



EDA/EDC – Joint Board Meeting
Thursday, July 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 – Jen Kobza, EDC Chair**
- 7:32 A.M. Public Comment/Introductions & Special Guest Presentations**
 - Beartooth RC&D – Myrna Lastusky
 - Rock 31 – Bethany Yellowtail/Carhart Collaboration (Attachment A) (Info)
- 7:55 A.M. Changes to Today’s Agenda**
- 7:57 A.M. Consent Items for Board Action** (Action)
 - EDA/EDC Joint Meeting Minutes- June 11, 2026 (Attachment B) (EDA & EDC)
 - FY’26 May Financial Statements (Attachment C) (EDA & EDC)
 - Board Resolution – Update Signers (Attachment D) (EDA & EDC)
- 8:00 A.M. Executive Director Report –**
 - Beartooth RC&D MOU (Attachment E) (EDA & EDC)
 - Budget Hearing / MOU (Attachment F) (EDA & EDC)
 - Monthly Recap / Staffing Update (Info)
 - Opportunity Fund (Attachment G) (Info)
- 8:30 A.M. Program Action Items/Reports**
 - Programming Roster - Kimberly
 - Behind the Build – Tyler (Info)
 - Annual Meeting – Fall ’26 (Info)
 - Big Sky Finance – Brandon
 - EDA RLF (Attachment H) (EDA & EDC)
 - VBOC Update – Brandon (Info)
 - Notice: August Board Meeting Canceled (Info)
- 9:00 A.M. Adjourn**

Next EDA/EDC Joint Board Meeting – September 10, 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@bigskyveda.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 ECONOMIC DEVELOPMENT

FOR IMMEDIATE RELEASE
JUNE 23, 2026

B.YELLOWTAIL'S LATEST CARHARTT COLLABORATION HIGHLIGHTS THE POWER OF MONTANA ENTREPRENEURSHIP

Billings, Mont. — Core to Big Sky Economic Development's mission is creating an environment where entrepreneurs can foster relationships, grow identity, and build financial success. Through entrepreneurship resources, business assistance services, and the Rock31 small business incubator hub, BSED helps Montana companies build sustainable businesses capable of competing in regional, national, and global markets.

One recent success story exemplifies that mission in action.

B.Yellowtail, the Indigenous fashion and lifestyle brand founded by Crow and Northern Cheyenne designer Bethany Yellowtail, has launched its second collaboration with Carhartt, one of America's most recognizable brands. As a member of the Rock31 entrepreneurial community, B.Yellowtail's newly released spring launch brings authentic Indigenous design to customers across the country while highlighting the talent, creativity, and entrepreneurial spirit emerging from an authentic Montana brand.



For BSED, the collaboration represents more than a successful product launch. It demonstrates how entrepreneurs rooted in Montana communities can build nationally recognized brands by embracing their unique identity, values, and culture to strengthen business success.

Originally from Wyola, Yellowtail built her career in the fashion industry in Los Angeles before returning home and growing B.Yellowtail into a nationally recognized company. Founded in 2015, the brand was created to provide an authentic Indigenous voice in an industry where Native-inspired designs have often been produced without tribal involvement.

“Native people have always been creators, makers, artists, and entrepreneurs,” said Yellowtail. *“For too long, Native-inspired products have often sold without Native people being part of the process. B.Yellowtail was built to help change that by creating authentic Native-designed products and sharing those stories with audiences across the country.”*

The latest Carhartt collaboration continues that mission. Inspired by Yellowtail's upbringing, heritage, and connection to the landscapes and communities of Montana, the collection brings Indigenous perspectives to a national stage to capture a wider audience. Products from the spring launch are available nationwide online and can also be found locally through retailers including Scheels and Shipton's in Billings.

The partnership's impact extends beyond fashion. As part of the collaboration, Carhartt is contributing \$50,000 to the Wyola Development Fund, a nonprofit organization dedicated to supporting the well-being of residents in the Wyola Mighty Few District.

"Growing up in Wyola shaped who I am both personally and professionally," said Yellowtail. "The opportunity to share Indigenous design with a national audience while also supporting the community that helped raise me makes this collaboration especially meaningful."



Montana's Native communities have long contributed to the state's identity through art, craftsmanship, storytelling, and entrepreneurship. The continued success of B.Yellowtail demonstrates how those traditions can create new opportunities when paired with innovation, business growth, and access to larger markets.

"When people think about economic development, they often imagine major employers, large construction projects, and transformative investments. Those projects are important, but some of the most impactful growth starts with small business entrepreneurs who have a vision and the determination to build something meaningful," said Kimberly Bailey, BSED Executive Director. "Bethany's success is a powerful example of what's possible. She built a nationally recognized brand from Montana, partnered with one of the most iconic companies in America, and is helping bring investment back to the community where her story began. Through Rock31 and our broader entrepreneurship efforts, we're committed to creating an environment where more entrepreneurs can achieve that same kind of success."

For Big Sky Economic Development, stories like B.Yellowtail's are a reminder that entrepreneurship remains among the most powerful drivers of economic vitality in communities. When local entrepreneurs build successful companies, they create opportunities, attract investment, build awareness, and showcase Montana small businesses on a national stage.

To learn more about B.Yellowtail, visit <https://byellowtail.com>.

To view the Carhartt & Bethany Yellowtail Spring Collection, visit <https://www.carhartt.com/carharttxbethanyyellowtail>

For questions or additional information, please contact Sam Loveridge, Marketing & Communications Manager, at 406.670.8522 or Sam@BigSkyEDA.org.



BIG SKY
ECONOMIC DEVELOPMENT

EDA • EDC CREATING MONTANA BUSINESS OPPORTUNITIES

ATTACHMENT B

**Big Sky EDA/EDC Joint Board Meeting Minutes
June 11, 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, Stefan Cattarin, Zachary Dunn, Austin Stacey, Darin Uselman
Ex-officio – Mike Waters, Dr. Erwin Garcia, Katy Schreiner, Denis Pitman, Kurt Markegard

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

Committee Members Absent: **EDA** – Riley Bennett, Turk Stovall
Ex-officio – John Brewer

EDC – DJ Clark, Spencer Frederick, Keagan Harsha, Tyler Wiltgen

Staff and Others Present: Reann Keller, Brandon Berger, Tami Fleetwood, Dianne Lehm, Tyler Wink, Chris White, Tereza Brownell, Sam Loveridge, Darian Armer, Heather Kirpach, Jill Cook, Paul Neutgens, Ryan Schnitzmeier, Melissa Schnitzmeier

Call to Order:

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

Public Comment/Introductions & Special Guest Presentation:

- Introduction – Paul Neutgens introduced guests Ryan and Melissa Schntzmeier with HMW Hauling.
- Introduction – Tyler Wink introduced Jill Cook, Operations Manager at Morrison-Maierle, Member Investor
- Behind the Build scheduled for June 17th, hosted by Langlas and A&E Design at the new rec center, showcasing the new basketball courts.

Agenda Changes for Today's Meeting:

None

REGULAR AGENDA

Consent Agenda Items for Board Action

- Approval to May 14, 2026, EDA/EDC Joint Board Meeting Minutes
- Approval to FY'26 March/April Financial Statements

Motion: **Lucy Aspinwall** to approve the May 14, 2026, EDA/EDC Joint Board Meeting Minutes and the FY'26 March/April Financial Statements as presented to the Board.

Second: **Nick Pancheau**

Discussion: None

Motion: Carried

Other Financial Matters

Presentation of FY'27 Preliminary Budget

Tami presented the FY'27 preliminary budget. The budget process began with organizational priorities, including maintaining and developing BSED staff, allocating resources for the greatest impact, and preserving flexibility during the BSED leadership transition. Revenue assumptions include continued funding from Yellowstone County and federal and state partners, growth in the Member Investor program and Big Sky Finance, and full occupancy in Rock 31. Tami also reviewed expense assumptions focused on talent retention and professional development. Contingency budget was removed, and program leaders reduced discretionary spending to help achieve a more balanced budget. Noted that all employees are EDA employees and that there is a cost-sharing agreement with the EDC that will be reviewed in greater detail later in the agenda. FY'27 budget includes investment in staffing and organizational needs. The FY'27 is at an overall net operating expense position of \$28K. The surplus from FY'26 will be able to offset this expense. The Board shared appreciation for Tami's efforts in putting together this budget. Tami provided an overview of the opportunities and challenges for FY'27. Opportunities include continuing to grow mission driven work, grow our Member Investor and Big Sky Finance programs, build organizational awareness and investment in staff capacity. Challenges include competitive labor market making it difficult to retain talent, federal funding uncertainties, and meeting growing community expectations. Opportunities and challenges were similar to those of past years. Goal to provide stability and continuity while supporting our new Executive Director.

Motion: **Nick Pancheau** to approve FY'27 Preliminary Budget as presented to the Board.

Second: **Michael Phillips**

Discussion: None

Motion: Carried

Managed Services Agreement

Brandon provided overview of the Managed Services Agreement required by the SBA. Since EDC does not have employees, SBA requires an agreement with EDA. Employees included in the agreement are Big Sky Finance department, Executive Director, Senior Director of Finance, and Marketing & Communications Manager. Agreement is the same as prior years with exception to a few minor changes to positions that were removed as they no longer exist at the organization.

Motion: **Kate Vogel** to approve Managed Service Agreement as presented to the Board.

Second: **Debbie Desjarlais**

Discussion: None

Motion: Carried

EDC Investment in Economic Development

SBA requires EDC to show how additional SBA 504 loan revenue will be reinvested into economic development activities. Net income will be reinvested in business recruitment, engagement, and Rock 31 programs.

Motion: **Jerry Simonson** to approve EDC Investment in Economic Development as presented to the Board.
Second: **Stefani Hicswa**
Discussion: None
Motion: Carried

Executive Director Report

Budget Hearing

Brandon shared that BSED’s budget hearing with Yellowstone County Commissioners is scheduled for June 24th at 9:15am for those who wish to attend. Brandon plans on leading the presentation along with Jen and Lucy. Kimberly will be on board at that time and present at the hearing.

Workforce Update

BSED hosted a workforce roundtable discussion earlier this month with educational partners, industry leaders, and community partners. Discussion regarding how BSED can continue supporting workforce efforts by collaborating with other organizations and community partners. More discussion to come regarding these efforts.

Program Action Items/Reports

Big Sky Finance – Brandon

SBA 504 Loan Request – 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.

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.

Motion: **Jerry Simonson** to approve the 504 loan request for ATBH Endeavors Inc. (dba Right Heart Assisted Living) in the amount of \$1,424,000 as presented to the Board.
Second: **Dave Ballard**
Discussion: None
Motion: Carried

Big Sky SSBCI Loan Request – 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.

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.

Motion: **George Warmer** to approve the Big Sky SSBCI loan request for Billings Seafood Guys LLC (dba Alaskan Seafood Guys) in the amount of \$63,000 as presented to the Board.

Second: **Nick Pancheau**

Discussion: None

Motion: Carried

Veteran Business Outreach Center update

BSED continues to work on an evaluation to expand the VBOC territory into Alaska and Idaho. There are no additional updates at this time.

Public Comment

- Kimberly starts Monday June 15th with a strong work plan. Meetings are scheduled with partners and staff during her first week. She had the opportunity to visit at the end of May and connect with the staff.
- Brandon shared appreciation for the Board and staff support in his role as Interim Executive Director. Look forward to having Kimberly join the team.

Adjourn

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

Second: **Mark Morse**

Jen Kobza adjourned the meeting at 8:15 A.M.

Next Meeting – July 9, 2026

Respectfully submitted,

Kate Vogel, EDA Secretary/Treasurer

Nichole Mehling, EDC Secretary/Treasurer



BIG SKY
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ATTACHMENT C



**Big Sky Economic Development Authority (BSEDA)
Financial Summary for Board of Directors
FY26 - As of and for the period ended May 31, 2026**

Statement of Operations

Net Operating Revenue: \$170,148

Factors Driving Net Operating Revenue:

The net operating revenue for the fiscal year to date through May 31, 2026, resulted in an increase over budgeted net operating expense by approximately \$250K. Total revenues are less than budget by approximately \$515K and total operating expenses are less than budget by \$765K. See below for factors contributing to the variances:

Revenue

- Brownfields revenue for Assessment and RLF grants are less than YTD budget by approximately \$218K 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 \$211K. 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 \$34K. 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 \$299K compared to budget due to vacant positions on the team. 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 May 2026 and the new Executive Director as of June 15, 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: \$1,899,782
Opportunity Fund cash and CDs: \$3,455,350
Accounts receivable: \$329,235
Due from EDC: \$54,573

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 \$546,661. BSEDA's cash position is good and sufficient to meet the needs of the organization.

The accounts receivable balances outstanding on May 31, 2026 include two customer balances that are aged more than 60 days (APEX & 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 Month and YTD Ended May 31, 2026

	May 2026			YTD			Fiscal Year
	Actual	Budget	over Budget	Actual	Budget	over Budget	Annual Budget
Income							
40000 County Taxes Mill Levy Revenue	\$ (14)	\$ -	\$ (14)	\$ 34,368	\$ -	\$ 34,368	\$ -
40001 Yellowstone County MOU	108,333	108,333	-	1,191,667	1,191,667	0	1,300,000
40020 Health Ins Mill Levy Revenue	4,240	7,818	(3,578)	60,420	85,993	(25,573)	93,810
40030 Recovery of Protested Taxes		83	(83)	19,421	917	18,505	1,000
40050 Department of Defense - APEX	66,000	81,413	(15,413)	684,841	895,541	(210,700)	976,954
40060 EDC Reimbursement	49,131	57,603	(8,472)	567,397	633,630	(66,233)	691,233
40070 EPA Brownfields - Assessment	5,535	16,667	(11,131)	76,741	183,333	(106,592)	200,000
40080 EPA Brownfields - Project Mgmt		2,500	(2,500)	10,790	27,500	(16,710)	30,000
40090 EPA Brownfields - RLF	175	16,667	(16,492)	88,016	183,333	(95,318)	200,000
40100 APEX Advisor Agreement Support	2,000	2,000	-	22,000	22,000	-	24,000
40110 MT Dept of Commerce - SBDC	6,333	6,333	0	71,305	68,968	2,338	105,500
40120 SBDC Program Income		-	-	210	-	210	-
40130 SBA - VBOC	18,605	30,000	(11,395)	295,199	330,000	(34,801)	360,000
40140 Rock31 Membership Revenue	7,533	8,417	(884)	84,417	92,583	(8,166)	101,000
40150 Zoot/Other Room Rent Revenue	1,660	667	993	8,803	7,333	1,469	8,000
40160 Rock31 Barista Rent Revenue		700	(700)	-	7,700	(7,700)	8,400
40200 Miscellaneous Revenue		-	-	0	-	0	-
Total Income	269,532	339,200	(69,667)	3,215,595	3,730,498	(514,903)	4,099,897
Expenses							
50100 Salaries/Wages/Vacation	171,774	149,907	21,867	1,459,084	1,648,976	(189,892)	1,798,883
50110 Employer Contributions	39,697	47,946	(8,248)	417,854	527,403	(109,549)	575,349
50140 Advertising		250	(250)	-	2,750	(2,750)	3,000
50150 Barista Equipment Maintenance		208	(208)	-	2,292	(2,292)	2,500
50160 Barista Supplies		42	(42)	-	458	(458)	500
50170 Board Expenses	142	500	(358)	2,576	5,500	(2,924)	6,000
50180 Brownfields Assessment Expense	4,170	16,667	(12,497)	75,556	183,333	(107,778)	200,000
50190 Brownfields Project Mgmt Exp		2,500	(2,500)	11,037	27,500	(16,463)	30,000
50200 Brownfields RLF Expense	175	16,667	(16,492)	2,991	183,333	(180,342)	200,000
50210 Building Art and Decor		-	-	90	5,000	(4,910)	5,000
50220 Building Operations/Maintenance	6,859	8,879	(2,020)	91,628	97,671	(6,043)	106,550
50240 Community Development Projects		1,000	(1,000)	36,271	49,000	(12,729)	55,000
50250 Community Partner Projects	85	-	85	547	-	547	3,500
50260 Conferences	1,195	1,321	(126)	7,668	14,669	(7,001)	15,990
50270 Contingency		3,333	(3,333)	-	36,667	(36,667)	40,000
50280 Contribution Expense		292	(292)	-	3,208	(3,208)	3,500
50300 Dues/Subscriptions/Memberships	6,643	6,490	153	115,097	108,349	6,747	115,345
50400 Event Expense		300	(300)	4,932	4,300	632	4,600
50410 Hosted Meetings	152	821	(669)	3,617	9,029	(5,412)	9,850
50430 Insurance	4,796	4,670	126	54,666	51,365	3,300	56,035
50440 Marketing	358	583	(225)	5,539	6,417	(878)	7,000
50450 Office Equip & Furn < \$5000		-	-	7,389	8,500	(1,111)	14,000
50460 Office Expense and Supplies	1,057	2,861	(1,804)	19,333	31,470	(12,137)	34,331
50470 Payroll Processing Expense	277	1,835	(1,558)	13,332	20,182	(6,850)	22,017
50480 Professional Development	1,900	1,875	25	3,584	20,625	(17,041)	22,500
50490 Professional Fees	6,366	5,417	949	86,535	59,583	26,951	65,000
50510 Programming - Workforce		-	-	305	-	305	-
50520 Property Tax Protests		-	-	1,921	-	1,921	-
50530 APEX Subcenter	42,938	43,765	(827)	465,107	481,418	(16,311)	525,183
50540 Rent	545	876	(331)	7,133	9,635	(2,502)	10,511
50550 Repairs	100	1,333	(1,233)	10,306	14,667	(4,361)	16,000
50560 Rock31 Programming		250	(250)	779	2,750	(1,971)	3,000
50570 SBDC Program Expense		-	-	61	-	61	-
50580 Special Assessments BID	2,144	2,250	(106)	4,287	4,500	(213)	4,500
50590 Sponsorships		1,333	(1,333)	10,250	15,667	(5,417)	16,000
50600 Staff Expenses	545	842	(297)	4,146	9,258	(5,113)	10,100
50610 Strategic Priorities		-	-	-	7,500	(7,500)	15,000
50630 TEDD	62	50	12	140	550	(410)	600
50640 Telecommunications	4,140	5,025	(885)	51,441	55,230	(3,788)	60,305
50650 Travel	9,124	8,705	420	62,466	95,753	(33,287)	104,458
50670 Miscellaneous	227	562	(334)	7,779	5,978	1,801	6,500
Total Expenses	305,468	339,354	(33,885)	3,045,447	3,810,488	(765,041)	4,168,607
Net Operating Income	(35,936)	(154)	(35,782)	170,148	(79,989)	250,137	(68,710)

Big Sky Economic Development Authority
 Statements of Operations - Budget vs. Actual
 For the Month and YTD Ended May 31, 2026

	May 2026			YTD			Fiscal Year
	Actual	Budget	over Budget	Actual	Budget	over Budget	Annual Budget
Other Income							
70000 Non-Operating Income	24,656	12,500	12,156	89,882	137,500	(47,618)	150,000
Total Other Income	24,656	12,500	12,156	89,882	137,500	(47,618)	150,000
Other Expenses							
80000 Non-Operating Expense	22,574	22,079	494	243,379	242,874	504	264,954
Total Other Expenses	22,574	22,079	494	243,379	242,874	504	264,954
Net Other Income	2,082	(9,579)	11,661	(153,496)	(105,374)	(48,122)	(114,954)
Net Income	\$ (33,854)	\$ (9,733)	\$ (24,121)	\$ 16,651	\$ (185,364)	\$ 202,015	\$ (183,664)

Big Sky Economic Development Authority
Statements of Financial Position - Comparison to Previous Year
As of May 31, 2026

	As of May 31, 2026	As of May 31, 2025 (PY)	Change	% Change
ASSETS				
Current Assets				
Bank Accounts				
10000 Main Operating - FIB	\$ 1,277,161	\$ 385,045	\$ 892,116	231.69%
10010 Recovered Property Taxes - FIB	627	627	0	0.05%
10020 Operating Reserve - FIB	361,576	354,972	6,604	1.86%
10030 Reserve for Replacement - FIB	185,085	184,915	170	0.09%
10040 Pass-through - Cabelas Conduit	4,900	9,564	(4,664)	-48.76%
10050 Opportunity Fund Savings Accounts	1,197,577	1,170,723	26,854	2.29%
10060 Opportunity Fund CDs-current	2,257,773	2,176,467	81,306	3.74%
10080 Yellowstone County Funds	70,432	918,520	(848,088)	-92.33%
Total Bank Accounts	5,355,132	5,200,833	154,298	2.97%
Accounts Receivable				
10100 Accounts Receivable	65,789	3,081	62,708	2035.49%
10110 Accounts Receivable - APEX	177,872	181,620	(3,748)	-2.06%
10120 Accounts Receivable - SBDC	6,333	23,167	(16,833)	-72.66%
10130 Accounts Receivable - VBOC	78,949	102,235	(23,286)	-22.78%
10140 Accounts Receivable - Brownfields	291	8,784	(8,493)	-96.68%
Total Accounts Receivable	329,235	318,887	10,348	3.25%
Other Current Assets				
10200 Accrued Revenue	-	47,383	(47,383)	-100.00%
10210 Due To/Due From EDC	54,573	69,920	(15,346)	-21.95%
10225 Accrued Interest Receivable	4,339		4,339	
10230 Tax Levy Receivable	4,839	116,773	(111,934)	-95.86%
10240 Tax Levy Receivable - Protested	-	21,615	(21,615)	-100.00%
10241 Allowance for Doubtful Accts - Protested Taxes	-	(21,615)	21,615	100.00%
10260 American Airlines Rev Guarantee	6,887	6,887	-	0.00%
10270 Prepaid Expenses	19,323	27,919	(8,596)	-30.79%
Total Other Current Assets	89,962	268,881	(178,919)	-66.54%
Total Current Assets	5,774,329	5,788,601	(14,273)	-0.25%
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	256,836	227,169	29,667	13.06%
10440 Equipment	6,700	6,700	-	0.00%
10450 Barista Equipment	12,000	12,000	-	0.00%
10460 Accumulated Depreciation	(1,020,118)	(758,249)	(261,869)	-34.54%
Total Fixed Assets	5,861,058	6,093,260	(232,202)	-3.81%
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	7,967	11,243	(3,275)	-29.13%
10700 Notes Receivable - Brownfields/EDC	84,778		84,778	
Total Other Assets	386,900	101,198	285,702	282.32%
TOTAL ASSETS	\$ 12,022,286	\$ 11,983,059	\$ 39,227	0.33%

Big Sky Economic Development Authority
Statements of Financial Position - Comparison to Previous Year
As of May 31, 2026

	As of May 31, 2026	As of May 31, 2025 (PY)	Change	% Change
LIABILITIES AND EQUITY				
Liabilities				
Current Liabilities				
Total Accounts Payable	\$ 98,092	\$ 119,196	\$ (21,104)	-17.71%
Total Credit Cards	13,819	5,804	8,015	138.08%
Other Current Liabilities				
20200 Accrued Expenses	107,038	173,751	(66,712)	-38.40%
20220 Compensated Absences	123,519	165,761	(42,242)	-25.48%
20230 Payroll Liabilities	(109)	277	(386)	-139.21%
20300 Deferred Revenues	110,333	133,006	(22,673)	-17.05%
Total Other Current Liabilities	340,782	472,795	(132,012)	-27.92%
Total Current Liabilities	452,694	597,795	(145,101)	-24.27%
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	7,967	11,242	(3,275)	-29.13%
Total Long-Term Liabilities	928,911	706,827	222,084	31.42%
Total Liabilities	1,381,605	1,304,623	76,983	5.90%
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	16,651	59,321	(42,670)	-71.93%
Total Equity	10,640,681	10,678,436	(37,756)	-0.35%
TOTAL LIABILITIES AND EQUITY	\$ 12,022,286	\$ 11,983,059	\$ 39,227	0.33%



**Big Sky Economic Development Corporation (BSEDC)
Financial Summary for Board of Directors
FY26 - As of and for the period ended May 31, 2026**

Statement of Operations

Net Operating Revenue: \$261,877

Factors Driving Net Operating Revenue:

The net operating revenue for the fiscal year to date through May 31, 2026, is more than the budgeted net operating revenue by approximately \$191K. Total revenues are consistent with budget revenues and total operating expenses are less than budget by approximately \$191K. See below for factors contributing to the variances:

Revenue

- 504 Loan Servicing is behind YTD budget by approximately \$40K due primarily to early payoffs of outstanding principal. 504 Loan Origination is behind YTD budget by approximately \$47K due to timing of closings for loans in progress. 504 Float Income exceeds FY27 budget by approximately \$49K for the fiscal year.
- Member Investment Pledges are in line with YTD budget as of May 2026.
- Interest earned from Big Sky Finance loan programs is ahead of YTD budget by approximately \$21K. 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 \$33K 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 \$191K.

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 may occur in June 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: \$787,733
Cash designated for loan programs: \$2,821,056
Cash designated for Coulson Park and Opportunity Funds: \$155,049
Accounts receivable: \$57,500
Loan portfolios, net of allowance for loan losses: \$3,911,016
Notes receivable Brownfields RLF: \$70,447 (new in December 2025) *
Accounts payable: \$55,385
Due to EDA: \$54,573

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 May 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 Month and YTD Ended May 31, 2026

	May 2026			YTD			Fiscal Year
	Actual	Budget	over Budget	Actual	Budget	over Budget	Annual Budget
Revenue							
40010 504 Loan Servicing	\$ 32,323	\$ 35,900	\$ (3,577)	\$ 354,252	\$ 394,900	\$ (40,648)	\$ 430,800
40020 504 Loan Origination	12,600	12,375	225	88,820	136,125	(47,305)	148,500
40040 504 Loan Closing Attorney Fees	2,500	2,083	417	22,500	22,917	(417)	25,000
40050 504 Float Income	46,192	25,000	21,192	99,316	50,000	49,316	50,000
41010 Member Investment Pledges		-	-	301,251	299,450	1,801	299,450
41020 Member Investment - Trades	1,564	-	1,564	21,277	25,000	(3,723)	25,000
42010 Federal EDA RLF Loan Interest	5,670	8,298	(2,628)	90,756	91,277	(521)	99,575
42020 RLF Loan Interest	2,311	3,714	(1,402)	24,844	40,850	(16,006)	40,364
42025 RLF Origination Fees		-	-	257	-	257	-
42030 MT RLF Loan Interest	296	-	296	3,571	-	3,571	4,200
42040 SSBCI Loan Interest	2,653	1,079	1,574	31,082	11,869	19,213	4,541
42050 SSBCI 2.0 Loan Interest	2,475	399	2,076	19,157	4,394	14,764	13,200
42055 SSBCI 2.0 Origination Fees		-	-	4,550	-	4,550	
42062 ORE Origination Fees		-	-	750	-	750	-
43000 Other Revenue	15,000	-	15,000	15,000	250	14,750	250
Total Revenue	123,584	88,848	34,736	1,077,383	1,077,032	351	1,140,880
Expenditures							
50140 Advertising	1,061	750	311	5,073	8,250	(3,177)	9,000
50170 Board Expenses		200	(200)	-	800	(800)	1,000
50240 Business Development Outreach		125	(125)	681	1,375	(694)	1,500
50250 Business Recruitment and Expans	1,387	1,250	137	8,578	13,750	(5,172)	15,000
50259 Community Recruitment Projects		-	-	-	2,000	(2,000)	3,000
50260 Conferences		1,125	(1,125)	6,585	12,450	(5,865)	13,575
50300 Dues/Subscriptions/Memberships	2,989	2,005	983	31,273	22,158	9,115	20,000
50330 EDA Reimbursement	49,131	57,603	(8,472)	567,397	633,630	(66,233)	24,163
50340 Event Expense		4,350	(4,350)	6,933	39,700	(32,767)	691,233
50360 Hosted Meeting Expense	1,187	792	395	4,148	8,708	(4,560)	45,500
50380 Insurance	2,026	2,000	26	22,042	22,000	42	8,000
50390 Loan Expenses	6,644	833	5,810	9,921	9,167	755	24,000
50400 Marketing	650	7,167	(6,517)	33,631	78,833	(45,203)	10,000
50410 Membership Development	14	708	(694)	1,193	7,792	(6,598)	86,000
50420 Member Investor Trades	1,564	2,083	(519)	22,777	22,917	(139)	8,500
50440 Office Equip & Furn < \$5000		-	-	330	-	330	25,000
50450 Office Expenses and Supplies	531	42	489	1,295	458	837	500
50460 Postage		-	-	20	175	(155)	175
50470 Professional Development		625	(625)	2,825	7,375	(4,550)	8,000
50480 Professional Fees	8,173	5,042	3,131	70,985	59,208	11,777	68,000
50500 Rent	11	280	(269)	1,979	3,080	(1,101)	3,360
50510 Rock31 Business Accelerator		667	(667)	-	7,333	(7,333)	8,000
50530 Rock31 Member Appreciation		83	(83)	70	917	(847)	1,000
50540 Rock31 Programming		83	(83)	-	917	(917)	1,000
50550 Sponsorships		-	-	850	1,000	(150)	1,000
50555 SSBCI Servicing Fee (deleted)		321	(321)	-	3,529	(3,529)	3,850
50560 Staff Expenses	98	100	(2)	793	1,100	(307)	1,200
50570 Telecommunications	98	190	(93)	1,198	2,090	(893)	2,280
50580 Travel	1,161	3,158	(1,997)	12,718	34,042	(21,324)	37,200
50610 Miscellaneous	293	146	148	2,210	1,604	606	1,750
Total Expenditures	77,016	91,728	(14,712)	815,506	1,006,358	(190,852)	1,122,786
Net Operating Revenue	46,568	(2,880)	49,448	261,877	70,674	191,203	18,094
Other Revenue							
70000 Non-Operating Income	367	1,006	(639)	1,533,162	11,067	1,522,095	12,073
Total Other Revenue	367	1,006	(639)	1,533,162	11,067	1,522,095	12,073
Other Expenditures							
80000 Non-Operating Expense		-	-	82,120	7,500	74,620	10,000
Total Other Expenditures	-	-	-	82,120	7,500	74,620	10,000
Net Other Revenue	367	1,006	(639)	1,451,042	3,567	1,447,475	2,073
Net Revenue	\$ 46,935	\$ (1,874)	\$ 48,809	\$ 1,712,919	\$ 74,241	\$ 1,638,678	\$ 20,167

Big Sky Economic Development Corporation
Statements of Financial Position - Comparison to Previous Year
As of May 31, 2026

	As of May 31, 2026	As of May 31, 2025 (PY)	Change	% Change
ASSETS				
Current Assets				
Bank Accounts				
10000 Main Operating - FIB	\$ 537,733	\$ 115,276	\$ 422,457	366.47%
10020 Long Term Reserve - FIB	250,000	250,000	-	0.00%
10030 Coulson Park - FIB x0594	94,037	178,771	(84,734)	-47.40%
10050 Opportunity Fund Savings - FIB	61,012	60,981	30	0.05%
10060 RLF Principal - FIB	646,504	628,042	18,462	2.94%
10070 SSBCI Principal - FIB/Stockman	1,774,248	750,345	1,023,903	136.46%
10080 Federal EDA RLF Principal - FIB	399,054	217,357	181,697	83.59%
10085 ORE Loan Program - FIB	1,250		1,250	
Total Bank Accounts	3,763,838	2,200,773	1,563,066	71.02%
Total Accounts Receivable	57,500	60,295	(2,795)	-4.64%
Other Current Assets				
10199 Undeposited Funds	1,500	1,500	-	0.00%
10200 Fed EDA RLF Portfolio - Current	220,721	79,521	141,200	177.56%
10240 Traditional RLF Portfolio - Current	8,734	6,766	1,968	29.09%
10270 MT RLF Portfolio - Current	996	929	67	7.23%
10300 SSBCI Portfolio - Current	7,545	10,989	(3,445)	-31.34%
10330 SSBCI 2.0 Portfolio - Current	18,149	19,921	(1,772)	-8.89%
10370 Prepaid Expenses	14,731	13,532	1,199	8.86%
Total Other Current Assets	272,376	133,158	139,217	104.55%
Total Current Assets	4,093,714	2,394,226	1,699,488	70.98%
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	\$ 7,819,032	\$ 6,137,172	\$ 1,681,861	27.40%
LIABILITIES AND EQUITY				
Liabilities				
Current Liabilities				
Total Accounts Payable	\$ 55,385	\$ 6,801	\$ 48,584	714.36%
Total Credit Cards	783	1,881	(1,097)	-58.35%
Other Current Liabilities				
20150 Due to/Due From EDA	54,573	69,920	(15,346)	-21.95%
20160 504 Deposits	7,500		7,500	
20200 Accrued Expenses	21,828	11,702	10,126	86.53%
Total Other Current Liabilities	83,901	81,622	2,279	2.79%
Total Current Liabilities	140,069	90,304	49,766	55.11%
Long-Term Liabilities				
20800 Notes Payable - Brownfields/EDA	70,447		70,447	
Total Long-Term Liabilities	70,447	-	70,447	
Total Liabilities	210,516	90,304	120,213	133.12%
Equity				
30100 Retained Earnings	5,895,597	5,123,364	772,233	15.07%
Net Revenue	1,712,919	923,504	789,415	85.48%
Total Equity	7,608,516	6,046,868	1,561,648	25.83%
TOTAL LIABILITIES AND EQUITY	\$ 7,819,032	\$ 6,137,172	\$ 1,681,861	27.40%



BIG SKY
ECONOMIC DEVELOPMENT

EDA • EDC CREATING MONTANA BUSINESS OPPORTUNITIES

ATTACHMENT D

Resolution of Board of Directors:

The Big Sky EDA/EDC Board of Directors hereby authorizes Kimberly Bailey (Executive Director), Brandon Berger (Senior Director of Business Lending and Development) and Tami Fleetwood (Senior Director of Finance) to manage all financial accounts.

The Big Sky EDA/EDC Board of Directors hereby authorizes the following individuals for check signing authority on Big Sky Economic Development's three main operating accounts at First Interstate Bank (*1210, *8987, *7262):

- Kimberly Bailey, Executive Director
- Brandon Berger, Senior Director of Business Lending and Development
- Jennifer Kobza, EDC Board Chair
- Lucy Aspinwall, EDA Board Chair
- Jennifer Weaver Kondracki, EDC Vice Chair
- Bryan Wood, EDA Vice Chair
- Nichole Mehling, EDC Secretary/Treasurer
- Kate Vogel, EDA Secretary/Treasurer

Authorized signers on all other accounts at First Interstate Bank will include:

- Kimberly Bailey, Executive Director
- Brandon Berger, Senior Director of Business Lending and Development
- Jennifer Kobza, EDC Board Chair
- Lucy Aspinwall, EDA Board Chair
- Nichole Mehling, EDC Secretary/Treasurer
- Kate Vogel, EDA Secretary/Treasurer

For all other financial institutions in which Big Sky EDA/EDC has checking/savings/CDs/money market accounts, Tami Fleetwood and Brandon Berger will remain listed as signers. These institutions include; Altana Federal Credit Union, Stockman Bank, Bravera Bank, Little Horn State Bank, Opportunity Bank, Western Security Bank, Valley Federal Credit Union and Yellowstone Bank.

All changes are authorized to become effective immediately.

Dated this _____ day of _____, 2026

Lucy Aspinwall, EDA Chair

Jen Kobza, EDC Chair

Attested By:

Kate Vogel, EDA Secretary/Treasurer

Nichole Mehling, EDC Secretary/Treasurer



BIG SKY
ECONOMIC DEVELOPMENT

EDA • EDC CREATING MONTANA BUSINESS OPPORTUNITIES

ATTACHMENT E

MEMORANDUM OF UNDERSTANDING

between

**Yellowstone County Commissioners, Big Sky Economic Development Authority,
City of Billings, City of Laurel,**

and

Beartooth Resource Conservation & Development Area, Inc.

THIS MEMORANDUM OF UNDERSTANDING is made and entered into this ____ day of _____, 202____, by and between **Beartooth Resource Conservation & Development Area, Inc.**, whose principal business address is P.O. Box 180, Joliet, Montana 59041, hereinafter referred to as **“Beartooth RC&D”** and **Yellowstone County Commissioners (in cooperation with the City of Billings, City of Laurel, and Big Sky EDA)**, and hereinafter referred to as **“the Entity.”**

WHEREAS, The Beartooth RC&D has been formally recognized by the U.S. Department of Commerce, Economic Development Administration (EDA) as a designated Economic Development District (EDD), and as a District, the Beartooth RC&D has been awarded funding to carry out its Comprehensive Economic Development Strategy (CEDs). This funding will provide a staff person, administrative support and operating costs. This is a continual grant, renewable based on successful program operation and availability of federal funds. Local match is required.

WHEREAS, Each entity participating in the District will designate a representative and an alternate to the regional Beartooth RC&D Board. This individual will convey the needs and economic development goals of the community to the Beartooth RC&D board meetings. Regular board meetings will be held every two months to assess project status and evaluate regional economic development needs.

NOW THEREFORE IT IS UNDERSTOOD AS FOLLOWS:

ARTICLE 1: SCOPE OF WORK:

Beartooth RC&D employs an Economic Development Director to assist in the completion of the Comprehensive Economic Development Strategy for the five-county region. The Director’s time will be allocated consistent with the goals in the CEDs by the Beartooth RC&D board of directors. The board is composed of one representative and an alternate from business partners, county and local elected officials and local economic development partners from our five-county region. Input from this board is essential for meeting the needs of the communities in our region.

Priority will be assigned projects of regional scope or projects with strong local leadership. Grant funding for this position is from EDA; therefore, emphasis will be on regional economic development planning and projects which have a correlation to job creation, economic diversification and increased tax base. Matching funds are from participating entities and emphasis will be placed on their specified projects.

Annual Evaluation:

The performance of the Economic Development District will be evaluated annually by local entities participating on the regional Beartooth RC&D Board. Progress and/or accomplishments on each program/project will be reported and evaluated to ensure resources are being utilized in the most effective and efficient manner possible. Annual Comprehensive Economic Development Strategy updates and an annual plan of work will be developed with input from the Beartooth RC&D staff and board. Annual reports on projects and economic development activities will be provided to the board and participating entities along with the renewal of the Memorandum of Understanding.

ARTICLE 2: PERIOD OF PERFORMANCE:

The term of this Memorandum of Understanding shall be from the date it is signed through **December 31, 2026**, unless extended by mutual agreement by both parties. Such extension must be in writing, signed by authorized representatives of both parties, and made a part of the original Memorandum of Understanding by modification reference. This Memorandum of Understanding supersedes the prior Memorandum for participation in the Economic Development District.

ARTICLE 3: PAYMENT:

The Entity's annual contribution will be **\$4,500.00** as a "Membership" fee plus a per capita assessment of **.19** cents per person. These funds will provide the necessary match to obtain the \$70,000.00 in federal funds. Entities who do not participate financially in the match requirement will not receive services from the Economic Development Coordinator. The calculated fee for **the Entity** is **\$37,100.77**. This figure is a total of the **\$4,500.00** fee plus **\$32,600.77** per capita formula using a population of **171,583 x (.19)** as per the 2024 Census data. The Entity's full payment will be separated into a four-way payment system. Each entity within the county will pay a percentage (%) similar to the previous year. Big Sky EDA- 34% or **\$12,614.26**, City of Billings- 36% or **\$13,356.28**, City of Laurel- 6% or **\$2,226.05**, and Yellowstone County- 24% or **\$8,904.18**.

Annually, the Beartooth RC&D/EDD staff will provide a comprehensive report of the past year's activity. A new Memorandum of Understanding will be prepared and a request submitted for the next year's match. Entities will be billed for match funds after January 1, 2026, for the current year's assessment.

Payment as provided in this section shall be full compensation for work performed, services rendered, and for all materials, supplies, equipment, and incidentals necessary to complete the work.

ARTICLE 4: EXAMINATION OF RC&D RECORDS:

The Entity or its representatives shall have the right to examine any books, records, or other documents of the Beartooth RC&D directly relating to costs when such costs are the basis of compensation hereunder.

ARTICLE 5: OWNERSHIP AND USE OF DOCUMENTS:

Reproducible copies of all documents and other materials produced by the Beartooth RC&D in connection with the services rendered under this Memorandum of Understanding shall be provided to the Entity for the Entity's use whether the project for which they are made is executed or not. Beartooth RC&D shall be permitted to retain originals, including reproducible originals, of drawings and specifications for information, reference and use in connection with Beartooth RC&D's endeavors.

ARTICLE 6: WARRANTY:

Beartooth RC&D warrants that all services performed herein shall be performed using that degree of skill and care ordinarily exercised in and consistent with generally accepted practices for the nature of the services and shall conform to all requirements of this Memorandum of Understanding.

ARTICLE 7: SAFETY:

Beartooth RC&D agrees to fully comply with the Occupational Safety and Health Act of 1970, all regulations issued thereunder, and all state laws and regulations enacted and adopted pursuant thereto. The Beartooth RC&D shall take all necessary precautions in performing the services hereunder to prevent injury to persons or damage to property.

ARTICLE 8: CONFIDENTIALITY AND CONFLICTS OF INTEREST:

Beartooth RC&D agrees to hold in strict confidence any proprietary or other data, findings, results, or recommendations deemed to be confidential by the Entity and obtained or developed by Beartooth RC&D in connection with the work under this Memorandum of Understanding. Beartooth RC&D warrants and agrees they do not and will not have any conflicts of interest regarding the performance of services hereunder.

ARTICLE 9: APPLICABLE LAW:

This Memorandum of Understanding shall be governed in all respects by the laws of the State of Montana. No changes, amendments or modifications of any of the terms and conditions hereof shall be valid unless agreed to in writing. Venue of any proceeding arising hereunder shall be the Twenty-second Judicial District.

ARTICLE 10: COMPLIANCE WITH LAWS:

Beartooth RC&D shall in performing the services contemplated by this Memorandum of Understanding faithfully observe and comply with all federal, state, and local laws, ordinances and regulations applicable to the services to be rendered under this Memorandum of Understanding.

ARTICLE 11: CHANGES:

The parties, by mutual agreement, may, at any time during the term of this Memorandum of Understanding and without invalidating the Memorandum of Understanding, make changes within the general scope of the Memorandum of Understanding. The Beartooth RC&D agrees to perform such changed services.

ARTICLE 12: TERMINATION:

This Memorandum of Understanding may be terminated in whole or in part, in writing, by either party in the event of substantial failure by the other party to fulfill its obligations under this Memorandum of Understanding through no fault of the terminating party, provided that no termination may be effected unless the other party is given: (1) not less than ten (10) days written notice (delivered by certified mail, return receipt requested) of intent to terminate, and (2) an opportunity for consultation with the terminating party prior to termination.

Upon such termination the Entity shall pay the Beartooth RC&D amounts due and unpaid for services rendered as of the effective date of termination, and the Beartooth RC&D shall provide to the Entity all materials, surveys, reports, data, and other information performed or prepared as of such date.

ARTICLE 13: INDEMNIFICATION:

Beartooth RC&D agrees to and does hereby indemnify and save the Entity, its officers, officials and employees, harmless against and from:

1. Any and all claims and liabilities, including but not limited to costs, expenses, and attorney fees arising from injury to, or death of, persons (including claims and liabilities for care or loss of services in connection with any bodily injury or death) and including injuries, sickness, disease, or death to Beartooth RC&D employees occasioned by a negligent act, omission, or failure of the Beartooth RC&D;
2. Any and all claims and liabilities, including costs and expenses, for loss or destruction of or damage to any property belonging to the Beartooth RC&D or the Entity caused by a negligent act, omission, or failure of the Beartooth RC&D; and
3. Any fines, penalties, or other amounts assessed against the Entity by reason of the Beartooth RC&D's failure to comply with all health, safety, and environmental laws and regulations applicable to the services; resulting directly or indirectly from, or occurring in the course of the Beartooth RC&D's performance of the services. However, this indemnity shall not extend to claims and liabilities for (i) injury or death to persons or (ii) loss of or damage to property to the extent that these claims and liabilities result directly from the Entity's negligence or willful misconduct.

ARTICLE 14: INSURANCE:

Beartooth RC&D shall maintain and demonstrate the following types of insurance:

1. Beartooth RC&D agrees that its employees and particularly the employees designated to work on this Memorandum of Understanding are covered by applicable Worker's Compensation provisions. The Beartooth RC&D further agrees that if the Entity should legally incur any costs whatsoever under the Worker's Compensation laws by reason of the Beartooth RC&D employees' injury or death while engaged in the contract work, the Beartooth RC&D will indemnify and hold harmless the Entity for such costs which the Entity may legally be required to pay to employees of the Beartooth RC&D.
2. Comprehensive general liability insurance for bodily injury, death, or loss of or damage to property of third persons or other liability due to the negligent acts of the Beartooth RC&D in the minimum amounts of \$500,000 per occurrence and \$1,000,000 aggregate for personal injury; and \$500,000 per occurrence/aggregate for property damage. Upon request, proof of coverage as required by this section shall be delivered to the Entity within fifteen (15) days of execution of this Agreement.
3. Professional liability errors and omissions insurance in a minimum amount of \$100,000.00.

ARTICLE 15: NONDISCRIMINATION:

Beartooth RC&D will not discriminate against any employee or applicant for employment relating to this project on the basis of race, color, religion, creed, political ideas, sex, age, marital status, physical or mental handicap or national origin. All hiring associated with any project shall be on the basis of merit and qualifications related to the requirements of the particular position being filled.

ARTICLE 16: INDEPENDENT CONTRACTOR:

Beartooth RC&D and the Entity agree that the Beartooth RC&D is an independent contractor with respect to the services provided pursuant to this Memorandum of Understanding. Nothing in this Memorandum of Understanding shall be considered to create the relationship of employer and employee between the parties hereto. Neither the Beartooth RC&D, nor any employee of the Beartooth RC&D, shall be entitled to any benefits accorded the Entity's employees by virtue of the services provided under this Memorandum of Understanding. The Entity shall not be responsible for withholding or otherwise deducting federal income tax or social security or for contributing to the state Worker's Compensation program, nor shall the Entity be deemed in any way to assume the duties of an employer with respect to the Beartooth RC&D, or any employee of the Beartooth RC&D.

ARTICLE 17: ASSIGNMENT:

Beartooth RC&D shall not sublet or assign any of the services covered by this Memorandum of Understanding without the express written consent of the Entity.

ARTICLE 18: NON-WAIVER:

Waiver by the Entity of any provision of this Memorandum of Understanding or any time limitation provided for in this Memorandum of Understanding shall not constitute a waiver of any other provision.

ARTICLE 19: NOTICES:

Any Notice to be served hereunder may be served upon the parties personally or served by certified mail, return receipt. Notice served by mail shall be deemed complete upon deposit of said notice in any United States Post Office, postage prepaid, directed to the party to be served, at the following addresses:

COUNTY: Big Sky Economic Development
201 N. Broadway
Billings, MT 59101

RC&D: Beartooth RC&D
P.O. Box 180
Joliet, MT 59041

ARTICLE 20: INTEGRATED AGREEMENT

This Memorandum of Understanding together with attachments or addenda represents the entire and integrated Agreement between the Entity and the Beartooth RC&D and supersedes all prior negotiations, representations, or agreements, written or oral. This Memorandum of Understanding may be amended only by written instrument signed by both the Entity and the Beartooth RC&D.

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals to this Memorandum of Understanding the day and year in this instrument first above written.

BIG SKY ECONOMIC DEVELOPMENT

BEARTOOTH RC&D/EDD

Kimberly Bailey, Executive Director

Mike Boyett, Chairman

ATTEST: _____

Date: _____



BIG SKY
ECONOMIC DEVELOPMENT

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ATTACHMENT F

MEMORANDUM OF UNDERSTANDING

This document is a Memorandum of Understanding (AGREEMENT) between Yellowstone County (COUNTY) and the Big Sky Economic Development (BSED) (collectively “PARTIES”) to allocate funding to BSED and support their investment in economic development in Yellowstone County.

This AGREEMENT is created with an effective date of July 1, 2026. The AGREEMENT sets forth the following terms pursuant to which BSED and COUNTY shall agree:

I. Background and Acknowledgment

BSED is a leading force for economic advancement in Yellowstone County. Through its work in business recruitment and retention, entrepreneurship support, infrastructure planning, and public-private collaboration, BSED enhances economic opportunity and community prosperity.

Yellowstone County has traditionally provided annual funding in support of BSED’s operations. This financial support reflects the County’s longstanding recognition of BSED’s substantial contributions to economic growth and resilience. While the County faces increased fiscal pressure—particularly due to rising public safety costs—it remains committed to supporting BSED’s mission.

II. Purpose

This AGREEMENT establishes and affirms the ongoing partnership between the COUNTY and BSED. The purpose of this AGREEMENT is to outline the funding arrangement between the parties and to reaffirm Yellowstone County’s support for BSED’s critical role in driving economic development throughout the region.

III. COUNTY’S Responsibilities

1. COUNTY agrees to provide BSED with funding in the amount of **\$1,300,000** for Fiscal Year 2027.
2. The funding will be disbursed in accordance with COUNTY’s fiscal policies and applicable budget procedures.

IV. BSED’s Responsibilities

1. BSED agrees to use COUNTY’s funding allocation solely to support programs and initiatives that promote and increase economic development in Yellowstone County.

2. BSED will provide the Yellowstone County Board of County Commissioners with a brief year-end report summarizing how the funds were utilized and outlining measurable outcomes related to economic development efforts.

V. Duration

This MOU shall be effective for one (1) year from the Effective Date. Upon mutual written agreement of both parties, this MOU may be renewed for additional one-year terms. The amount of money allocated by COUNTY for any subsequent term of this agreement will be established at the Yellowstone County budget hearings for the additional term's fiscal year.

VI. Authorized Representatives

The parties appoint the following authorized representatives to receive notices and to provide direct communication between the parties:

For BSED:

Kimberly Bailey, Executive Director
201 N. Broadway
Billings, Montana 59101

For COUNTY:

Jen Jones, Finance Director
2825 3rd Ave N, Rm 311
Billings, Montana 59101

VII. Indemnification

Each of the parties hereto shall indemnify, hold harmless, and defend the other party, its agents, employees and officials, against any and all claims, demands, causes of action, damages, costs expenses, liability or judgment against the other party for personal injury, death or property damages caused by the negligence of the party, its agents, employees or contractors arising from, growing out of, or in any way connected with or incidental to performance of this agreement. Indemnity under this agreement shall commence on the date of execution hereof and shall continue for the entire term this agreement is in effect. Either party shall notify the other party, in writing, within ten (10) days of any claim made on the obligations indemnified against hereunder.


VIII. Governing Law, Informal Dispute Resolution, Venue

This MOU shall be governed by and construed in accordance with the laws of the State of Montana. Should a dispute arise regarding the terms of this Agreement, the parties shall first enter into good faith discussions in an attempt to resolve the dispute. Should the dispute result in litigation, the parties agree that proper venue lies in the Montana 13th Judicial District Court.

IN WITNESS WHEREOF, the parties hereto have executed this instrument the day and year first above written.

**BOARD OF COUNTY COMMISSIONERS
YELLOWSTONE COUNTY, MONTANA**

**BIG SKY ECONOMIC
DEVELOPMENT**




Mark Morse, Chair

Kimberly Bailey, Executive Director



Michael J. Waters, Member



Chris White, Member

Attest:



Jeff Martin
Yellowstone County Clerk and Recorder



BIG SKY
ECONOMIC DEVELOPMENT

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ATTACHMENT G

Criteria for Evaluation of Opportunity Fund Projects

The purpose to the Opportunity Fund as established by the EDA-EDC Board of Directors in 2009 is to have financial resources dedicated to fund job-creating opportunities—providing incentives, purchasing real property, or other investments that set the stage for new private investment and business development.

Each project will be evaluated based upon this set of criteria, and the investment decision will be reviewed and considered by a Business Expansion and Recruitment Project Committee, then referred to the joint EDA-EDC Board of Directors with the appropriate recommendations for their review and final determination.

Initial Evaluation Criteria

- a. Is the proposed project consistent with the direct mission of Big Sky Economic Development?
- b. Does a private-sector alternative exist, that can achieve the necessary outcome, and that needs to be considered before making a commitment to this project/investment?

General Criteria for Evaluation of a Project/Investment: Projects do not have to meet all five of the listed criteria to be eligible for the Board's review and consideration. One of the five criteria would be sufficient when considering a project for Opportunity Fund resources.

- a. The investment is a "catalyst" project, one that will stimulate private investment and job creation, with emphasis on the acquisition of land or buildings;
- b. The project/investment will remove barriers to a planned or future private investment that is intended to create jobs
- c. The investment will leverage dollars/investments from other participants (US EDA, HUD, etc.), specifically for a job-creating project;
- d. The investment is a direct incentive for a job-creating project, with an emphasis on infrastructure improvements needed to support projects that directly provide expanded or newly recruited jobs. An incentive/jobs agreement must be executed as a part of this investment;
- e. The investment/project provides the opportunity for Big Sky Economic Development to receive a "return on investment" to provide dollars for future job-creating investments, projects, or operational enhancements

February 25, 2021

**BSED Opportunity Fund Committee
Recommendations to the Executive Committee and Board**

Strategic Use of the BSED Opportunity Fund

- A. **Opportunity Fund Criteria** – the Committee believes the existing criteria for the investment of the Opportunity Fund, with focus on supporting new private investment and job-creating projects, continues to make sense, providing reasonable flexibility for the Committee and Board to respond to opportunities as they are presented. The Committee does recommend that emphasis should be given to projects that serve to help perpetuate the fund.

- B. **Flexibility to Investment in Small Projects**—there are a handful of smaller business expansion projects that need some level of support (matching funds for job creation, infrastructure investment, etc.). The Committee recommends that as part of the annual budget setting process the staff recommends an annual allocation of Opportunity Funds for these smaller projects. This allocation should generally stay within the annual interest earnings on the fund and will be set by the Board when the budget is adopted each year. Use of these funds will subject to the Opportunity Fund Criteria and will be reported to the Opportunity Fund Committee and Board on a quarterly basis—accounting for new private investment and job creation for each project and investment will be included.

- C. **Setting a Floor on the Opportunity Fund Balance**—The Committee recommends that a portion of the Opportunity Fund balance be preserved for future use. They would recommend that the expenditure of the fund be paused when the fund balance hits \$1.5 million, unless otherwise recommended by the Committee and approved by the Board. In such cases, the recommendation of the Committee shall be approved by the affirmative vote of 75% of the Committee’s (6 of the 8) voting members.

- D. **Proactively Invest the Opportunity Fund**—The Committee recommends that the staff act proactively to invest Opportunity Fund dollars (consistent with the Criteria) in projects that will meet redevelopment objectives and have opportunity to return dollars to the Opportunity Fund balance.



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ATTACHMENT H

Federal EDA-RLF Plan Update – Overview

Big Sky EDC applied for and received a Federal EDA Revolving Loan Fund (RLF) grant on April 8, 2024.

Award amount:

Federal EDA portion	\$1,800,000
<u>Big Sky EDC match (10%)</u>	<u>\$200,000</u>
Total Award	\$2,000,000

Every five (5) years the RLF Plan (“Plan”) must be updated. We have updated the Plan and submitted it to the Federal EDA for review and approval. Below is a summary of the primary changes/updates to the original plan. No changes have been made to the loan process or loan administration.

- Original Plan was developed based off the 2019 CEDS (Comprehensive Economic Development Strategy) completed by Beartooth RC&D. This Plan was also tailored primarily to COVID-19 recovery efforts for small businesses.
- **Update** – Current Plan has been updated to the 2022-2027 CEDS completed by Beartooth RC&D.
- **Update** – All references for COVID-19 have been removed. Updated Plan tailored to assisting small businesses to obtain capital and to address opportunities, challenges and weaknesses addressed in the 2022-2027 CEDS.
- Original Plan had a service area of only Yellowstone County.
- **Update** – Current Plan has requested the service area to be expanded to include counties adjacent to Yellowstone County: Stillwater, Carbon, Big Horn, Treasure, Rosebud and Musselshell. The reason for the expanded territory is this is a primary service area for businesses and lenders within Yellowstone County. The CEDS is also directed at some of these counties and primarily directed at rural communities.
- **Update** – Loan origination fee increased from \$250 to \$500, or 1% of total loan amount.
- **Update** – Credit not otherwise available – Language changed to include either a bank turn down letter or other written confirmation from a lending institution (ex. Email communication).
- **Update** – BSED organizational structure.
- **Update** – Removed requirement for separate Loan Committee to be established. BSED will utilize its existing, standing Loan Committee.

- **Update** – Equity injection of 10% will be reviewed on a case-by-case basis. Previous requirement was a “must inject” 10%. Updated will be “preferred” injection and reviewed on a case-by-case basis.
- **Update** – Use of Funds – Added financing of “blue-sky” and/or intangible assets as part of a business acquisition. Added language permitting debt refinance to assist with cash flow or debt consolidation where a conventional lender is unable to assist.

Request approval of the Updated EDA-RLF Plan. Complete Plan available upon request.