

Big Sky EDA/EDC Joint Executive Committee Meeting Minutes
Wednesday, October 2nd, 2019 – 7:00 A.M. to 8:00 A.M.
Babcock Room, 2nd Floor – Northern Hotel

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** – Robin Rude, Ken Lutton, Cory Moore, Jennifer Smith
 EDC – Eric Simonsen, Mike Nelson,

Committee Members Absent: **EDA** – Paul Neutgens,
 EDC – Molly Schwend, Steve Loveless, Mike Seppala

Staff and Others Present: Steve Arveschoug, Melanie Schwarz, Austin Trunkle, Becky Rogers, Dianne Lehm, Shanna Zier, Allison Corbyn, Marcell Bruski, Thom MacLean, Dena Johnson

Call to Order:

Mike Nelson, EDC Chair, called the meeting to order at 7:30 A.M.

Agenda Changes for Today's Meeting:

None

Public Comment/Introductions

None

Agenda:

Approval of the October 2nd EDA/EDC Executive Committee Minutes

Motion: Ken Lutton to approve the October 2019 Executive Committee Minutes as presented to the Executive Committee.

Second: Robin Rude

Discussion: None

Motion: Carried

Approval of Preliminary August EDA/EDC Financials – Shanna

Shanna then presented her first edition of financials as our new controller. Shanna made a few changes to the structure and asked for input from the Committee.

Shanna ran through some of the areas of notes on our financial statements and explained how she arrived at the figures presented to the Committee.

On the EDC side, there wasn't any area to note on the Balance Sheet. Shanna noted that this document now includes restricted and unrestricted dollars where previously only unrestricted dollars were reflected.

There was also discussion about how the Management Services Agreement comes into play as well.

Motion: Cory Moore to approve and forward to the Board the August 2019 EDA/EDC Financials, as presented to the Executive Committee.

Second: Ken Lutton

Discussion: None

Motion: Carried

Shanna also went through the July financials which had been presented preliminarily and now formally for adoption by the Executive Committee.

Motion: Ken Lutton to approve and forward to the Board the July 2019 EDA/EDC Financials, as presented to the Executive Committee.

Second: Jen Smith

Discussion: None

Motion: Carried

FY 2019 Audit Review – Stefani Freese, Anderson Zurmeuhlen

Stefani began with the EDA Letter to Governance. This letter is standard communication and lists out the high-level details for our Board.

On the EDA Audit, we received a clean, unmodified opinion. Stefani said the financial statements that our governance receives are good documents to guide decision making. Stefani recommended that the Board closely read the MD and A.

With respect to the single audit, we received nearly \$700,000 in federal grants, most of which are then passed along to sub-recipients. Stefani went on to say that there were no findings with respect to internal controls.

The VBOC compliance received a clean, unmodified opinion as well. Page 46?

On the EDC Audit, the FASB accounting standards are applied as the EDC is a non-profit organization. There was one audit adjustment that resulted in a finding and the letter dictating that finding will be submitted to the SBA per their requirements.

The Financial Statements received a clean, unmodified opinion. Stefani walked through our classified balance sheet and made notes related to liquidity, which is described as healthy.

Motion: Cory Moore to approve and forward to the Board FY 2019 Audit Results, as presented to the Executive Committee.

Second: Ken Lutton

Discussion: None

Motion: Carried

Executive Director's Report – Steve

MEDA Next Generation Community and Economic Development Tools Project Update

Steve went through his Executive Director's Report and started with the MEDA RFP for next generation community and economic development tools. Steve mentioned that MEDA has tentatively agreed to select TIP Strategies to give their opinion on the state of Montana's economic development tools and how we can bolster their effectiveness and what could be potentially implemented. The fundraising for this effort continues and we hope to kick off the analysis later this month. The goal is to receive the final product in the Spring of 2020.

406 Impact District Concept Update

Steve met with our lobbying group in Helena a couple weeks ago to keep discussion related to 406 Impact Districts current.

BUILD Grant Update – DC Trip

Steve was in Washington DC recently to propose with other community partners our worthiness for a BUILD Grant from the Department of Transportation. The grant would be used to help complete the Inner-Belt Loop project. The group also met with our congressional delegation while in DC. Steve went on to explain some of the local dynamics at play as it relates to the BUILD Grant applications for both the Lockwood By-Pass and the Inner Belt Loop.

Keystone Pipeline Letter

Steve spoke to the letter of support we had submitted several years ago in support of the Keystone XL Pipeline. We recently updated the letter and submitted it again to the DEQ on the heels of a recent field hearing held in town. Steve is asking the Executive Committee if they think we should ask the Board to renew its support for the Keystone XL Pipeline. The Executive Committee has taken the position that the issue does not need to be raised with the Board.

December 4th Executive Committee Meeting

The next Executive Committee will likely take place at the Northern Hotel as it coincides with our 30th Anniversary Celebration at the Northern at 8am.

Program/Org, Directors Updates

TEDD Update – Thom

Thom provided a TEDD Update to the Executive Committee. We have continued our discussion with the City related to the issue of water and sewer service to Lockwood and potential annexation. The City is asking property owners to waive their right to protest which has proven to be a sticking point.

Thom spoke about the TEDD Tour that occurred last month with City and County Leadership. There will also be a lunch hosted today with the aim of building consensus and moving this project past this roadblock. Steve said there is frustration from the County Commissioners which Steve is sympathetic to and continuing this process is of the utmost importance. Steve provided a letter of communication to the Executive Committee for their reference.

Recruitment Update – Allison

Allison gave a recruitment update to the Committee. Coming up, there has been good collaboration at the state-level and a group will be heading to a site selector lunch in Chicago. There has been positive news as it relates to air service in our community, and we remain committed to expanding service to new markets. The Architecture Sector Partnership will be kicking off this Friday, with the aim of an agriculture sector partnership coming to fruition too. Allison went on to say that there have been a few new leads she is pursuing and is learning from the recruitment efforts of other states.

Operations Update – Becky

Becky mentioned that we will be starting to plan some press conference/announcement strategies as we await the final notification of the EDA Grant Award.

Becky provided the Committee the recommendation we will make to the Commissioners for the EDA Seats. The nomination committee met yesterday and will recommend three individuals for the open seats. It is important to note that the Commissioners have full discretion as it relates to our suggestions for the EDA Seats.

Motion: Cory Moore to accept and forward to the Board, the Recommendation of the Nomination Committee, as presented to the Executive Committee.

Second: Robin Rude

Discussion: Above

Motion: Carried

Becky went on to say that the officers for 2020 will be decided sometime next month.

PTAC Program Bozeman Subcenter Update –Deanna

Deanna is hopeful that the PTAC situation will be resolved this week. The Gallatin County Commissioners voted to provide the match funds to keep the Bozeman PTAC functioning. The funds would be sent to a small economic development group. Deanna has been given some pause as this organization does not have audit financial reports. This would be potentially troublesome for federal reimbursement rates. Deanna has also proposed that we extend Phillip as a temporary employee for the remainder of the program year and utilize our indirect reimbursement rate. Alternatively, the county could take on Phillip as their employee and would become our subrecipient.

Annual Meeting Recap –Melanie/Marcell

Melanie and Marcell asked the Executive Committee to provide feedback on the annual meeting. Each member commended the effort of Marcell and Melanie. One of the most consistent comments was that the venue was too cold. Steve went on to ask Melanie what we want Board Members to feel as they take-n the meeting.

Executive Session: None

Public Comment:

Dena gave a brief update on how the Startup Weekend went. The event was at MSUB and 21 folks participated in the weekend. There were five ideas and five teams that set out to solve a problem with innovative thinking. Kevin did a great job getting people to sign up for the event and Dena said each of those people needed about five contacts. Cory and Ken from the Committee both participated as a judge and a coach, respectively. Dena also mentioned that every Wednesday, our Chapter of 1 Million Cups meets at 9am

Mike adjourned the meeting at 9:38am

Next Meeting – December 4th