BIG SKY ECONOMIC DEVELOPMENT

EDA/EDC – Joint Board Meeting
Thursday, November 12, 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**
- Introduction – Beartooth RC&D, Myrna Lastusky
- Presentation – Rocky Vista University, Introduce Dr. Werth appointment

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

7:52 A.M. **Consent Items for Board Action** (Action)
- EDA/EDC Joint Meeting Minutes-September 10, 2026 (Attachment A) (Info)
- FY'26 July and August Financial Statements (Attachment B) (Action)

8:15 A.M. **Executive Director Report**
- Beartooth RC&D MOU Renewal (2027) (Attachment C) (EDA & EDC)
- January Board Training, (1/21 - 2HR lunch session) (Info)
- Nominating Committee Recommendations (Action)
  - Officer Slate (Attachment D) (EDA & EDC)
  - EDA Appointments (Attachment E) (EDA Only)
- EDA GRPA 6 Year Report (Attachment F) (Info)
- Legislative Committee (Attachment G) (Info)
- Annual Meeting Recap (Info)
- Recommend Change Joint Board Mtg; 2nd WED Monthly (Info)

8:40 A.M. **Program Action Items/Reports**
- SBDC Award Nominee Open Recruitment (Attachment H) (Info)
- Big Sky Finance – Brandon (Action)
  - Independent Loan Review (Handout) (EDC Only)
  - Loan Approvals (Attachment I) (EDC Only)

9:00 A.M. **Adjourn**

Next EDA/EDC Joint Board Meeting – December 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@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 ECONOMIC DEVELOPMENT

EDA • EDC CREATING MONTANA BUSINESS OPPORTUNITIES

Big Sky EDA/EDC Joint Board Meeting Minutes
September 10, 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** – Chair Lucy Aspinwall, Bryan Wood, Kate Vogel, Aaron Redland, Stefan Cattarin, Zachary Dunn, Austin Stacey, Turk Stovall, Darin Uselman
Ex-officio – Mike Waters, Dr. Erwin Garcia, John Brewer, Katy Schreiner

EDC – Chair Jennifer Kobza, Jennifer Weaver Kondracki, Nick Pancheau, Debbie Desjarlais, Dave Ballard, Shannon Christensen, DJ Clark, Keagan Harsha, Stefani Hicswa, John Pearson, Michael Phillips, Matt Robertson, Molly Schwend, Jerry Simonson, George Warmer, Tyler Wiltgen

Committee Members Absent: **EDA** – Vince Mistretta, Riley Bennett
Ex-officio – Denis Pitman, Kurt Markegard

EDC – Nichole Mehling, Spencer Frederick, Kim Jakub, Mark Morse

Staff and Others Present: Executive Director (ED) Kimberly Bailey, Brandon Berger, Tami Fleetwood, Dianne Lehm, Reann Keller, Chris White, Sam Loveridge, Beret Newpower, Darian Armer, Lorene Hintz, Tereza Brownell, Marcell Bruski, Jill Cook, Bill Cole, Hannah Tagliaferro, Dave Iron

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

Public Comment/Introductions & Special Guest Presentation:

- Staff Introduction – Beret Newpower, APEX Government Contracting Advisor and Ashley Allred, VBOC Project Manager
- Staff Celebrations – Dianne Lehm, 25 Years of Service and Nina Philpott, 5 years of Service
- Member Investor Spotlight – Jill Cook, Billings Operations Manager for Morrison-Maierle, a multidisciplinary engineering firm who has been in operation for over 80 years. They have 13 locations in 5 different states. Morrison-Maierle is 100% employee owned. Jill provided an overview of market groups supported by their work including; airports, buildings, development, industrial, natural resources, survey, transportation, and water/waste. She shared a few local projects and partnerships such as Logan International Airport expansion, Lockwood Water Treatment Plant upgrade, City of Billings sewer rehab, Intermountain Health Westend Clinic, Lockwood Highschool, and Coca-Cola Facility. Morrison-Maierle has a survey group for internal projects, refineries, and contractors. Two new development engineers have been added to the Billings team.
- Presentation – Safe and Secure Yellowstone County. Bill Cole shared that the rated capacity of the Yellowstone County jail is 434 and that head count is typically around 650. It was noted that if an officer makes an arrest, decision needs to be made about who will be released early to make room

for incoming inmate, posing a risk to public safety. Shared a video with testimony from community leaders regarding the issues with jail overcrowding. Proposed solution to this problem is jail expansion. Two separate initiatives will be on November 3rd ballot, the first being up to $175M bonding authority for the County Commissioners to expand the existing facility to add more beds and build out infrastructure and the second a $20M permanent operational mill levy. Bill suggested that if these initiatives pass, this could free up County funds for other programs and organizations. Commissioner Waters noted that this issue is not going to go away and highlighted that the $20M levy would not be a windfall but is tailored to offset the public safety budget shortfalls. It was shared that Yellowstone County conducted a poll and initial results were 41% in favor of this initiative, after answering questions and educating participants on jail expansion, the new poll results increased to 51% in favor. This highlights the importance of educating the community.

Agenda Changes for Today's Meeting:
None

REGULAR AGENDA
Consent Agenda Items for Board Action
Approval to July 9, 2026, EDA/EDC Joint Board Meeting Minutes

Motion: **Nick Pancheau** to approve July 9, 2026, EDA/EDC Joint Board Meeting Minutes as presented to the Board.
Second: **Keagan Harsha**
Discussion: None
Motion: Carried

Approval to FY'27 Final Budget Adoption

Motion: **Nick Pancheau** to approve FY'27 final budget as presented to the Board.
Second: **Tyler Wiltgen**
Discussion: None
Motion: Carried

Executive Director Report
EDC Board Nominations – Call for an Election
ED Bailey provided an overview of Board vacancies and shared recommendation for reducing number of seats on the EDC Board to create more Board member engagement. With natural term expirations, partial terms, and resignations, EDC Board could reasonably be reduced to 17 members while maintaining a good mix of industry representation. EDA Vice Chair, Bryan Wood, expressed interest in a second term on the EDC for 3 years in accordance with bylaws. The SBA requires at least two lenders to participate in SBA 504 loan approvals, so it is preferable to always have at least three lenders on the EDC Board in case of absence or the need to abstain from a vote. Tom Potter with Bravera Bank was recommended to fill this need on the EDC Board. Three individuals who completed their first full term agreed to renew for a second term of 3 years; Stefani Hicswa, Jennifer Weaver Kondracki and Tyler Wiltgen. It was noted that DJ Clark has decided to not renew for a second term due to personal reasons but will remain as an ambassador for the organization. ED Bailey shared an overview of the process; if the Board approves this recommendation it would forward to membership for a vote. EDC appointments would then be announced at the Annual Meeting in October and effective January 1, 2027. Discussion regarding the recommendation to reduce the EDC Board size and that this has been a conversation for several years amongst leadership and the Executive Committee.

Motion: **Stefani Hicswa**l to approve the EDC Board recommendation as presented to the Board and call for an election.
Second: **Molly Schwend**
Discussion: None
Motion: Carried

EDA Board Nomination Process
ED Bailey provided an overview of the EDA Board nomination process noting that an application will be posted by Yellowstone County next week and remain open for 30 days. EDA Board will have two vacant positions due to fulfillment of 5-year term. The Nominating Committee created a list of industries that could be valuable for the Board; legal, real estate, construction and industrial retail (supply chain). ED Bailey invited the Board to share any referrals for these positions with BSED staff so that they can help recruit. Applicants will need to complete and submit applications on their own accord. It was noted that applications will be collected, EDA candidate interviews will be conducted in partnership with the County, Nominating Committee will make a recommendation to the Board and once approved the recommendation will then be forwarded to the County for consideration and appointment to be effective January 1, 2027.

Organization Structure Updates
ED Bailey shared that she has been with the organization for 90 days and that the last 30 days have been focused on Member Investor program and through outreach and engagement with members it has been evident that the organization needs to refocus on business recruitment retention and attraction as she feels this is critical for an Economic Development organization. ED Bailey noted that there are two vacant positions that were currently budgeted for in FY'27, SBDC Advisor and Recruitment Director. To remain conservative with our budget, particularly with the upcoming ballot, it was decided to refrain from hiring the Recruitment position and instead, to create a team focused on business retention and expansion by combining Member Investor and Rock 31 Entrepreneurship efforts with existing staff. These programs compliment each other and offer a great mentoring opportunity for established businesses and entrepreneurs to collaborate. It was noted that recruitment of the SBDC Advisor role has been paused while the program director has been out on leave and while we await ballot results as some programs are due to sunset, SBDC being one of these programs. Discussion regarding focus of business recruitment and expansion team and whether there are specific industries that will be targeted. ED Bailey noted that one of the priorities of this team will be to reestablish relationships and the recruitment pipeline. It was identified that the Annual Meeting will be a great opportunity to re-engage membership as well.

Annual Meeting
The Annual Report along with the Annual Meeting will be highlighting successes from the last two years as we close out prior strategic plan and move into a new strategic plan in 2027. ED Bailey will start the Annual Meeting by providing a state of BSED. There will the be several panels focused on business highlights, infrastructure and local government. The program will close with a look ahead at strategic planning, staff acknowledgements, and a Member Investor survey. A networking hour will follow the programming. It was noted that this year's meeting will be scaled back a bit compared to prior years as we remain conscientious of budget.

<u>Program Action Items/Reports</u>
Big Sky Finance – Brandon
Independent Loan Review
Brandon stated that every two years an audit of the SBA 504 loan portfolio is required. Attached in the packet is the engagement letter for the SBA 504 Independent Loan review process. This audit will cost $6900 and Brandon requests approval to move forward with this process. Once approved the audit will begin immediately and is anticipated to be complete by the November Board meeting.

Motion: **Jerry Simonson** to approve engagement in the SBA 504 Independent Loan Review process as presented to the Board.
Second: **George Warmer**
Discussion: None
Motion: Carried

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

Paulsens Power Sports, Inc. – The purpose of this request is for the purchase of commercial real estate for Paulsens Power Sports, Inc., located in Great Falls, MT. Paulsens currently leases this property, occupying 100%. Paulsens is a retail and service center for new and used motorcycles, ATV's, UTV's, snowmobiles and personal watercraft. The business has been operating since 2016, with the current owners, Dustin and Wendy Eddleman buying out the original owners in 2022. Dustin has had minority ownership since its inception. All thirteen existing employees will be retained.

The total SBA debenture will be $499,000 on a 25-year note comprising 40% of the total project. Big Sky EDC and SBA will be in a 2nd lien position on the real property behind Stockman Bank of Montana.

Motion: **Michael Phillips** to approve the 504 loan request for Paulsens Power Sports, Inc. in the amount of $499,000 as presented to the Board.
Second: **Stefani Hicswa**
Discussion: None
Motion: Carried

KBMM, Inc. dba Rock Hand ACE Hardware – The purpose of this request is for the purchase of the commercial real estate for Rock Hand ACE Hardware located in Helena, MT. The real estate purchase is part of a business acquisition. Rock Hand ACE Hardware is an existing ACE store located in Helena and will be owned by Kevin Barton (75%) and Marcus Mann (25%). The individuals currently own and operate an ACE store located in Big Sky, MT. Kevin has owned this since 1993. This will be their 2nd ACE location. The Helena location has been in operation as a hardware store since 1977. All 27 existing employees will be retained.

The total SBA debenture will be $1,206,000 on a 25-year note comprising 40% of the total project. Big Sky EDC and SBA will be in a 2nd lien position on real property behind Opportunity Bank – Bozeman.

Motion: **Nick Pancheau** to approve the 504 loan request for KBMM, Inc. (dba Rock hand ACE Hardware) in the amount of $1,206,000 as presented to the Board.
Second: **Dave Ballard**
Discussion: None
Motion: Carried

Ag Performance and Repair, LLC – The purpose of this request is for the purchase of bare land and ground up construction of a new commercial real estate property for Ag Performance and Repair, LLC, located in Havre, MT. Ag Performance is owned 100% by Chase Stoner who opened

the business in 2024. He currently leases space for the operation, and this new construction will replace the leased space. This is full-service repair and maintenance facility specializing in the repair of Case, New Holland, and Flexi Coil equipment. There are expected to be 4 new FTE's hired as a result of this project.

The total SBA debenture will be $742,000 on a 25-year note comprising 40% of the total project. Big Sky EDC and the SBA will be in a 2nd lien position on the real property behind AgWest Farm Credit. The project meets a Public Policy goal of Rural Development.

Motion: **Shannon Christensen** to approve the 504 loan request for Ag Performance and Repair, LLC in the amount of $742,000 as presented to the Board.
Second: **Stefani Hicswa**
Discussion: None
Motion: Carried

SBA 504 Semi-Annual Report
Brandon provided an overview of SBA 504 loan portfolio. Currently 134 loans, approximately $67.6M outstanding balance. There is one loan that is late and one that went into liquidation within the last 6 months with the outstanding amount of $697K. This business has filed for bankruptcy, and the debenture was repurchased by the SBA. Noted the prepayments have slowed down and there have only been 4 prepayments in 2026 so far. Portfolio is maturing so balances are shrinking. Discussed portfolio concentration, noting that the largest portion is carwash and auto maintenance, followed by accommodations that only has nine loans currently. Portfolio has good diversification. 35 loans on watchlist due to annual risk ratings. No loans in deferment or catch up. 4 loans listed as substandard. Brandon noted that he does not have any concerns regarding the substandard loans. SBA grading, lender purchase rating of 1 (best). 2 categories are at a moderate risk rate. Zero high risk items. Brandon shared that our smart score is in the top 8% of CDCs. Loan quality is challenging right now due to the current market.

Notice: October Board Meeting Canceled

Adjourn

Motion: **Michael Phillips** to adjourn the meeting.
Second: **Nick Pancheau**

Chair Lucy Aspinwall adjourned the meeting at 9:03 A.M.

Next Meeting – November 12, 2026

Respectfully submitted,

_____ _____

Kate Vogel, EDA Secretary/Treasurer Nichole Mehling, EDC Secretary/Treasurer

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ATTACHMENT B

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

	Jul 2026			Aug 2026			YTD			Fiscal Year
	Actual	Budget	over (under) Budget	Actual	Budget	over (under) Budget	Actual	Budget	over (under) Budget	Annual Budget
Income										
40000 County Taxes Mill Levy Revenue	$ 153		$ 153			$ -	$ 153	$ -	$ 153	$ -
40001 Yellowstone County MOU	108,333	108,333	0	108,333	108,333	-	216,667	216,667	0	1,300,000
40020 Health Ins Mill Levy Revenue	5,300	7,420	(2,120)	5,830	7,420	(1,590)	11,130	14,840	(3,710)	89,040
40030 Recovery of Protested Taxes		83	(83)		83	(83)	-	167	(167)	1,000
40050 Department of Defense - APEX	70,583	76,461	(5,878)	65,058	76,461	(11,403)	135,641	152,922	(17,281)	917,534
40060 EDC Reimbursement	63,676	64,535	(859)	63,711	64,535	(823)	127,387	129,069	(1,682)	774,415
40070 EPA Brownfields - Assessment	18,106	16,667	1,439	24,618	16,667	7,952	42,724	33,333	9,391	200,000
40080 EPA Brownfields - Project Mgmt		2,500	(2,500)		2,500	(2,500)	-	5,000	(5,000)	30,000
40090 EPA Brownfields - RLF		16,667	(16,667)	50	16,667	(16,617)	50	33,333	(33,283)	200,000
40100 APEX Advisor Agreement Support		2,000	(2,000)		2,000	(2,000)	-	4,000	(4,000)	24,000
40110 MT Dept of Commerce - SBDC	6,333	11,250	(4,917)	6,333	11,250	(4,917)	12,667	22,500	(9,833)	135,000
40130 SBA - VBOC	26,061	31,727	(5,666)	22,885	31,727	(8,842)	48,947	63,454	(14,507)	380,723
40140 Rock31 Membership Revenue	6,670	8,417	(1,747)	6,437	8,417	(1,980)	13,107	16,833	(3,726)	101,000
40150 Zoot/Other Room Rent Revenue	(274)	667	(940)	390	667	(277)	116	1,333	(1,217)	8,000
40160 Rock31 Barista Rent Revenue		700	(700)		700	(700)	-	1,400	(1,400)	8,400
Total Income	304,941	347,426	(42,485)	303,647	347,426	(43,779)	608,588	694,852	(86,264)	4,169,112
Expenses										
50100 Salaries/Wages/Fringe	136,328	150,561	(14,233)	124,269	150,561	(26,292)	260,597	301,121	(40,525)	1,806,727
50110 Employer Contributions	42,353	48,179	(5,826)	38,415	48,179	(9,765)	80,768	96,359	(15,591)	578,153
50140 Advertising		42	(42)		42	(42)	-	83	(83)	500
50150 Barista Equipment Maintenance		292	(292)		292	(292)	-	583	(583)	3,500
50160 Barista Supplies		42	(42)		42	(42)	-	83	(83)	500
50170 Board Expenses		667	(667)	561	667	(106)	561	1,333	(773)	8,000
50180 Brownfields Assessment Expense	18,106	16,667	1,439	24,618	16,667	7,952	42,724	33,333	9,391	200,000
50190 Brownfields Project Mgmt Exp		2,500	(2,500)		2,500	(2,500)	-	5,000	(5,000)	30,000
50200 Brownfields RLF Expense		16,667	(16,667)	50	16,667	(16,617)	50	33,333	(33,283)	200,000
50220 Building Operations/Maintenance	6,644	8,924	(2,279)	6,850	8,924	(2,074)	13,494	17,847	(4,353)	107,082
50240 Community Development Projects	2,500	4,167	(1,667)		4,167	(4,167)	2,500	8,333	(5,833)	50,000
50250 Community Partner Projects		292	(292)		292	(292)	-	583	(583)	3,500
50260 Conferences		1,987	(1,987)		1,987	(1,987)	-	3,974	(3,974)	23,845
50300 Dues/Subscriptions/Memberships	6,101	10,769	(4,668)	8,945	10,769	(1,824)	15,046	21,538	(6,492)	129,230
50400 Event Expense		1,354	(1,354)		1,354	(1,354)	-	2,708	(2,708)	16,250
50410 Hosted Meetings		783	(783)	79	783	(705)	79	1,567	(1,488)	9,400
50430 Insurance	4,936	5,609	(673)	5,118	5,609	(490)	10,054	11,218	(1,163)	67,306
50440 Marketing	298	1,271	(974)	159	1,271	(1,112)	457	2,542	(2,085)	15,255
50450 Office Equip & Furn < $5000		750	(750)		750	(750)	-	1,500	(1,500)	9,000
50460 Office Expense and Supplies	2,230	2,675	(445)	3,691	2,675	1,016	5,922	5,350	572	32,100
50470 Payroll Processing Expense	301	56	245	313	56	257	614	112	502	672
50480 Professional Development	875	1,308	(433)		1,308	(1,308)	875	2,617	(1,742)	15,700
50490 Professional Fees	5,332	6,522	(1,190)	5,559	6,522	(963)	10,891	13,043	(2,153)	78,260
50500 Program Development		125	(125)		125	(125)	-	250	(250)	1,500
50530 APEX Subcenter	49,930	47,516	2,415	42,310	47,516	(5,205)	92,241	95,031	(2,790)	570,186
50540 Rent	575	809	(233)	607	809	(202)	1,182	1,617	(435)	9,702
50550 Repairs	2,072	1,333	739	188	1,333	(1,146)	2,260	2,667	(407)	16,000
50580 Special Assessments BID		375	(375)		375	(375)	-	750	(750)	4,500
50590 Sponsorships		1,250	(1,250)	2,000	1,250	750	2,000	2,500	(500)	15,000
50600 Staff Expenses	161	571	(410)	367	571	(204)	528	1,142	(614)	6,850
50610 Strategic Priorities		833	(833)		833	(833)	-	1,667	(1,667)	10,000
50630 TEDD		50	(50)		50	(50)	-	100	(100)	600
50640 Telecommunications	4,127	4,971	(844)	4,145	4,971	(826)	8,272	9,941	(1,669)	59,647
50650 Travel	3,855	11,620	(7,764)	4,757	11,620	(6,863)	8,612	23,239	(14,627)	139,435
50670 Miscellaneous	394	536	(142)	217	536	(319)	610	1,071	(461)	6,428
Total Expenses	287,119	352,069	(64,950)	273,217	352,069	(78,852)	560,335	704,138	(143,803)	4,224,828
Net Operating Income	17,823	(4,643)	22,466	30,430	(4,643)	35,073	48,253	(9,286)	57,539	(55,716)

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

	Jul 2026			Aug 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	4,140	12,500	(8,360)	5,988	12,500	(6,512)	10,128	25,000	(14,872)	150,000
Total Other Income	4,140	12,500	(8,360)	5,988	12,500	(6,512)	10,128	25,000	(14,872)	150,000
Other Expenses										
80000 Non-Operating Expense	22,574	22,583	(9)	22,574	22,583	(9)	45,148	45,166	(18)	270,995
Total Other Expenses	22,574	22,583	(9)	22,574	22,583	(9)	45,148	45,166	(18)	270,995
Net Other Income	(18,434)	(10,083)	(8,351)	(16,586)	(10,083)	(6,503)	(35,020)	(20,166)	(14,854)	(120,995)
Net Income	$ (611)	$ (14,726)	$ 14,115	$ 13,845	$ (14,726)	$ 28,570	$ 13,233	$ (29,452)	$ 42,685	$ (176,711)

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

	As of Jul 31, 2026	As of Jul 31, 2025 (PY)	$ Change (PY)	% Change (PY)
Assets				
Current Assets				
Bank Accounts				
10000 Main Operating - FIB	$ 906,533	$ 237,270	$ 669,262	282%
10010 Recovered Property Taxes - FIB	627	627	0	0%
10020 Operating Reserve - FIB	362,750	355,663	7,087	2%
10030 Reserve for Replacement - FIB	185,117	184,932	185	0%
10040 Pass-through - Cabelas Conduit	4,900	4,899	2	0%
10050 Opportunity Fund Savings Accounts	1,205,026	1,175,646	29,380	2%
10060 Opportunity Fund CDs-current	2,260,123	2,190,334	69,789	3%
10080 Yellowstone County Funds	48,513	760,303	(711,790)	-94%
10090 Clearing Account	1,109	-	1,109	
Total Bank Accounts	4,974,699	4,909,674	65,025	1%
Accounts Receivable				
10100 Accounts Receivable	61,089	78,541	(17,452)	-22%
10110 Accounts Receivable - APEX	279,672	327,860	(48,188)	-15%
10120 Accounts Receivable - SBDC	10,333	7,452	2,882	39%
10130 Accounts Receivable - VBOC	122,656	78,183	44,473	57%
10140 Accounts Receivable - Brownfields	18,106	3,461	14,645	423%
10160 Payroll Tax Refunds Receivable	1,045		1,045	
Total Accounts Receivable	492,902	495,498	(2,596)	-1%
Other Current Assets				
10200 Accrued Revenue	108,333	108,333	(0)	0%
10210 Due To/Due From EDC	64,459	60,965	3,494	6%
10225 Accrued Interest Receivable	40,316	27,430	12,885	47%
10230 Tax Levy Receivable	3,823	16,928	(13,105)	-77%
10240 Tax Levy Receivable - Protested	-	23,539	(23,539)	-100%
10241 Allowance for Doubtful Accts - Protested Taxes	-	(23,539)	23,539	100%
10260 American Airlines Rev Guarantee	6,887	6,887	-	0%
10270 Prepaid Expenses	77,612	65,224	12,388	19%
Total Other Current Assets	301,431	285,768	15,662	5%
Total Current Assets	5,769,031	5,690,940	78,091	1%
Fixed Assets	5,816,506	6,049,698	(233,191)	-4%
Other Assets				
10600 Deferred Outflow of Resources	237,600	293,982	(56,382)	-19%
10630 Deposit	173	173	-	0%
10660 Right of Use Asset	7,403	10,709	(3,306)	-31%
10700 Notes Receivable - Brownfields/EDC	84,778		84,778	
Total Other Assets	329,954	304,864	25,090	8%
Total Assets	$ 11,807,159	$ 12,045,502	$ (238,343)	-2%

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

	As of Jul 31, 2026	As of Jul 31, 2025 (PY)	$ Change (PY)	% Change (PY)
Liabilities and Equity				
Liabilities				
Current Liabilities				
Accounts Payable	$ 95,936	$ 167,912	$ (71,976)	-43%
Credit Cards	17,734	5,950	11,784	198%
Other Current Liabilities				
20200 Accrued Expenses	163,445	157,854	5,591	4%
20220 Compensated Absences	130,313	153,152	(22,839)	-15%
20230 Payroll Liabilities	-	(330)	330	100%
20300 Deferred Revenues	-	22,000	(22,000)	-100%
Total Other Current Liabilities	293,758	332,676	(38,918)	-12%
Total Current Liabilities	299,094	506,538	(207,443)	-41%
Long-term Liabilities				
20500 Deferred Inflow of Resources	26,161	20,034	6,127	31%
20600 Pension Liability	963,337	900,910	62,427	7%
20700 Lease Liability	7,403	10,709	(3,306)	-31%
Total Long-term Liabilities	996,901	931,653	65,248	7%
Total Liabilities	1,295,996	1,438,191	(142,195)	-10%
Equity				
30100 Net Assets	7,800,664	7,912,919	(112,255)	-1%
30200 Contributed Capital	3,193,580	3,193,580	-	0%
30300 Prior Period Adjustment	(482,470)	(482,470)	-	0%
Net Income	(611)	(16,719)	16,108	96%
Total Equity	10,511,163	10,607,311	(96,147)	-1%
Total Liabilities and Equity	$ 11,807,159	$ 12,045,502	$ (238,343)	-2%

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

	As of Aug 31, 2026	As of Aug 31, 2025 (PY)	$ Change (PY)	% Change (PY)
Assets				
Current Assets				
Bank Accounts				
10000 Main Operating - FIB	$ 896,867	$ 230,835	$ 666,033	289%
10010 Recovered Property Taxes - FIB	627	627	0	0%
10020 Operating Reserve - FIB	363,329	356,299	7,031	2%
10030 Reserve for Replacement - FIB	185,133	184,947	186	0%
10040 Pass-through - Cabelas Conduit	4,901	4,899	2	0%
10050 Opportunity Fund Savings Accounts	1,830,348	1,178,063	652,285	55%
10060 Opportunity Fund CDs-current	1,666,212	2,190,334	(524,121)	-24%
10080 Yellowstone County Funds	35,312	601,641	(566,329)	-94%
10090 Clearing Account	1,044	-	1,044	
Total Bank Accounts	4,983,774	4,747,644	236,131	5%
Accounts Receivable				
10100 Accounts Receivable	390,348	146,096	244,252	167%
10110 Accounts Receivable - APEX	186,810	237,309	(50,499)	-21%
10120 Accounts Receivable - SBDC	12,667	12,434	233	2%
10130 Accounts Receivable - VBOC	145,541	103,754	41,788	40%
10140 Accounts Receivable - Brownfields	42,774	8,009	34,765	434%
Total Accounts Receivable	778,140	507,602	270,538	53%
Other Current Assets				
10200 Accrued Revenue	-	216,667	(216,667)	-100%
10210 Due To/Due From EDC	64,545	63,602	943	1%
10225 Accrued Interest Receivable	14,613	27,430	(12,817)	-47%
10230 Tax Levy Receivable	3,823	12,790	(8,966)	-70%
10240 Tax Levy Receivable - Protested	-	23,539	(23,539)	-100%
10241 Allowance for Doubtful Accts - Protested Taxes	-	(23,539)	23,539	100%
10260 American Airlines Rev Guarantee	6,887	6,887	-	0%
10270 Prepaid Expenses	68,553	63,651	4,902	8%
Total Other Current Assets	158,422	391,027	(232,604)	-59%
Total Current Assets	5,920,337	5,646,273	274,064	5%
Fixed Assets	5,794,231	6,027,916	(233,686)	-4%
Other Assets				
10600 Deferred Outflow of Resources	237,600	293,982	(56,382)	-19%
10630 Deposit	173	173	-	0%
10660 Right of Use Asset	7,119	10,441	(3,321)	-32%
10700 Notes Receivable - Brownfields/EDC	84,778		84,778	
Total Other Assets	329,670	304,596	25,074	8%
Total Assets	$ 12,044,238	$ 11,978,785	$ 65,453	1%

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

	As of Aug 31, 2026	As of Aug 31, 2025 (PY)	$ Change (PY)	% Change (PY)
Liabilities and Equity				
Liabilities				
Current Liabilities				
Accounts Payable	$ 115,455	$ 131,348	$ (15,893)	-12%
Credit Cards	5,279	9,787	(4,509)	-46%
Other Current Liabilities				
20200 Accrued Expenses	164,207	142,328	21,879	15%
20220 Compensated Absences	129,338	153,152	(23,813)	-16%
20230 Payroll Liabilities	-	(330)	330	100%
20300 Deferred Revenues	108,333	20,000	88,333	442%
Total Other Current Liabilities	401,879	315,150	86,729	28%
Total Current Liabilities	522,613	456,285	66,328	15%
Long-term Liabilities				
20500 Deferred Inflow of Resources	26,161	20,034	6,127	31%
20600 Pension Liability	963,337	900,910	62,427	7%
20700 Lease Liability	7,119	10,441	(3,321)	-32%
Total Long-term Liabilities	996,617	931,385	65,233	7%
Total Liabilities	1,519,230	1,387,670	131,560	9%
Equity				
30100 Net Assets	7,800,664	7,912,919	(112,255)	-1%
30200 Contributed Capital	3,193,580	3,193,580	-	0%
30300 Prior Period Adjustment	(482,470)	(482,470)	-	0%
Net Income	13,233	(32,915)	46,148	140%
Total Equity	10,525,008	10,591,115	(66,107)	-1%
Total Liabilities and Equity	$ 12,044,238	$ 11,978,785	$ 65,453	1%

Big Sky Economic Development Corporation
Statements of Operations - Budget vs. Actual
For the months of July and August and YTD Ended August 31, 2026

	Jul 2026			Aug 2026			YTD			Fiscal Year
	Actual	Budget	over Budget	Actual	Budget	over Budget	Actual	Budget	over Budget	Annual Budget
Revenue										
40010 504 Loan Servicing	$ 32,332	$ 34,000	$ (1,668)	$ 31,921	$ 34,000	$ (2,079)	$ 64,253	$ 68,000	$ (3,747)	$ 408,000
40020 504 Loan Origination	4,067	14,000	(9,933)	22,769	14,000	8,769	26,836	28,000	(1,164)	168,000
40040 504 Loan Closing Attorney Fees	2,500	2,083	417	2,500	2,083	417	5,000	4,167	833	25,000
40050 504 Float Income		4,167	(4,167)		4,167	(4,167)	-	8,333	(8,333)	50,000
41010 Member Investment Pledges	36,500	26,271	10,229	2,500	-	2,500	39,000	26,271	12,729	315,250
41020 Member Investment - Trades	1,844	2,280	(436)	1,825	2,280	(455)	3,669	4,560	(891)	27,360
42010 Federal EDA RLF Loan Interest	5,514	5,790	(275)	5,437	5,790	(352)	10,952	11,580	(628)	69,477
42020 RLF Loan Interest	2,215	1,917	299	2,182	1,917	265	4,397	3,833	564	23,000
42025 RLF Origination Fees		83	(83)		83	(83)	-	167	(167)	1,000
42030 MT RLF Loan Interest	285	717	(432)	279	717	(438)	564	1,433	(870)	8,600
42040 SSBCI Loan Interest	2,904	2,617	287	2,693	2,617	77	5,597	5,233	364	31,400
42050 SSBCI 2.0 Loan Interest	2,464	4,542	(2,077)	3,192	4,542	(1,350)	5,656	9,083	(3,427)	54,500
42055 SSBCI 2.0 Origination Fees		83	(83)		83	(83)	-	167	(167)	1,000
42062 ORE Origination Fees	750		750			-	750	-	750	-
42063 ORE Program Incentive Revenue	1,440		1,440			-	1,440	-	1,440	-
43000 Other Revenue	(1,000)	1,271	(2,271)	(500)	1,271	(1,771)	(1,500)	2,542	(4,042)	15,250
Total Revenue	91,816	99,820	(8,004)	74,798	73,549	1,249	166,613	173,369	(6,755)	1,197,837
Expenditures										
50140 Advertising	152	333	(181)	122	333	(211)	274	667	(393)	4,000
50170 Board Expenses		83	(83)		83	(83)	-	167	(167)	1,000
50240 Business Development Outreach		125	(125)		125	(125)	-	250	(250)	1,500
50250 Business Recruitment and Expans		1,250	(1,250)		1,250	(1,250)	-	2,500	(2,500)	15,000
50259 Community Recruitment Projects		250	(250)		250	(250)	-	500	(500)	3,000
50260 Conferences	1,668	531	1,137		531	(531)	1,668	1,063	606	6,375
50300 Dues/Subscriptions/Memberships	2,984	2,667	318	2,951	2,667	284	5,935	5,333	602	32,000
50330 EDA Reimbursement	63,676	64,535	(859)	63,711	64,535	(823)	127,387	129,069	(1,682)	774,415
50340 Event Expense	332	3,500	(3,168)	1,000	3,500	(2,500)	1,332	7,000	(5,668)	42,000
50355 Grant Expense	1,000		1,000	500		500	1,500	-	1,500	-
50360 Hosted Meeting Expense	177	708	(531)	215	708	(493)	392	1,417	(1,024)	8,500
50380 Insurance	1,974	1,796	179	1,974	1,796	179	3,948	3,591	357	21,546
50390 Loan Expenses	3,398	1,321	2,077	(2,348)	1,321	(3,668)	1,051	2,642	(1,591)	15,850
50400 Marketing	450	5,208	(4,758)	1,275	5,208	(3,933)	1,725	10,417	(8,692)	62,500
50410 Membership Development	160	250	(90)	197	250	(53)	357	500	(143)	3,000
50420 Member Investor Trades	1,844	2,280	(436)	1,825	2,280	(455)	3,669	4,560	(891)	27,360
50450 Office Expenses and Supplies	55	25	30	55	25	30	110	50	60	300
50460 Postage		15	(15)		15	(15)	-	29	(29)	175
50470 Professional Development		667	(667)		667	(667)	-	1,333	(1,333)	8,000
50480 Professional Fees	6,274	6,292	(18)	6,913	6,292	621	13,187	12,583	603	75,500
50500 Rent		154	(154)		154	(154)	-	308	(308)	1,848
50510 Rock31 Business Accelerator		667	(667)		667	(667)	-	1,333	(1,333)	8,000
50530 Rock31 Member Appreciation		83	(83)		83	(83)	-	167	(167)	1,000
50540 Rock31 Programming		333	(333)		333	(333)	-	667	(667)	4,000
50550 Sponsorships		83	(83)		83	(83)	-	167	(167)	1,000
50560 Staff Expenses		104	(104)		104	(104)	-	208	(208)	1,250
50568 Strategic Priorities		1,667	(1,667)		1,667	(1,667)	-	3,333	(3,333)	20,000
50570 Telecommunications	130	205	(75)	130	205	(75)	260	410	(150)	2,460
50580 Travel	2,736	2,208	528	1,880	2,208	(329)	4,616	4,417	200	26,500
50610 Miscellaneous	215	196	19	214	196	18	429	392	37	2,350
Total Expenditures	87,226	97,536	(10,310)	80,614	97,536	(16,922)	167,839	195,072	(27,232)	1,170,429
Net Operating Revenue	4,590	2,284	2,306	(5,816)	(23,987)	18,171	(1,226)	(21,703)	20,477	27,408
Other Revenue										
70000 Non-Operating Income	491	1,098	(607)	459	1,098	(638)	951	2,196	(1,245)	13,175
Total Other Revenue	491	1,098	(607)	459	1,098	(638)	951	2,196	(1,245)	13,175
Other Expenditures										
80000 Non-Operating Expense		833	(833)		833	(833)	-	1,667	(1,667)	10,000
Total Other Expenditures	-	833	(833)	-	833	(833)	-	1,667	(1,667)	10,000
Net Other Revenue	491	265	227	459	265	195	951	529	422	3,175
Net Revenue	$ 5,082	$ 2,549	$ 2,533	$ (5,357)	$ (23,722)	$ 18,365	$ (275)	$ (21,174)	$ 20,899	$ 30,583

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

	As of Jul 31, 2026	As of Jul 31, 2025 (PY)	$ Change (PY)	% Change (PY)
Assets				
Current Assets				
Bank Accounts				
10000 Main Operating - FIB	$ 567,256	$ 188,984	$ 378,272	200%
10020 Long Term Reserve - FIB	250,000	250,000	-	0%
10030 Coulson Park - FIB x0594	81,779	143,050	(61,271)	-43%
10050 Opportunity Fund Savings - FIB	61,017	60,987	30	0%
10060 RLF Principal - FIB	668,813	648,965	19,847	3%
10070 SSBCI Principal - FIB/Stockman	1,817,046	791,526	1,025,520	130%
10080 Federal EDA RLF Principal - FIB	428,008	244,627	183,381	75%
10085 ORE Loan Program - FIB	17,440		17,440	
Total Bank Accounts	3,891,359	2,328,138	1,563,221	67%
Accounts Receivable				
10100 Accounts Receivable	43,500	75,750	(32,250)	-43%
Total Accounts Receivable	43,500	75,750	(32,250)	-43%
Other Current Assets				
10199 Undeposited Funds	14,000	2,500	11,500	460%
10200 Fed EDA RLF Portfolio - Current	376,719	231,832	144,887	62%
10240 Traditional RLF Portfolio - Current	97,226	77,431	19,794	26%
10270 MT RLF Portfolio - Current	11,419	10,649	770	7%
10300 SSBCI Portfolio - Current	48,396	49,429	(1,033)	-2%
10330 SSBCI 2.0 Portfolio - Current	156,755	135,474	21,281	16%
10370 Prepaid Expenses	9,940	9,755	185	2%
Total Other Current Assets	714,455	517,070	197,385	38%
Total Current Assets	4,649,314	2,920,958	1,728,356	59%
Other Assets				
10600 Fed EDA RLF - Non-Current	794,823	1,376,442	(581,619)	-42%
10640 Traditional RLF Portfolio - Non-Current	273,637	285,648	(12,011)	-4%
10670 MT RLF Portfolio - Non-Current	36,403	48,824	(12,421)	-25%
10700 SSBCI Portfolio - Non-Current	669,643	717,913	(48,269)	-7%
10730 SSBCI 2.0 Portfolio - Non-Curre	1,413,213	826,616	586,597	71%
10790 Allowance for Loan Losses	(117,762)	(47,494)	(70,268)	-148%
10800 Notes Receivable - Brownfields	70,447		70,447	
Total Other Assets	3,140,403	3,207,947	(67,544)	-2%
Total Assets	$ 7,789,717	$ 6,128,905	$ 1,660,811	27%

Statements of Financial Position - Comparison to Previous Year
As of Jul 31, 2026

	As of Jul 31, 2026	As of Jul 31, 2025 (PY)	$ Change (PY)	% Change (PY)
Liabilities and Equity				
Liabilities				
Current Liabilities				
Accounts Payable	$ 65,396	$ 83,686	$ (18,290)	-22%
Credit Cards	3,900	1,077	2,823	262%
Other Current Liabilities				
20150 Due to/Due From EDA	64,459	60,965	3,494	6%
20160 504 Deposits	5,000		5,000	
20200 Accrued Expenses	30,970	19,021	11,949	63%
20300 Deferred Revenue	15,000	-	15,000	
Total Other Current Liabilities	115,429	79,986	35,444	44%
Total Current Liabilities	184,725	164,748	19,977	12%
Long-term Liabilities				
20800 Notes Payable - Brownfields/EDA	70,447		70,447	
Total Long-term Liabilities	70,447	-	70,447	
Total Liabilities	255,172	164,748	90,424	55%
Equity				
30100 Retained Earnings	7,529,463	5,895,597	1,633,866	28%
Net Income	5,082	68,560	(63,478)	-93%
Total Equity	7,534,544	5,964,157	1,570,388	26%
Total Liabilities and Equity	$ 7,789,717	$ 6,128,905	$ 1,660,811	27%

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

	As of Aug 31, 2026	As of Aug 31, 2025 (PY)	$ Change (PY)	% Change (PY)
Assets				
Current Assets				
Bank Accounts				
10000 Main Operating - FIB	$ 609,595	$ 262,932	$ 346,663	132%
10020 Long Term Reserve - FIB	250,000	250,000	-	0%
10030 Coulson Park - FIB x0594	81,783	143,061	(61,279)	-43%
10050 Opportunity Fund Savings - FIB	61,020	60,989	31	0%
10060 RLF Principal - FIB	669,101	649,317	19,785	3%
10070 SSBCI Principal - FIB/Stockman	1,837,250	808,966	1,028,284	127%
10080 Federal EDA RLF Principal - FIB	428,044	244,646	183,398	75%
10085 ORE Loan Program - FIB	16,940		16,940	
Total Bank Accounts	3,953,733	2,419,911	1,533,822	63%
Accounts Receivable				
10100 Accounts Receivable	35,000	59,750	(24,750)	-41%
Total Accounts Receivable	35,000	59,750	(24,750)	-41%
Other Current Assets				
10199 Undeposited Funds	7,000	5,500	1,500	27%
10200 Fed EDA RLF Portfolio - Current	362,084	214,836	147,248	69%
10240 Traditional RLF Portfolio - Current	88,395	70,592	17,803	25%
10270 MT RLF Portfolio - Current	10,410	9,709	702	7%
10300 SSBCI Portfolio - Current	44,600	44,529	71	0%
10330 SSBCI 2.0 Portfolio - Current	144,165	124,008	20,157	16%
10370 Prepaid Expenses	8,764	7,579	1,185	16%
Total Other Current Assets	665,418	476,751	188,666	40%
Total Current Assets	4,654,151	2,956,413	1,697,738	57%
Other Assets				
10600 Fed EDA RLF - Non-Current	794,823	1,376,442	(581,619)	-42%
10640 Traditional RLF Portfolio - Non-Current	273,637	285,648	(12,011)	-4%
10670 MT RLF Portfolio - Non-Current	36,403	48,824	(12,421)	-25%
10700 SSBCI Portfolio - Non-Current	669,643	717,913	(48,269)	-7%
10730 SSBCI 2.0 Portfolio - Non-Curre	1,413,213	826,616	586,597	71%
10790 Allowance for Loan Losses	(117,762)	(47,494)	(70,268)	-148%
10800 Notes Receivable - Brownfields	70,447		70,447	
Total Other Assets	3,140,403	3,207,947	(67,544)	-2%
Total Assets	$ 7,794,554	$ 6,164,360	$ 1,630,194	26%

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

	As of Aug 31, 2026	As of Aug 31, 2025 (PY)	$ Change (PY)	% Change (PY)
Liabilities and Equity				
Liabilities				
Current Liabilities				
Accounts Payable	$ 83,629	$ 143,555	$ (59,926)	-42%
Credit Cards	1,900	1,989	(89)	-4%
Other Current Liabilities				
20150 Due to/Due From EDA	64,545	63,602	943	1%
20160 504 Deposits	5,000		5,000	
20200 Accrued Expenses	24,344	16,005	8,339	52%
20300 Deferred Revenue	15,500	-	15,500	
Total Other Current Liabilities	109,389	79,607	29,782	37%
Total Current Liabilities	194,919	225,151	(30,232)	-13%
Long-term Liabilities				
20800 Notes Payable - Brownfields/EDA	70,447		70,447	
Total Long-term Liabilities	70,447	-	70,447	
Total Liabilities	265,366	225,151	40,215	18%
Equity				
30100 Retained Earnings	7,529,463	5,895,597	1,633,866	28%
Net Income	(275)	43,611	(43,887)	-101%
Total Equity	7,529,188	5,939,208	1,589,979	27%
Total Liabilities and Equity	$ 7,794,554	$ 6,164,360	$ 1,630,194	26%

BIG SKY
ECONOMIC DEVELOPMENT

EDA • EDC CREATING MONTANA BUSINESS OPPORTUNITIES

ATTACHMENT C

BEARTOOTH
RESOURCE CONSERVATION AND DEVELOPMENT AREA, INC.

October 28, 2026

RE: Beartooth RC&D MOU COLA Increase

Dear Big Sky Economic Development Board of Directors:

Two years ago, we shared that the Beartooth RC&D Board of Directors had recommended an adjustment to the per capita amount charged for economic development services. The proposed increase was from 19 cents to 29 cents per capita for the 2026 MOU. In recognition of Yellowstone County's larger population and contribution, we proposed a smaller adjustment of 7 cents per capita, bringing Yellowstone County's rate to 26 cents.

This increase is necessary to help offset rising operating costs since our last rate adjustment eight years ago. Significant growth in our loan and grant portfolios has increased annual audit expenses, while higher insurance premiums and software requirements for compliance and reporting have added additional costs.

We were mindful of the budget challenges facing Yellowstone County and its partner entities during the 2026 budget cycle and chose to defer the increase for one additional year. As a result, the Yellowstone County MOU, shared among Yellowstone County, the City of Billings, the City of Laurel, and Big Sky Economic Development, remained at 19 cents per capita for 2026. As previously communicated, the rate will increase to 26 cents per capita beginning with the 2027 MOU.

Beartooth RC&D remains committed to leveraging funding opportunities and providing economic development services that benefit our entire five-county region. We continue to operate as efficiently as possible while responding to growing demand for services and compliance requirements. We appreciate your partnership and support and look forward to continuing our work together in 2027 and beyond.

If you have any questions, please feel free to contact us at 406-962-3914.

Sincerely,

Myrna Lastusky

Myrna Lastusky
Project Manager / Interim Executive Director

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 Agreement shall be from the date it is signed through **December 31, 2027**, 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 Agreement by modification reference. This Memorandum of Agreement 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 **.26** 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 Director. The calculated fee for **the Entity** is **$49,399.92.** This figure is a total of the **$4,500.00** fee plus **$44,899.92** per capita formula using a population of **172,692 x (.26)** as per the 2025 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 **$16,795.97**, City of Billings – 36% or **$17,783.97**, City of Laurel – 6% or **$2,964.00**, and Yellowstone County – 24% or **$11,855.98**.

Annually, the Beartooth RC&D/EDD staff will provide a comprehensive report of the past year's activity. A new Memorandum of Agreement will be prepared and a request submitted for the next year's match. Entities will be billed for match funds after January 1, 2027, 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:

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

1. The Beartooth RC&D agrees that its employees and particularly the employees designated to work on this Memorandum of Agreement 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 $750,000 per claim and $1,500,000 per occurrence and $2,000,000 aggregate for personal injury; and $1,000,000 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 an amount of $1,000,000.

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

_____
Kimberly Bailey, Executive Director

BEARTOOTH RC&D/EDD

_____
Mike Boyett, Chairman

ATTEST: _____ Date: _____

Beartooth RC&D
Resource Conservation & Development

BIG SKY ECONOMIC DEVELOPMENT

2026 ANNUAL IMPACT REPORT

Building Stronger Communities Through Economic Development, Resource Conservation & Regional Collaboration

PEOPLE PLACES POSSIBILITY

REGIONAL IMPACT AT A GLANCE

REAL PARTNERSHIPS, MEASURABLE RESULTS

$9.2M
Funding Leveraged
Financial resources to support community growth

211
Jobs Created & Retained
Supporting the workforce to empower community business growth

124
Businesses & Organizations Served
Providing technical assistance and project support across the region

27
RLF Loans Funded
Helping businesses access capital to drive growth and expansion

KEY IMPACT AREAS

STRATEGIC FOCUS: LASTING CHANGE

ECONOMIC DEVELOPMENT

Over $6 million in loans, grants, and funding for opportunities to support regional growth.

BUSINESS GROWTH & WORKFORCE TRAINING

- Provided 12 regional training opportunities, including Business Strategy, Digital Marketing, Financial Management, Lean 101, Good Manufacturing Practices, and HACCP.
- Trainings were conducted in Billings and Columbus for ease of attendance.
- $28K in grants were applied for and awarded for these trainings.

FOOD AND AGRICULTURE

- Applied for $475K in grants for the entire region: $166K was awarded.
- 87 jobs created/retained.

BEARTOOTH RC&D

STRONG PARTNERSHIPS, STRONGER COMMUNITIES

Economic Development Resource Conservation Community Collaboration

Strategic Initiatives

Investing in Our Communities & Regional Economy

GURU



Site Selection Tool

Highlighting agricultural sites and commercial properties to attract and drive new business growth across the entire region.

CONNECTING INVESTORS WITH OPPORTUNITIES

Rural Energy for America Program



REAP

Helping rural businesses and agricultural producers access energy efficiency resources, grants, and technical expertise.

POWERING SUSTAINABLE COMMUNITIES

Brownfields Redevelopment



ASSESSMENT AND REDEVELOPMENT FUNDS

- $460K dedicated to assessment of 12 unutilized properties throughout the region, with $280K paid to QEP's.
- $1M to redevelop and revitalize contaminated properties.

TRANSFORMING SITES INTO OPPORTUNITY

Community Impact

Supporting people, businesses, and communities in Yellowstone County.

Revolving Loan Fund

14 loans totaling $1.25M

$6.2M leveraged, providing growth capital to businesses and supporting expansion across Billings and Yellowstone County.

Technical Assistance

2,235 Hours

Providing technical assistance to small businesses and entrepreneurs. 429 of these hours dedicated to Yellowstone County businesses.

Food & Agriculture

$97,266 Invested in Yellowstone County

Supporting local producers and strengthening regional food systems.

- Billings: $78,766 invested
- TA Assistance: 191 Hours

The BRCD Ripple Effect

Local investment, lasting change.

Economic & Community Support → Business Investment → Job Creation → Stronger Communities = Regional Prosperity

Beartooth RC&D
Resource Conservation & Development

Every dollar invested through Beartooth RC&D helps create opportunities for businesses and strengthens communities throughout the entire region, supporting long-term economic vitality.

BIG SKY
ECONOMIC DEVELOPMENT

EDA • EDC CREATING MONTANA BUSINESS OPPORTUNITIES

ATTACHMENT D

Big Sky Economic Development
EDA-EDC Joint Nominating Committee Recommendation
2027 Officers/Executive Committee Members

The EDA-EDC Joint Nominating Committee met to consider nominations for the Board Officers/Executive Committee members for 2027, with service beginning January 1, 2027.

The following is the recommendation of the Nominating Committee:

EDA Board
Chair – Vince Mistretta
Vice Chair – Kate Vogel
Secretary/Treasurer – Aaron Redland
Immediate Past Chair – Lucy Aspinwall
Member at Large – Austin Stacey

EDC Board
Chair – Jennifer Weaver Kondracki
Vice Chair – Bryan Wood
Secretary/Treasurer – Nichole Mehling
Immediate Past Chair – Jen Kobza
Member at Large – Tyler Wiltgen

BIG SKY
ECONOMIC DEVELOPMENT

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ATTACHMENT E

October 29, 2026

TO: Executive Committee, BSED

FROM: Nominating Committee

CC: Kimbery Bailey, Executive Director

RE: Recommendations for EDA Board Service

The Nominating Committee met October 22nd to consider candidates for the EDA Board of Directors.

The application process for the EDA Board began September 15, 2026, as determined by the Yellowstone County Board of Commissioners. Applications were due to the County Commissioners by October 15th. Three applications were received within the deadline.

The Nominating Committee conducted interviews with each of the three applicants and hereby makes the following recommendation —

The appointment of **Joe Clark** and **Craig Van Nice** to each serve a 5-year term on the Big Sky Economic Development Authority Board of Directors, beginning January 1, 2027.

BIG SKY
ECONOMIC DEVELOPMENT

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ATTACHMENT F

Date 8/11/2026

Recipient Name Big Sky Economic Development Authority

Full Address 201 North Broadway, Billings, MT 59101

Authorized Contact Dianne Lehm

Telephone 406-869-8409 Fax _____

Email (not optional) lehm@bigskyeda.org

Investment Program Public Works ☑ Economic Adjustment ☐ Disaster Supplem2012 ☐

Project Number 050105938

Award Date 11/22/2019 Close-out Date _____
(if applicable)

Investment awarded during federal fiscal year: FY 20 20

Data in this report:
☑ 3 years after investment award ☑ 6 years after investment award ☐ 9 years after investment award

CONSTRUCTION OR LOAN FUNDING				
Total Investment	EDA Investment	Applicant Investment [1]	Private Investment [2]	Other Federal Investment
$4,014,242	$ 2,007,121	$ 2,007,121	$ 1,185,649	$ 0

(Note: Total Project should be the total of the other values in this section)

GRANT RECIPIENT COMPLETE THIS SECTION

RESULT OF EDA INVESTMENT			
	3 Years After Award [3]	6 Years After Award [3]	9 Years After Award [3]
Private Investment Generated	$1,185,649	$321,337	$
Jobs Created	2	55	
Jobs Retained		123	
Total Jobs Created/Retained	2	178	

1 (includes Local and State)
2 private investment associated with project construction, e.g. foundation grants
3 at the time of this report (see instructions)

OMB Approved ED-915
OMB Control Number 0610-0098
Expires: 11/30/2020

GPRA Data Collection Instructions
Public Works, and Economic Adjustment Infrastructure and Revolving Loan Fund Investments

EDA regional personnel will complete the following information prior to sending the form to the Investment Recipient. If there is not sufficient space on the data collection form, you may use additional pages with the EDA project number, date of award, and reporting period at the top of each page.

Recipient Name: Legal name of the Recipient.
Full Address: Physical address of the Recipient including city, state and zip. Include mailing address if different.
Authorized Contact: Person to contact regarding this report. Include the telephone number, if different from Recipient.
Telephone: Telephone number, including area code. **Fax**: Facsimile number, including area code.
E-mail Address: Internet address of authorized contact using the following format, (name@organization.com).
Investment Program: Check to indicate appropriate EDA investment program.
Project Number: as reflected on the CD-450 and/or CD-451 Notification of Grant Award
Award Date: DEC as reflected on the CD-450 and/or CD-451 Notification of Grant Award
Investment awarded: Identify federal fiscal year of award.
Data for this report: Check to identify the reporting period: three, six, or nine years after investment award date (DEC date in OPCS).
Construction or Loan Funding:
Total Project dollars: Total of EDA investment, applicant (local and state) dollars, private dollars, other federal dollars used in project construction or loan fund capitalization.
EDA Investment: At time of award for this project number or most current value.
Applicant dollars: Include local and state funds. Local public sources such as city or county appropriations, general obligation/ revenue bond issues, and economic development sales taxes. CDBG funds to entitlement cities are authorized for use as local shares. State sources are state appropriations or CDBG funds to the state.
Private dollars: Private sector dollars invested in project construction or loan fund capitalization, including donations, foundation grants, contributions from local financial institutions, and private donors.
Other Federal dollars: Federal sources, such as HUD, Agriculture, or Transportation funds not reported in Applicant dollars section.

Recipient Section Instructions

Private Investment Generated as a result of the EDA investment:
The incremental private sector investment made in addition to the initial construction investment, including investments in new plant and equipment, other site improvements, etc. Do not report private sector contributions or loan fund capitalization which led to project construction.
Direct Project Jobs:
Total Jobs: Total of jobs created and retained (i.e., people employed) at the time of this report.
Jobs Generally: Only *permanent* and *direct* jobs may be counted. Part-time jobs should be converted to full-time equivalents (sum the total part-time hours worked per week and divide by the hourly work week for full-time employees, normally 35-40 hours).
Jobs Created: Private sector jobs created by businesses and other project beneficiaries as a result of the EDA project.
Jobs Retained: Private sector jobs retained as a result of the EDA project.
Direct Jobs: Include those created or retained by employers located at or near the project site or by firms that benefit directly from services provided by the EDA-funded facility in order to locate, expand or operate in the project area. Recipients should report other direct or *directly-related* jobs, including subsequent employers that locate or expand in the project area as a result of the project. For some projects (e.g., roads, water and sewer lines), direct jobs may include those created by firms that were not originally anticipated as part of the project; however, these firms required the facility or service provided by the EDA project in order to locate or expand in the area. For more information, please visit www.eda.gov
Record retention: Recipients must retain supporting performance documentation for a minimum of three years.
For RLF reporting: Actual Created Jobs are the result of and attributable to the RLF loan, and have been verified by the borrower. Created jobs may be credited if the jobs were created within five years of loan disbursement or, if construction is involved, within five years after construction completion regardless of the status of the loan. A created job must be removed if the job fails to last 18 months. For loans paid in full, borrowers may use the job data on file provided there is confidence in the reliability of the data. If there is a question on reliability, the data should be verified by the next annual reporting period. Retained Jobs are existing jobs where it can be documented that without the RLF assistance, the jobs would have been lost.
Special Provision for RLF Recapitalization: For GPRA purposes, private investment and jobs reported in years three, six and nine (3, 6 and 9) following award of an RLF recapitalization should be reported from the date of the recap, not from the date of the initial RLF award. For example, if the RLF was initially awarded in 1995 and received a recapitalization award in 1999, only those jobs and private sector investments dollars generated from 1999 to the end of the appropriate reporting period should be reported.

Burden Statement: Notwithstanding any other provision of the law, no person is required to respond to, nor shall any person be subject to a penalty for failure to comply with, a collection of information subject to the requirements of the Paperwork Reduction Act, unless that collection of information displays a currently valid OMB Control Number 0610-0098 Expires **11/30/2020**. The public reporting burden for this collection is estimated to average 8 hours per response including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden to: Economic Development Administration, Herbert C. Hoover Building, Washington, DC, 20230, and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Washington, DC 20503.

OMB Approved ED-915

BIG SKY
ECONOMIC DEVELOPMENT

EDA • EDC CREATING MONTANA BUSINESS OPPORTUNITIES

ATTACHMENT G

LEGISLATIVE PRIORITIES

2027 SESSION MT LEGISLATION

BIG SKY ECONOMIC DEVELOPMENT
EDA • EDC CREATING MONTANA BUSINESS OPPORTUNITIES

1 INFRASTRUCTURE

Site Readiness
Capacity Buildout
Water “exempt wells”/ ”sustainability”

2 ECONOMIC DEVELOPMENT TOOLS AND RESOURCE PROTECTION

Brownfields
TIF/URA/TEDD
Community Revitalization/Development
Trade Port Authority

3 WORKFORCE TALENT

Retention/Attraction
Quality talent pipeline

4 ENTREPRENEURSHIP ECOSYSTEM

SBA/VBOC programs
Tech Industry Connectivity
Early-Stage Foundation – Rock31 HUB

5 BUSINESS CLIMATE

Cost of Doing Business
Preserve Industry Land Use
Private Investment Incentives
APEX DOW program
BSF Capital Access program

6 Quality of Life - Downtown

Main Street / Placemaking
DWTN Revitalization
Siphon Stability @ Rimrock

7 HOUSING

Affordable/ Dense MF housing units
Property Tax

BIG SKY
ECONOMIC DEVELOPMENT

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ATTACHMENT H

2027 National Small Business Week Award Nominations

All categories require nominees to have received at least one type of SBA assistance

Nominations due by **December 7, 2026**

- **Small Business Person of the Year**
  - Nominees must demonstrate success in business as well as contributions to their local communities.
- **Small Business Exporter of the Year**
- **Small Business Manufacturer of Year**
- **Veteran Small Business of the Year**
- **Rural Small Business of the Year**
- **Phoenix Awards**
  - The Phoenix Award for Small Business Disaster Recovery is given to a business owner whose efforts and contributions have enabled their business to recover successfully from a disaster.
  - The Phoenix Award for Small Business Disaster Recovery – Mitigation is given to a business owner whose efforts and contributions have enabled their business to successfully mitigate the effects of a disaster.
- **Blue-Collar Small Business of the Year**
  - A small business in a blue-collar industry that has demonstrated exceptional performance and growth. This award celebrates the vital role blue-collar small businesses play in our economy, communities, and day-to-day lives.
  - Small business must operate in an industry characterized by workers using physical skill and energy involving manual labor, a trade, or a vocational skill such as, but not limited to, construction, roofing, welding, painting, heating and air conditioning, carpentry, plumbing, auto repair, and/or electrical work.

BIG SKY
ECONOMIC DEVELOPMENT

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ATTACHMENT I

SBA 504 Loan Request

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

1. **Turntable Holdings, LLC / KBB, Inc. (Hop Lounge)** – The purpose of this request is for the purchase of commercial real estate for Hop Lounge (KBB, Inc,), located in Bozeman, MT. Hop Lounge is an existing restaurant which currently leases the building in which it is buying. Hop Lounge opened in 2020 and is owned by three individuals. The primary operator is Kevin Porto who has 10+ years' experience in the restaurant industry. Hop Lounge operates as a tap house featuring 50 beers on tap and fire roasted chicken themed restaurant. There are currently 30 employees (FTE and PT) who will all be retained as a result of the purchase.

   The total SBA debenture will be $932,000 on a 25-year note comprising 40% of the total project. Big Sky EDC and SBA will be in a 2nd lien position on the real property behind Opportunity Bank of Bozeman. The project meets a Public Policy goal of Rural Development.

2. **Oregon Mountain Rifle Co, LLC / Desert Sky Holdings, LLC –** The purpose of this request is for the purchase of land and new construction of a facility for Oregon Mountain Rifle Co., located in Billings. This is an existing small manufacturer currently leasing space in Billings. Oregon Mountain Rifle Co. (OMR) was established in 2018 by Lee Freeman in Oregon. In 2021, the business relocated to Billings. OMR is a premium, precision-engineered firearm manufacturing company whose focus has been in the manufacturing of carbo fiber barrels, custom-built hunting rifles and high-quality rifle parts and accessories. The company prides itself on 100% American-made craftsmanship. There are projected to be five new jobs created because of this expansion.

   The total SBA debenture will be $841,000 on a 25-year note comprising 40% of the total project. Big Sky EDC and SBA will be in a 2nd lien position on real property behind Opportunity Bank – Billings. The project meets an SBA goal of assisting a small manufacturer and increasing the local tax base.

3. **Advanced Practice Physical Therapy, Inc. / Kinsey Properties, LLC** – **Request is for an increase of the SBA debenture to $645,000. This loan was initially approved at the May 15, 2025, Board meeting for $473,000, and modified at the September 11, 2025, Board meeting to $642,000. Construction is complete and costs are finalized. Increase due to minor additional cost overruns. Business cash flow remains sufficient to cover the increased debt service.**

   The purpose of this request is for the purchase of commercial real estate with renovations and FF&E for Advanced Practice Physical Therapy, Inc., located in Great Falls, MT. Advanced Practice Physical Therapy (APPT) was started in 2011, by Andrea Johnson and a partner. In 2024, Ms. Johnson assumed 100% ownership. The practice provides personalized physical therapy services and non-traditional, alternative medicine practices to the Great Falls and greater Central Montana community. There are projected to be three new jobs created because of the project.

   The total SBA debenture will be $645,000 on a 25-year note comprising 40% of the total project. Big Sky EDC and the SBA will be in a 2nd lien position on the real and personal property behind Bravera Bank of Great Falls. The project meets Public Policy goals for being a Woman-owned business and located in a HUBZone.