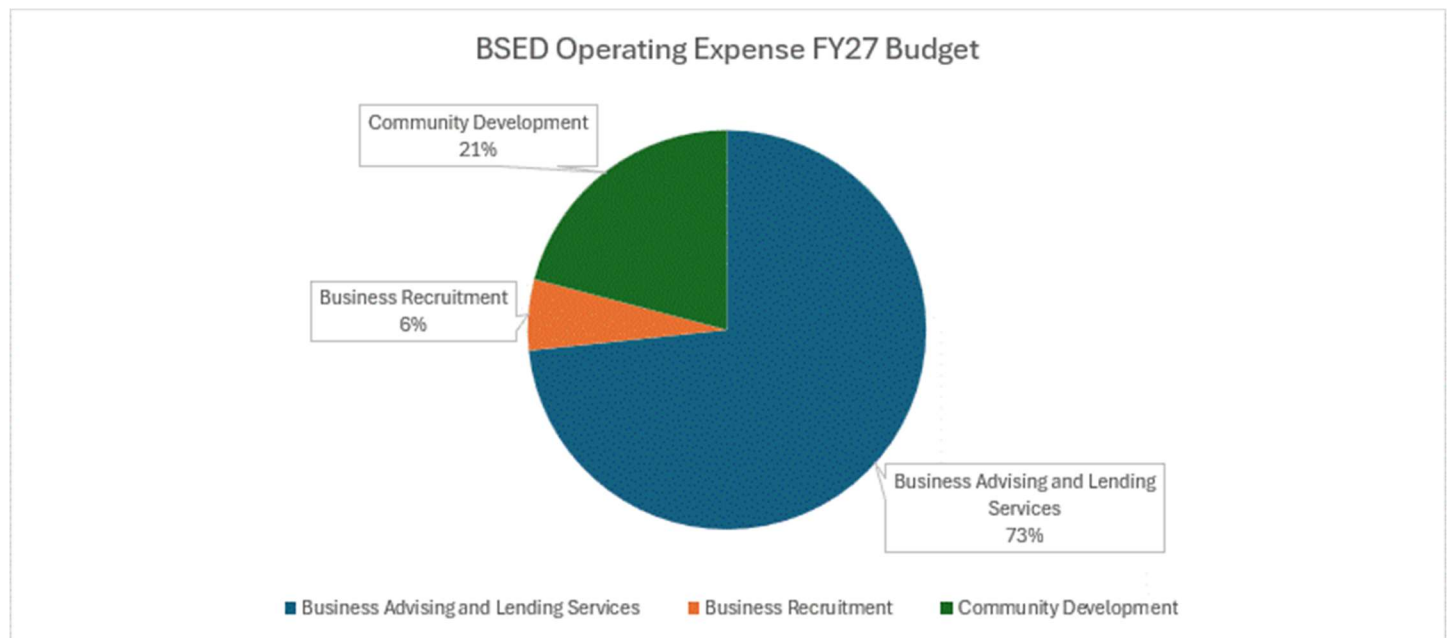
- Eliminated expense contingency of \$20,000 for FY27
- Included strategic priorities budget of \$20,000 (new in FY27)
- All employees are employees of EDA. EDC reimburses EDA for the employees who dedicate time to EDC programs in accordance with a Professional Services agreement.

EDC Expense Assumptions (Continued)

- The following table shows the employee positions for which EDC reimburses EDA and the percentage reimbursed:

EDA-EDC Cost Sharing

	Salary	Fringe	Rent	Phone & Internet	Liability Insurance
Senior Director of Big Sky Finance	100%	100%	100%	100%	100%
Loan Officers (2) & Credit Analyst	100%	100%	100%	100%	100%
Business Development Manager	100%	100%	100%	100%	100%
Marketing and Communications Manager	25%	25%	25%	25%	25%
Executive Director	25%	25%	-	-	-
Senior Director of Finance	25%	25%	-	-	-



*Note that Business Advising and Lending Services consist of Big Sky Finance, Member Investor, Rock31, APEX Accelerator, SBDC, and VBOC.

**Big Sky Economic Development Authority and Big Sky Economic Development Corporation
FY27 PRELIMINARY DRAFT BUDGET**

	EDA		EDC		Total	
	FY26 Budget	Preliminary FY27 Budget	FY26 Budget	Preliminary FY27 Budget	FY26 Budget	Preliminary FY27 Budget
Operating Revenue						
Admin/Central Services	1,416,625	1,420,303	250	250	1,416,875	1,420,553
Community Development	445,900	442,720			445,900	442,720
Engagement	75,735	38,529			75,735	38,529
Big Sky Finance	418,872	525,727	816,180	839,977	1,235,052	1,365,704
Member Investor	125,521	129,016	324,450	357,610	449,971	486,626
Recruitment	3,180	6,360			3,180	6,360
Rock31	123,760	123,760			123,760	123,760
Workforce	-	-			-	-
APEX Accelerator	1,018,444	954,254			1,018,444	954,254
SBDC	111,860	147,720			111,860	147,720
VBOC	360,000	380,723			360,000	380,723
Total Operating Revenue	4,099,897	4,169,112	1,140,880	1,197,837	5,240,777	5,366,949
Operating Expense						
Admin/Central Services	146,053	160,733	172,065	172,709	318,118	333,442
Community Development	920,897	840,559			920,897	840,559
Engagement	368,584	260,171	205,015	131,069	573,599	391,240
Big Sky Finance	531,603	654,628	520,520	647,380	1,052,123	1,302,008
Member Investor	149,358	150,961	160,486	162,471	309,844	313,432
Recruitment	131,500	193,619	53,200	38,000	184,700	231,619
Rock31	250,460	246,249	11,500	18,800	261,960	265,049
Workforce	-	-	-	-	-	-
APEX Accelerator	1,142,708	1,089,033			1,142,708	1,089,033
SBDC	179,292	271,995			179,292	271,995
VBOC	348,152	356,880			348,152	356,880
Total Operating Expenses	4,168,607	4,224,828	1,122,786	1,170,429	5,291,393	5,395,257
Net Operating Revenue (Expense)	(68,710)	(55,716)	18,094	27,408	(50,616)	(28,308)
Non-Operating Revenue (Expense)						
Admin/Central Services	105,552	104,883	10,175	10,175	115,727	115,058
Community Development	(18,793)	(17,856)			(18,793)	(17,856)
Engagement	(18,087)	(9,302)			(18,087)	(9,302)
Big Sky Finance	(31,104)	(37,984)	1,898	3,000	(29,206)	(34,984)
Member Investor	(9,331)	(8,768)	(10,000)	(10,000)	(19,331)	(18,768)
Recruitment	(9,984)	(8,688)			(9,984)	(8,688)
Rock31	(86,368)	(87,894)			(86,368)	(87,894)
Workforce	-	-			-	-
APEX Accelerator	(19,211)	(18,872)			(19,211)	(18,872)
SBDC	(9,828)	(18,043)			(9,828)	(18,043)
VBOC	(17,800)	(18,471)			(17,800)	(18,471)
Total Non-Operating Revenue (Expense)	(114,954)	(120,995)	2,073	3,175	(112,881)	(117,820)
Net Revenue (Expense)	(183,664)	(176,711)	20,167	30,583	(163,497)	(146,128)

{1} Note that the FY27 budgeted net operating expense will be completely offset by the excess net operating revenue from FY26. FY26 will result in net operating revenues that exceed budget by at least \$100,000 due to vacancy savings (salary/fringe, travel, etc.) related to open positions on the BSED team. The FY27 budgeted net operating loss of \$55,716 is primarily attributed to cost of living increases to retain our current team members and anticipation of filling four vacant positions. These costs for salary/fringe are deemed necessary in order to accomplish BSED's mission driven work plans and goals and community development centered strategic priorities.

{2} The total non-operating revenue (expense) consists primarily of interest income earned on opportunity fund accounts (budgeted \$150,000) and non-cash depreciation expense (budgeted \$267,334).

FY27 Opportunities and Challenges

Opportunities

- Accomplishing important mission driven work plan and goals and community development centered strategic priorities
- Building capacity
 - Retaining our talent
 - Investing in the professional development of our team
 - Building BSED awareness
- Grow the Big Sky Finance program
- Sustain and grow the Member Investor program

Challenges

- Continued commitment to fund the work of BSED with budget constraints
- Staff retention during an incredibly competitive market for talent
- Uncertainties with Federal programs



BIG SKY
ECONOMIC DEVELOPMENT

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ATTACHMENT D

**Big Sky Economic Development Authority
Big Sky Economic Development Corporation
Agreement for Professional Management Services**

Section 1 Parties to the Agreement

This agreement is made and entered into in Billings, Yellowstone County, Montana, this [REDACTED] day of June, 2026, by and between Big Sky Economic Development Authority, a local government entity, hereinafter referred to as Big Sky EDA, and Big Sky Economic Development Corporation, a Montana Non-Profit Corporation, hereinafter referred to as Big Sky EDC. This agreement in no way diminishes the responsibility of the Big Sky EDC Board of Directors for the operations of the certified development company that is Big Sky EDC.

Section 2 Purpose of Agreement

The purpose of this agreement is to secure from Big Sky EDA staff and support services for Big Sky EDC necessary for continuous effective operations and to comply with applicable regulations of the Small Business Administration.

Section 3 Services Performed

3.1 Staff Services

- Big Sky EDA will provide to Big Sky EDC the services of four employees (Senior Director of Business Lending and Development, two Loan Officers, and one Credit Analyst) who will conduct business finance marketing, packaging and processing activities in support of Big Sky EDC's lending programs.
- Big Sky EDA will provide to Big Sky EDC the services of two employees (Marketing and Communications Manager and Business Development Manager). The Marketing and Communications Manager will conduct overall organizational marketing and outreach for EDA and EDC. The Business Development Manager will conduct Member-Investor recruitment, policy coordination, and communication activities with the purpose of maintaining and expanding Big Sky EDC's Member-Investor base.
- Big Sky EDA will provide to Big Sky EDC the services of an employee (Executive Director) who will conduct overall executive-level management of Big Sky EDC.
- Big Sky EDA will provide to Big Sky EDC the services of an employee (Senior Director of Finance) who will oversee overall fiscal management of Big Sky EDC.

3.2 Support Services

- Big Sky EDA will provide other necessary general and administrative support services including operations, reception and support to the Big Sky EDA Executive Director.

Section 4 Other

- 4.1 Big Sky EDA will provide office space including telephone and internet access for employees who will conduct Big Sky EDC's lending, marketing and Member-Investor programs.
- 4.2 Big Sky EDA will provide liability insurance allocable to employees who will conduct Big Sky EDC's lending, marketing and Member-Investor programs.

Section 5 Reimbursement

5.1 Reimbursement of Staff and Other Services

Big Sky EDC shall reimburse Big Sky EDA, on a monthly basis for the following expenses associated with services in Section 4 above (upon execution, hourly rates will be added per SBA requirement):

	Salary	Fringe	Rent	Phone & Internet	Liability Insurance
Senior Director of Business Lending and Development	100% (\$xx/hr)	100%	100%	100%	100%
Loan Officer (2)	100% (\$xx/hr)	100%	100%	100%	100%
Credit Analyst	100% (\$xx/hr)	100%	100%	100%	100%
Marketing and Communications Manager	25% (\$xx/hr)	25%	25%	25%	25%
Business Development Manager	100% (\$xx/hr)	100%	100%	100%	100%
Executive Director	25% (\$xx/hr)	25%	-	-	-
Senior Director of Finance	25% (\$xx/hr)	25%	-	-	-

- Compensation under this agreement is for services performed, and payment is for services actually performed.

- Sources of compensation for services under this contract include Member-Investor funds, program income, and reserves. All compensation will be paid to Big Sky EDA directly by Big Sky EDC, and not by any borrower.
 - Based on prevailing area wage rates and on professional knowledge and expertise of Board Members, Big Sky EDC has determined that the compensation rates charged by Big Sky EDA are customary and reasonable for similar services in the area.
 - Contract payments for professional services will not exceed 65 to 75 percent of Big Sky EDC's income.
- 5.2 Big Sky EDA is prohibited from imposing any requirement on any applicant or borrower to purchase any other services from Big Sky EDA as a condition of Big Sky EDA performance of any staff or management functions of Big Sky EDC.
- 5.3 Additional compensation from CDC fee income, such as multipliers or bonuses, are not permitted.
- 5.4 All compensation paid to Big Sky EDA will be paid by Big Sky EDC and Big Sky EDA cannot charge the borrower for the same services.

Section 6 Term of Agreement, Termination

- 6.1 Term: This agreement shall remain in effect for the period July 1, 2026 to June 30, 2028 unless modified by mutual agreement between the parties, or terminated by either party in accordance with provisions of this section. This agreement shall also provide for one 2-year option for renewal at the expiration of the initial term of this agreement on the same terms and conditions set forth herein.
- 6.2 Termination: Either party, without penalty, may terminate this agreement by delivery to the other party a written notice of termination within 30 days of the effective termination date. In the event of notice of termination, Big Sky EDC shall be entitled to receive services, and Big Sky EDA shall be eligible to receive reimbursement for costs incurred pursuant to this agreement until the effective termination date.

Section 7 Miscellaneous Provision

- 7.1 Conflict of Interest: No member of the governing body of Big Sky EDC and no member of the governing body of Big Sky EDA shall have any personal financial interest in this agreement.
- 7.2 Breach: It is expressly understood that the only remedy in the event of breach of terms of this agreement shall be termination of the agreement in accordance with Section 6.2
- 7.3 Entire Agreement: This agreement constitutes the entire agreement between parties relating to the rights herein granted and the obligations herein assumed. The parties hereto agree that the laws of the State of Montana shall govern this agreement.

- 7.4 Independent Contractors: It is expressly understood and agreed by the parties hereto that they are independent contractors and that nothing contained herein should be construed as giving rise to a partnership or joint venture.
- 7.5 The CDC's Board of Directors specifically acknowledges and retains the ultimate responsibility for all loan approvals and loan servicing actions, 13 CFR paragraph 120.823, and that such responsibility must be conducted independently of any control by a contractor.
- 7.6 No contractor or associate of a contractor may be a voting or non-voting member of the CDC's Board of Directors.
- 7.7 Confidentiality: All notes, correspondence, entity documentation, financial information, credit memoranda, loan authorizations, drafts, photographs, papers, documents and records as defined in their broadest sense (collectively "Records") which CDC allows Service Provider (Big Sky EDA) to review and/or otherwise inspect or utilize in connection with this Agreement shall be considered confidential.

Service Provider agrees, represents, and warrants that it will only use the Records in performing the functions of and duties as set forth herein and/or otherwise in relation to his/her association with CDC. Service Provider shall not appropriate or otherwise use any of the Records and/or any information contained in any of the Records provided by CDC for any purpose other than as set forth herein. This prohibition applies to, without limitation, appropriating, or disclosing, names of CDC customers, trade secrets, vendor names, financial information, and personal information.

CDC agrees not to disclose to any third party (other than those parties specifically related to assignments to be performed under this Agreement) the name, address, or telephone number of Service Provider without Service Provider's prior approval. CDC agrees not to disclose to any party other than SBA, the party the terms of compensation paid to Service Provider pursuant to this Agreement."

Big Sky EDA is a public entity and subject to Montana's public records and public information and laws. Notwithstanding anything to the contrary in this Section 7.7, to the extent the Records are public records or public information under those laws, the confidentiality provisions of this Section 7.7 does not apply.

Execution

Executed this day of June, 2026

Big Sky Economic Development Authority

Lucy Aspinwall, Board Chair Big Sky EDA

Big Sky Economic Development Corporation

Jennifer Kobza, Board Chair Big Sky EDC

A RESOLUTION

BIG SKY ECONOMIC DEVELOPMENT CORPORATION

Whereas, the Board of Directors of BIG SKY ECONOMIC DEVELOPMENT CORPORATION, a Montana Non-Profit Corporation (BIG SKY EDC), desires to maximize the level of coordination between BIG SKY EDC and other regional economic development programs in its service area; and

WHEREAS, Big Sky Economic Development Authority, a Montana Non-Profit Corporation (BIG SKY EDA), is the regional economic development organization in the BIG SKY EDC service area; and

WHEREAS, the Board of Directors of BIG SKY EDC desires to maintain its long standing, mutually beneficial relationship with BIG SKY EDA which was responsible for the creation and development of BIG SKY EDC;

NOW, THEREFORE, BE IT RESOLVED:

Section 1.

That for the following reasons the Board of Directors of BIG SKY EDC believes it to be in the best interests of BIG SKY EDC to secure from BIG SKY EDA all management services, all marketing, packaging, processing, closing, servicing, and liquidation functions attendant to BIG SKY EDC lending activities, and all necessary support services:

- BIG SKY EDA staff who are engaged in lending and other regional economic development activities are fully knowledgeable of BIG SKY EDC and of the rules and regulations governing its lending operations, having been the staff for BIG SKY EDC since its inception.
- As the regional economic development agency, BIG SKY EDA brings a high degree of public accountability to BIG SKY EDC activities.
- BIG SKY EDA provides a level of visibility and a range of contacts across the BIG SKY EDC service area that BIG SKY EDC alone could not readily develop and sustain.
- BIG SKY EDA has provided all necessary facilities and staff services to BIG SKY EDC, and the organizations have been co-located since BIG SKY EDC's inception.

Section 2.

This agreement between BIG SKY EDC and BIG SKY EDA is in compliance with 13 CFR §120.823, §120.824 and §120.825 and with the requirements of the U. S. Small Business Administration Loan Program.

That the agreement between BIG SKY EDC and BIG SKY EDA is subject to pre-approval and yearly review by the U.S. Small Business Administration; and,

That BIG SKY EDC and its Board of Directors understand that annual submission of the agreement between BIG SKY EDC and BIG SKY EDA to the U.S. Small Business Administration is required with submission of the Annual Report.

Approved by the Board of Directors of the BIG SKY EDC on the day of June, 2026.

BIG SKY ECONOMIC DEVELOPMENT
CORPORATION

Attest: _____
Name: Nichole Mehling
Title: Secretary

By: _____
Name: Jennifer Kobza
Title: Board Chair



BIG SKY
ECONOMIC DEVELOPMENT

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ATTACHMENT E

Big Sky Economic Development Corporation
EDC Investment in Economic Development - Reinvestment of SBA 504 Program Net Income
FY27 Budget

	Engagement	Big Sky Finance	G&A	Member Investor	Business Recruitment	Rock31	Total
Operating Revenue							
504 Loan Servicing		408,000					408,000
504 Loan Origination		168,000					168,000
504 Loan Processing Fee Income							-
504 Loan Closing Attorney Fees		25,000					25,000
Federal EDA RLF Loan Origination							-
Float Income		50,000					50,000
Member Investment				315,250			315,250
Member Investment - Trade				27,360			27,360
Federal EDA RLF Loan Interest		69,477					69,477
RLF (Yellowstone County) Loan Interest		24,000					24,000
RLF (Montana) Loan Interest		8,600					8,600
SSBCI Orig Fees/Loan Interest		86,900					86,900
Donation			250				250
Grant Administration and Revenue				15,000			15,000
Total Revenue	-	839,977	250	357,610	-	-	1,197,837
Operating Expenses							
Advertising	4,000						4,000
Board Expense - Appreciation & Meetings			500				500
Board Expense - Planning			500				500
Business Accelerator						8,000	8,000
Business Development Outreach		1,500					1,500
Business Recruitment and Expansion					15,000		15,000
Community Recruitment Projects					3,000		3,000
Conferences		4,500		75		1,800	6,375
Contingency							-
Dues and Subscriptions		32,000					32,000
EDA Reimbursement	32,169	525,727	93,863	122,656			774,415
Event Expense	30,000	5,000		4,000		3,000	42,000
Hosted Meetings	500	500	1,000	500	5,000	1,000	8,500
Insurance			21,546				21,546
Loan Processing Expense		12,000					12,000
Marketing - Departmental	12,500						12,500
Marketing - Organizational	50,000						50,000
Membership Development				3,000			3,000
Member Investor Trades				27,360			27,360
Office Expense and Supplies			300				300
Postage		125		50			175
Professional Development		6,500		1,500			8,000
Professional Fees - Accounting			34,000				34,000
Professional Fees - Consulting		6,500			5,000		11,500
Professional Fees - Legal		2,500			2,500		5,000
Professional Fee - 504 Closing		25,000					25,000
Programming - Workforce							-
Rent/Parking Garage		1,848					1,848
Rock31 Member Appreciation						1,000	1,000
Rock31 Programming						4,000	4,000
Sponsorships	1,000						1,000
SSBCI Servicing Fee		3,850					3,850
Staff Expenses		250	1,000				1,250
Strategic Priorities			20,000				20,000
Telecommunications	900	780		780			2,460
Travel		17,000		2,000	7,500		26,500
Miscellaneous		1,800		550			2,350
Total Operating Expenses	131,069	647,380	172,709	162,471	38,000	18,800	1,170,429
Net Operating Revenue	(131,069)	192,597	(172,459)	195,139	(38,000)	(18,800)	27,408

SBA 504 Program Contribution to Economic Development	
504 Loan Servicing	\$ 408,000
504 Loan Origination	168,000
504 Loan Closing Attorney Fees	25,000
Float Income	50,000
Total 504 Program-related Revenue	\$ 651,000
Total Big Sky Finance Revenue	\$ 839,977
Total 504 Program-related Revenue	\$ 651,000
504-related Percentage of Total	77.50%
Total Big Sky Finance Expense	\$ 647,380
Total 504 Program-related Expense (77.5%)	\$ 501,733
Total 504 Program-related Revenue	\$ 651,000
Total 504 Program-related Expense (77.5%)	(501,733)
Allowable for Economic Reinvestment	\$ 149,267
EDC Investment in Economic Development:	
Business Recruitment	38,000
Engagement	92,467
Rock31 Entrepreneurial Program	18,800
Amount Used for Economic Reinvestment	\$ 149,267



BIG SKY
ECONOMIC DEVELOPMENT

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ATTACHMENT F

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. **ATBH Endeavors Inc. (dba Right Heart Assisted Living)** – The purpose of this request is for the refinance of existing debt and construction of a second building for Right Heart Assisted Living located in the Billings Heights. The existing facility consists of 8 beds. The new building will add an additional 16 beds for traditional clients and to expand their memory care services to the community. John and Rowena Arnott are owners of the facility which they opened in February 2024. Arnott’s also own and operate an in-home health care business which complements this operation. There are currently 5 full-time employees, and the expansion will result in 8 new jobs being created.

The total SBA debenture will be \$1,424,000 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 Bravera Bank. The project meets Public Policy goals of being in a HUBZone and improving/strengthening the community.

Big Sky SSBCI Loan Request

I. Big Sky EDC Finance Department is requesting approval for the following Big Sky EDC SSBCI loan request. The Big Sky Loan Committee has reviewed the request and recommends approval to the full EDC Board. The request meets all the underwriting and eligibility requirements of the program.

1. **Billings Seafood Guys LLC (dba Alaskan Seafood Guys)** – Request is for the use of existing SSBCI loan funds to assist Alaskan Seafood Guys with the purchase of land and building for a second location located in Havre, MT. The business’s primary location is in Billings and will remain as such. The owner has been searching for a second location to assist with distribution to the hi-line and western MT. John Wanderaas founded the business in 2018 and is 100% owner. The business was created to provide consumers with high-quality, wild-caught Alaskan seafood while also educating the consumer on sourcing, sustainability and preparation. The business has been very successful. There are currently 6 FTE and 1 part-time employee. With the expansion, they intend to hire an additional 2.5 FTEs.

Big Sky EDC’s note will be \$63,000 comprising 50% of the total financing in partnership with First Interstate Bank Billings. Borrower is contributing 10% equity. The note will be on a 10-year term amortized over 20-years at a fixed rate of 6.906%. Terms match that of the lending partner. Big Sky will be in a 2nd lien position on commercial real estate. The Big Sky EDC Loan Committee has reviewed and approved the request as presented.