

**Big Sky EDA/EDC
Executive Committee Agenda
November 6, 2019
7:30 A.M. to 9:15 A.M.
Rosebud Room, 2nd Floor – Granite Tower**

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 **EDC** –Mike Nelson, Mike Seppala, Steve Loveless, Eric Simonsen, Molly Schwend
EDA –Cory Moore, Robin Rude, Paul Neutgens, Jennifer Smith, Ken Lutton

Call to Order – Mike Nelson, EDC Chair

Agenda Changes for Today's Meeting:

Public Comments:

AGENDA

- I. Approval of EDA/EDC Exec. Comm. Minutes**
- October 2, 2019 Ex. Committee Meeting (Attachment A) (Action)
- II. Approval of EDA/EDC Financials – Shanna/Becky**
- August 2019 EDA and EDC Financials (Attachment B) (Action)
 - FY 2019 Audit Presentation – Stefani Freese, Anderson Zurmuehlen (Separate Attachments) (Action)
- III. Executive Director's Report- Steve** (Handout)
- MEDA Next Generation Economic Development Tools Project Update (Info)
 - 406 Impact District Concept Update (Info)
 - BUILD Grant Update—DC Trip (Info)
 - Keystone Pipeline Letter (Attachment C)(Action or Info)
 - December 4th Ex. Committee Meeting/30th Anniversary (Info)
- IV. Program/Org. Directors' Updates**
- A. TEDD Update—Thom/Dianne (Info)
 - B. Recruitment Update – Allison (Info)
 - C. Operations--Becky (Info)
 - 1. Future Facilities/Grant Application Update (Info)
 - 2. Nominating Committee Recommendations—Mike Seppala (Handout) (Action)
 - EDA Board Appointments Interviews and Recommendations
 - D. PTAC Program—Bozeman Subcenter Update—Deanna (Info)
 - E. Annual Meeting "Born to Build" Recap—Marcell/Melanie (Info)
- V. Executive Session (as needed)**

Public Comment

Adjourn

Next Executive Committee Meeting – December 4, 2019 (7:00 A.M. to 7:50 A.M.) 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 call Big Sky Economic Development at 256-6871.



BIG SKY
ECONOMIC DEVELOPMENT

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ATTACHMENT A

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,
 EDC – Eric Simonsen, Mike Nelson, Steve Loveless, Mike Seppala

Committee Members Absent: EDA – Paul Neutgens, Jennifer Smith
 EDC – Molly Schwend

Staff and Others Present: Steve Arveschoug, Melanie Schwarz, Austin Trunkle, Becky Rogers, Dianne
 Lehm, Shanna Zier, Evelyn Pyburn

Call to Order:
Cory Moore, EDA Chair, called the meeting to order at 7:01 A.M.

Agenda Changes for Today's Meeting:
A memo from Brandon Berger will be considered today in the Program Updates Section

Public Comment/Introductions

Cory began by welcoming Steve back. Steve went on to introduce Shanna Zier, our new controller. We are very excited to have Shanna join our team. Shanna offered a bit of her background to the Committee as an introduction.

Melanie mentioned that she has been asked to speak at the IEDC Annual Meeting about raising the bar in economic development. Melanie, Karen, and Marcell will also be receiving a gold award for their Better Off in Billings campaign in Indianapolis.

Agenda:

Approval of the September 4th EDA/EDC Executive Committee Minutes

Motion: Eric Simonsen to approve the September 2019 Executive Committee Minutes as presented to the Executive Committee.
Second: Ken Lutton
Discussion: None
Motion: Carried

Approval of Preliminary July EDA/EDC Financials (FYI) – Becky

Becky shared the preliminary July financials with the Committee. The financials are considered preliminary in order to give Shanna the chance to get acquainted with the organization and review the financials.

Motion: Mike Nelson to approve and forward to the Board the Preliminary July 2019 EDA/EDC Financials, as presented to the Executive Committee.
Second: Mike Seppala
Discussion: None
Motion: Carried

FY 2019 Audit Status – Becky

Becky has been in contact with our audit firm and confirmed they are on track to present to our Committee and Board in November. Jim will work with the organization as an Independent Contractor to finish the audit drafts and finalize the reports.

Executive Director's Report

TEDD Site Visit and Meeting

Steve gave some updates included in the Executive Director's Report. The CD team has been working to find a balanced solution to the issue of annexation of TEDD properties into the city. The issue is not related to capacity but rather one of the City wanting to include those properties in the City Limits. On October 10th, there will be a tour of the site to look at these properties and why they were seen as an appropriate location for a TEDD. Steve mentioned that Thom has been sending weekly briefings to our City Council to make sure they are armed with as much information as possible. The next piece will illustrate how our TEDD model is different than other communities and what complexities may arise. Part of the reason the TEDD was located in Lockwood is because there are willing property owners in that area for planned industrial space. Steve believes the subject of annexation should revolve a cost/benefit analysis and perhaps the annexation subject will be brought to light in the future. However, there are Councilmembers who are in agreement that the properties ought to be annexed sooner rather than later. Should the City move forward with annexation, the obligation of water service, and emergency personnel services would be included as well. Steve went on to say that we consider it important to at least articulate our infrastructure needs prior to the construction of the by-pass in the coming years.

MEDA RFP Update

MEDA has embarked on an analysis for proposed new economic development tools for the state of Montana. We anticipate this will cost \$120,000 and have received nine proposals. The impetus behind this effort comes from the near sunset of the existing suite of economic development tools in the last legislative session. MEDA is hoping to select a firm to conduct and complete the analysis in early 2020.

Public Safety Community Collaboration

The Public Safety Meeting is to follow immediately after this meeting. BSED will be a willing, educated partner at the table as this issue is foundational to attracting and retaining talent.

Awareness of Potential NDO Initiative

Councilman Cromley had sent a letter to Steve in mid-September asking that BSED takes a supportive stance on his proposed Non-Discrimination Ordinance. We learned yesterday that this will not be put forward to the City Council at this time, but Steve wanted to make the Committee aware of the request as this subject is likely to be brought up again in the future.

Finance Committee Structure

Steve brought up the idea of a Finance Committee to support our new Controller and suggested that we use the Executive Committee and its agenda to vet certain items in lieu of creating an entirely new committee.

Program/Org, Directors Updates

Operations: Future Facility/Grant Application Update – Becky

Becky gave an Operations update and spoke to the status of our grant application which is still under review and November is still the anticipated timeline.

Nominating Committee Update – Becky

The Nominating Committee recommendation for Steve Loveless to serve a second term and Kim Jakub for Molly's seat is still collecting votes and should be finalized by next week.

Annual Meeting Update – Melanie

Melanie gave an Annual Meeting update and told the Committee that Angela Martinez will be in attendance and will offer some remarks. Angela is the regional EDA Director for the Denver Region and will be making the decision on our grant application. The lunch is from 11:30 – 1:30 at Metra Park on October 24th.

Big Sky Finance Memo –Steve

There is a recommendation provided to the Committee by Brandon concerning the El Corral loan default. In the recommendation, Brandon will set a price of \$5,000-\$7,500 for kitchen equipment to potential buyers. Members of the Committee provided input on the ins-and-outs of attempting to sell kitchen equipment and if there is language in the lease agreement that may impede that sale. Brandon is asking the committee to approve this plan and authorize him to negotiate with prospective buyers.

Motion: Mike Seppala to approve and forward to the Board, the actions in the BSF Memo, as presented to the Executive Committee.

Second: Ken Lutton

Discussion: Above

Motion: Carried

Executive Session: None

Public Comment: None

Cory adjourned the meeting at 7:45am

Next Meeting – November 6th, 2019



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ATTACHMENT B

Big Sky Economic Development Authority
Financial Report for the Executive Committee and Board of Directors
November 1, 2019

Included with this report are balance sheets reflecting the assets, liabilities and net assets of Big Sky EDA as of August 31, 2019. Also included is the statement of revenue and expenses through two months of FY20 as compared to budget.

Balance Sheet

Current assets totaled approximately \$1,107,500 at the end of August. Accounts receivable at August 31 totaled \$224,000. This is largely comprised of PTAC receivable of \$95,253 and VBOC receivable of \$96,857. As of October 2019, these receivables have decreased to \$45,000 and \$26,585, respectively. Tax levy receivable totaled approximately \$4,000 with an additional \$9,000 in protested tax levy receivable. An allowance totaling approximately \$9,000, or 100% of protested tax levy receivable is reflected to allow for potentially uncollectible protested tax levy.

Big Sky EDA invested the proceeds from the sale of the GE facility (approximately \$6 million) into certificates of deposit with maturities of 18 months. These proceeds are reflected under opportunity fund-CDs. The total of these CDs has decreased by about \$530,000 over the last year as a maturing CD was placed into a money market account in June for liquidity. The balance sheet also reflects \$400,000 in loans receivable from the Downtown Billings Alliance (DBA) as part of the One Big Sky District initiative. This loan was previously reflected as a loan for \$388,000, but it was determined when reconciling FY19 year-end entries, that the balance of this outstanding loan was actually \$400,000. The DBA is currently working to find a broker to list and sell the property they purchased with this line of credit. The DBA is not obligated to begin paying off the credit for 3 years, but are looking to begin paying before their period of obligation begins.

Due To/Due From EDC totaled approximately \$126,000 and represents the amount owed to EDA from EDC. Beginning of FY20, there was a change in the Management Services Agreement. The EDC will now reimburse the EDA for 25% of the controller's salary.

Accounts payable at the end of August totaled approximately \$126,000 and consisted largely of amounts owed for dues and subscriptions and estimated accruals for PTAC subcenter reimbursement. Accrued expenses have decreased over the last year and consist of Space to Place grant accruals for FY19 and salary/benefits accruals.

An adjustment was made to the year-end PERS GASB 68 entry based on revised GASB 68 reports. This created an adjustment to the balance sheet as of June 30, 2019. This adjustment impacted deferred outflows of resources (decreased by \$212,000), deferred inflow of resources (decreased by \$4,400), and pension liability (decreased by \$281,600).

Statement of Revenue and Expenses

Department of Defense (PTAC) reimbursement is below budget through August 2019. We have accrued \$45,000 for this reimbursement for August 2019. This was a conservative accrual and the actual invoice for reimbursement will likely be higher. EDC reimbursement is also below budget through August. We are now paying the Mastercard invoices out of both EDA and EDC. This is a change from just paying the Mastercard invoices out of EDA, so there will be less reimbursement from EDC this fiscal year. Opportunity fund investment revenue is below budget through August 2019. This account will be reconciled on the September 2019 financial statements.

Insurance expense totals \$12,600 through August 2019 and is over budget due to the annual payment of Liability insurance and Work comp. Dues and subscription expense is over budget due to the annual payment to Beartooth RCD for \$11,800. These amounts will be re-evaluated in September to determine if a portion of these expense amounts should be moved into prepaid expenses and expensed evenly throughout the remainder of the fiscal year. Professional fees totaled \$23,000 through August 2019. Professional fees include \$20,000 for the Anderson ZurMuehlen FY19 audit.

Through two months of FY20 Big Sky EDA had recognized expenses in excess of revenue totaling about \$284,000, which was approximately \$108,000 more than the budgeted amount. This variance is largely due to \$81,000 variance in interest income. Historically, interest income for the CDs has been booked once a year. Interest income will be re-evaluated in September to determine if interest amounts should be booked each month. Interest income from the opportunity fund CDs is earmarked to the opportunity fund and is not used operationally.

Big Sky EDA
Balance Sheets
As of August 31, 2019 and 2018

	8/31/2019	8/31/2018	+/-
Assets			
First Interstate Bank	\$35,783	\$227,000	(\$191,217)
FIB-Recovered Property Taxes	147,854	1,000	146,854
Opportunity Fund-FIB	54,371	13,250	41,122
Opportunity Fund-Stockman	3,613	645,608	(641,995)
Opportunity Fund-Opportunity Bank	613,994	-	613,994
Stockman GE Maintenance	15,128	28,479	(13,351)
Yellowstone County Funds	236,766	287,730	(50,964)
Total Current Assets	1,107,511	1,203,068	(95,557)
Other Assets			
Accounts Receivable	224,143	170,582	53,561
American Revenue Guarantee	6,887	6,887	-
Due To/Due From EDC	125,835	171,102	(45,266)
Tax Levy Receivable	4,077	5,785	(1,708)
Tax Levy Receivable - Protested	9,211	999	8,212
Allowance for Doubtful Accounts	(9,211)	(999)	(8,212)
Prepaid Expenses	-	6,808	(6,808)
Undeposited Funds		9,042	(9,042)
Interest Receivable	2,421	-	2,421
Miscellaneous Receivable	(94)	3,007	(3,101)
Total Other Assets	363,270	373,213	(9,944)
Non-Current Assets			
Opportunity Fund - CDs	4,590,718	5,119,531	(528,813)
Loans Receivable	400,000	-	400,000
TEDD Receivable	64,775	75,000	(10,225)
Cabelas Conduit	4,982	9,643	(4,661)
Deferred Outflow of Resources	247,689	365,827	(118,138)
Total Non-Current Assets	5,308,165	5,570,002	(261,837)
Total Assets	6,778,945	7,146,283	(367,338)
Liabilities & Equity			
Current Liabilities			
Accounts Payable	126,534	98,788	27,746
Accrued Expenses	100,095	206,313	(106,218)
Payroll Liabilities	243	219	24
Compensated Absences	164,177	146,353	17,825
Total Current Liabilities	391,050	451,673	(60,623)
Long Term Liabilities			
Deferred inflow or Resources	13,741	7,419	6,322
Pension Liability	884,804	908,811	(24,007)
Total Long Term Liabilities	898,545	916,230	(17,685)
Current Year Excess of Expenses over Revenue	(283,801)	(68,503)	(215,298)
Balance at Beginning of Year	5,773,151	5,846,883	(73,732)
Net Assets	5,489,350	5,778,380	(289,030)
Total Liabilities & Equity	6,778,945	7,146,283	(367,338)

Big Sky EDA
Statements of Operations
For the Periods Ending August 31, 2019

	Month			YTD			Fiscal Year
	Actual	Budget	Variance	Actual	Budget	Variance	Budget
Operating Revenue							
County Taxes (Mill Levy Revenue)	\$226	\$0	\$226	(\$107)	\$0	(\$107)	\$1,461,225
Health Insurance Mill Levy	8,064	8,530	(466)	15,876	17,060	(1,184)	102,360
Recovery of Protested Taxes	-	-	-	-	-	-	-
Department of Defense	45,000	52,819	(7,819)	95,253	105,638	(10,385)	633,828
EDC Reimbursement	44,065	48,729	(4,664)	87,290	97,458	(10,168)	584,748
EPA-Brownfields	-	-	-	503	-	503	-
SBA/MT Dept of Commerce	13,911	13,708	203	28,306	27,417	890	164,500
SBDC Program Income	-	-	-	-	-	-	-
VBOC	26,585	25,000	1,585	48,589	50,000	(1,411)	300,000
Opportunity Fund Investment	-	2,083	(2,083)	-	4,167	(4,167)	25,000
Grant Administration	1,300	742	558	1,300	1,483	(183)	8,900
Miscellaneous Revenue	-	-	-	-	-	-	-
Total Revenue	139,151	151,611	(12,460)	277,009	303,223	(26,213)	3,280,561
Operating Expenses							
Salaries/Wages	134,110	134,398	(287)	266,560	268,795	(2,236)	1,612,771
Employer Contributions	41,874	44,200	(2,326)	83,580	88,399	(4,819)	530,396
Contingency	-	-	-	-	-	-	30,000
Contract Support	-	83	(83)	-	167	(167)	1,000
Community Development Projects	3,432	4,167	(735)	3,432	8,333	(4,902)	50,000
Dues and Subscriptions	18,901	16,135	2,765	26,250	20,471	5,779	52,025
Insurance	-	1,231	(1,231)	12,632	2,461	10,171	14,766
Marketing - Departmental	466	1,388	(922)	763	2,775	(2,012)	16,652
Marketing - Organizational	5,232	5,146	87	10,172	10,292	(120)	61,750
Office Equipment	-	583	(583)	-	1,167	(1,167)	7,000
Office Expense	1,567	1,667	(100)	2,524	3,333	(810)	20,000
Professional Fees	22,400	22,000	400	23,003	23,000	3	35,126
Property Tax Protests	-	-	-	-	-	-	49,190
PTAC Satellite	13,742	11,710	2,032	20,723	23,420	(2,698)	140,520
PTAC Subcenter	22,341	23,190	(849)	49,379	46,380	2,999	278,282
Rent	11,284	10,530	754	22,600	21,061	1,539	126,364
Repairs	88	-	88	264	-	264	-
Sponsorships	-	1,326	(1,326)	7,800	2,653	5,147	15,917
TEDD	13	417	(404)	26	833	(807)	5,000
Telecommunications	5,028	4,520	508	9,831	9,040	791	54,240
Travel/Training	10,446	11,102	(656)	16,460	22,204	(5,744)	133,223
Miscellaneous	2,522	3,377	(855)	6,503	6,754	(251)	40,525
Total Operating Expenses	293,446	297,169	(3,723)	562,500	561,539	961	3,274,747
Net Operating Revenue	(154,295)	(145,558)	(8,737)	(285,491)	(258,316)	(27,175)	5,813
Non-Operating Income							
Interest Income	372	7,528	(7,156)	1,690	82,806	(81,117)	90,334
Net Revenue Over (Under) Expense	(\$153,923)	(\$138,030)	(\$15,893)	(\$283,801)	(\$175,510)	(\$108,291)	\$96,148

Big Sky EDA Balance Sheet

	August 31, 2019	August 31, 2018	+/-
ASSETS			
Current Assets			
Checking/Savings			
First Interstate Bank	\$ 35,783.41	\$ 227,000.49	\$ (191,217.08)
FIB-Recovered Property Taxes	147,854.25	1,000.00	146,854.25
Opportunity Fund - FIB	54,371.24	13,249.62	41,121.62
Opportunity Fund - Stockman	3,613.34	645,608.43	(641,995.09)
Opportunity Fund - Opportunity Bank	613,994.30	-	613,994.30
Stockman Bank	15,127.87	28,479.10	(13,351.23)
Yellowstone County Funds	236,766.28	287,730.35	(50,964.07)
	<u>1,107,510.69</u>	<u>1,203,067.99</u>	<u>(95,557.30)</u>
Other Current Assets			
Accounts Receivable	224,142.93	170,582.24	53,560.69
American Revenue Guarantee	6,887.28	6,887.28	-
Due To/Due From EDC	125,835.45	171,101.76	(45,266.31)
Miscellaneous Receivables	(93.53)	3,007.00	(3,100.53)
Tax Levy Receivable	4,076.79	5,785.23	(1,708.44)
Tax Levy Receivable - Protested	9,211.16	999.26	8,211.90
Allowance for Doubtful Accts	(9,211.16)	(999.26)	(8,211.90)
Interest Receivable	2,420.67	-	2,420.67
Opportunity Fund - CDs	-	-	-
Prepaid Expenses	-	6,808.16	(6,808.16)
Undeposited Funds	-	9,041.66	(9,041.66)
	<u>363,269.59</u>	<u>373,213.33</u>	<u>(9,943.74)</u>
Non-Current Assets			
Opportunity Fund - CDs	4,590,718.00	5,119,531.00	(528,813.00)
Loans Receivable	399,999.93	-	399,999.93
TEDD Receivable	64,775.00	75,000.00	(10,225.00)
Cabelas Conduit	4,982.47	9,643.12	(4,660.65)
Deferred Outflow of Resources	247,689.38	365,827.38	(118,138.00)
	<u>5,308,164.78</u>	<u>5,570,001.50</u>	<u>(261,836.72)</u>
TOTAL ASSETS	<u><u>\$ 6,778,945.06</u></u>	<u><u>\$ 7,146,282.82</u></u>	<u><u>\$ (367,337.76)</u></u>
LIABILITIES & EQUITY			
Current Liabilities			
Accounts Payable	126,534.32	98,788.23	27,746.09
Accrued Expenses	100,095.29	206,312.91	(106,217.62)
Payroll Liabilities	243.18	218.90	24.28
Compensated Absences	164,177.36	146,352.75	17,824.61
	<u>391,050.15</u>	<u>451,672.79</u>	<u>(60,622.64)</u>
Long Term Liabilities			
Deferred Inflow of Resources	13,740.97	7,418.97	6,322.00
Pension Liability	884,803.80	908,810.80	(24,007.00)
	<u>898,544.77</u>	<u>916,229.77</u>	<u>(17,685.00)</u>
Net Assets	<u>5,489,350.14</u>	<u>5,778,380.26</u>	<u>(289,030.12)</u>
TOTAL LIABILITIES & EQUITY	<u><u>\$ 6,778,945.06</u></u>	<u><u>\$ 7,146,282.82</u></u>	<u><u>\$ (367,337.76)</u></u>

Big Sky EDA
Statements of Operations - Actual v Budget
For the Two Months Ended August 2019

	2019	Annual Budget	Budget Remaining
Income			
Department of Defense	\$ 95,253.00	\$ 633,828.00	\$ 538,575.00
EDC Reimbursement	87,289.81	584,747.81	497,458.00
EPA - Brownfields	502.50	-	(502.50)
Grant Administration	1,300.00	8,900.00	7,600.00
Health Levy Revenue	15,876.00	102,360.00	86,484.00
Mill Levy Revenue	(107.19)	1,461,225.00	1,461,332.19
Opportunity Fund Investment	-	25,000.00	25,000.00
SBA/MT Dept of Commerce	28,306.39	164,500.00	136,193.61
VBOC	48,588.90	300,000.00	251,411.10
	<u>277,009.41</u>	<u>3,280,560.81</u>	<u>3,003,551.40</u>
Expense			
Community Development Projects	3,431.81	50,000.00	46,568.19
Contingency	-	30,000.00	30,000.00
Contract Support	-	1,000.00	1,000.00
Employer Contributions	83,580.01	530,396.25	446,816.24
Insurance	12,632.20	14,766.00	2,133.80
Marketing - Departmental	1,375.24	16,652.33	15,277.09
Marketing - Organizational	10,171.69	61,750.00	51,578.31
Miscellaneous	32,089.93	92,550.33	60,460.40
Office Equipment	-	7,000.00	7,000.00
Office Expense	2,523.63	20,000.00	17,476.37
Professional Fees	23,002.50	35,125.55	12,123.05
PTAC Satellite	20,722.55	140,520.30	119,797.75
PTAC Subcenter	49,379.28	278,281.50	228,902.22
Rent	22,599.74	126,363.80	103,764.06
Repairs	264.00	-	(264.00)
Salaries/Wages	266,559.66	1,612,771.24	1,346,211.58
Sponsorships	7,800.00	15,916.94	8,116.94
Tax Protests	-	49,190.40	49,190.40
TEDD	26.15	5,000.00	4,973.85
Telecommunications	9,830.68	54,240.00	44,409.32
Travel/Training	16,511.00	133,222.70	116,711.70
	<u>562,500.07</u>	<u>3,274,747.34</u>	<u>2,712,247.27</u>
Operating Income/(Loss)	(285,490.66)	5,813.47	291,304.13
Other Income			
Interest Income	1,689.58	90,334.12	88,644.54
Net Income/(Loss)	\$ (283,801.08)	\$ 96,147.59	\$ 379,948.67

Big Sky EDA**Statement of Operations - Year over Year**

For the Two Months Ended August 2019

	2019	2018	+/-
Income			
Department of Defense	\$ 95,253.00	\$ 84,066.00	11,187.00
EDC Reimbursement	87,289.81	83,803.68	3,486.13
EPA - Brownfields	502.50	9,357.20	(8,854.70)
Grant Administration	1,300.00	4,266.00	(2,966.00)
Health Levy Revenue	15,876.00	14,415.00	1,461.00
Mill Levy Revenue	(107.19)	(365.37)	258.18
Recovery of Protested Taxes	-	146,854.25	(146,854.25)
SBA/MT Dept of Commerce	28,306.39	18,566.87	9,739.52
SBDC Program Income	-	62.81	(62.81)
VBOC	48,588.90	28,082.91	20,505.99
	277,009.41	389,109.35	(112,099.94)
Expense			
Advertising	1,220.05	400.83	819.22
Dues and Subscriptions	26,250.05	12,494.08	13,755.97
Community Development Projects	3,431.81		3,431.81
Employer Contributions	83,580.01	72,880.02	10,699.99
Insurance	12,632.20	6,485.00	6,147.20
Marketing	11,546.93	7,898.55	3,648.38
Miscellaneous	4,619.83	251.74	4,368.09
Office Equipment	-	1,710.00	(1,710.00)
Office Expense	2,523.63	2,449.50	74.13
Professional Fees	23,002.50	9,882.20	13,120.30
PTAC Satellite	20,722.55	13,955.76	6,766.79
PTAC Subcenter	49,379.28	42,336.32	7,042.96
Rent	22,599.74	21,617.00	982.74
Repairs	264.00	160.00	104.00
Salaries/Wages	266,559.66	238,552.46	28,007.20
Sponsorships	7,800.00	1,500.00	6,300.00
TEDD	26.15	2,322.12	(2,295.97)
Telecommunications	9,830.68	8,652.66	1,178.02
Travel/Training	16,511.00	12,576.31	3,934.69
Workforce Development	-	2,420.60	(2,420.60)
	562,500.07	458,545.15	103,954.92
Operating Income/(Loss)	(285,490.66)	(69,435.80)	(216,054.86)
Other Income			
Interest Income	1,689.58	932.92	756.66
Net Income/(Loss)	\$ (283,801.08)	\$ (68,502.88)	\$ (215,298.20)

Big Sky Economic Development Corporation
Financial Report for the Executive Committee and Board of Directors
November 1, 2019

Included with this report are balance sheets reflecting the assets, liabilities and net assets of Big Sky EDC as of August 31, 2019. Also included is the statement of revenue and expenses through two months of FY20 as compared to budget.

Balance Sheet

Current assets totaled approximately \$2,369,000 at the end of August. Accounts receivable total \$18,900 and consist largely of Member Investor pledges for FY19. Contributions receivable of \$44,500 consist of CTE funding commitments for FY19. Prepaid expenses include \$15,500 for expenses related to the annual meeting in October.

Due To/Due From EDA totaled approximately \$126,000 and represents the amount owed to EDA from EDC. Beginning in FY20, there was a change in the Management Services Agreement. The EDC will now reimburse the EDA for 25% of the controller's salary.

Statement of Revenue and Expenses

Historically, the statement of revenue and expenses for Big Sky EDC only represented unrestricted asset and liability amounts. A change has been made to include all amounts (both restricted and unrestricted). CTE (Career and Technical Education) Director Donations totaled \$7,500 through August 2019. This is a public/private partnership with BSED and Billings Public Schools. All payments will go directly to SD2 representing the private sector contributions for CTE.

The 504 loan origination revenue was adjusted in August 2019, to reclass loan amounts to deferred revenue and loan fee reimbursements (contra-expense account included in miscellaneous expense). The deferred revenue amounts will be recognized when loans fund.

EDA reimbursement expense is below budget due as Mastercard invoices are now being paid by both EDC and EDA. Based on this change, this expense is anticipated to be below budget through FY20. Professional fees through August 2019 include \$11,000 for Anderson ZurMuehlen's audit services.

Through two months of FY20 Big Sky EDC had recognized expenses in excess of revenue totaling about \$53,000, which was approximately \$1,600 less than the budgeted amount.

Big Sky EDC
Balance Sheets
As of August 31, 2019 and 2018

	8/31/2019	8/31/2018	+/-
Assets			
First Interstate Bank	\$289,747	\$419,202	(\$129,455)
FIB SSBCI Principal	1,361,794	1,204,020	157,774
FIB-Long Term Reserve	250,000	150,000	100,000
FIB-Opportunity Fund	22,200	22,200	-
FIB-RLF	212,743	217,273	(4,529)
FIB-OBSD Restricted	-	305,841	(305,841)
Accounts Receivable	18,900	1,000	17,900
Contributions Receivable	44,500	71,000	(26,500)
Prepaid Expenses	20,367	907	19,460
RLF Portfolio-Current	22,798	77,883	(55,085)
SSBCI Portfolio-Current	126,447	123,590	2,857
Total Current Assets	2,369,496	2,592,916	(223,420)
Other Assets			
RLF Portfolio-Non Current	238,663	249,017	(10,354)
SSBCI Portfolio-Non Current	779,072	913,844	(134,772)
Total Other Assets	1,017,735	1,162,861	(145,126)
Total Assets	3,387,231	3,755,777	(368,546)
Liabilities & Equity			
Current Liabilities			
Accounts Payable	44,520	1,028	43,492
Accrued Expenses	1,438	40,350	(38,913)
Deferred 504 Revenue	48,400	-	48,400
Due to/Due from EDA	125,835	171,102	(45,266)
Total Liabilities	220,193	212,480	7,713
			-
Current Year Excess of Expenses over Revenue	(52,845)	82,485	(135,329)
Balance at Beginning of Year	3,219,883	3,460,813	(240,929)
Net Assets	3,167,038	3,543,297	(376,259)
Total Liabilities & Equity	3,387,231	3,755,777	(368,546)

Big Sky EDC
Statements of Operations
For the Periods Ending August 31, 2019

	Month			YTD			Fiscal Year
	Actual	Budget	Variance	Actual	Budget	Variance	Budget
Operating Revenue							
504 Loan Origination	-\$13,131	\$11,250	(\$24,381)	-\$2,500	\$22,500	(\$25,000)	\$135,000
504 Loan Servicing	44,128	43,874	254	85,410	\$87,748	(\$2,338)	526,488
CTE Director Donations (Restricted)	-	-	-	7,500	\$0	\$7,500	-
Member Investment	-	-	-	11,000	\$15,000	(\$4,000)	370,000
RLF Business Loan Interest	1,573	917	656	2,085	\$1,834	\$251	11,004
SSBCI Revenue	2,124	2,005	119	3,965	\$4,011	(\$46)	24,064
Recovery of Bad Debt	300	300	-	600	\$600	\$0	3,600
Miscellaneous Revenue	625	1,083	(458)	(1,863)	\$2,167	(\$4,029)	13,000
Total Revenue	35,620	59,430	(23,810)	106,197	133,859	(27,662)	1,083,156
Operating Expenses							
BEAR Program	-	-	-	-	898	(898)	5,386
Business Incubation	-	-	-	-	500	(500)	3,000
Contingency	-	-	-	-	1,667	(1,667)	10,000
Dues and Subscriptions	553	1,681	(1,128)	1,325	3,363	(2,038)	20,177
EDA Reimbursement	44,065	48,729	(4,664)	87,290	97,458	(10,168)	584,748
Event Expense	12,031	12,000	31	21,181	20,000	1,181	52,500
Insurance	-	917	(917)	-	1,833	(1,833)	11,000
Marketing - Departmental	5,996	5,129	867	5,996	10,258	(4,262)	61,548
Marketing - Organizational	547	917	(369)	8,916	1,833	7,083	11,000
Membership Development	167	1,250	(1,083)	564	2,500	(1,936)	15,000
Office Equipment	-	208	(208)	-	417	(417)	2,500
Office Supplies	176	171	4	274	343	(68)	2,056
Opportunity Fund Contribution	-	3,333	(3,333)	-	6,667	(6,667)	40,000
Professional Fees	11,550	6,744	4,806	13,611	13,488	123	80,928
Postage and Printing	-	83	(83)	-	167	(167)	1,000
Rent	1,028	3,421	(2,392)	6,815	6,842	(27)	41,049
Sponsorships	69	717	(648)	69	1,434	(1,365)	8,603
Telecommunications	854	468	386	1,236	937	300	5,619
Travel/Training	9,853	5,346	4,507	15,792	10,693	5,099	64,156
Miscellaneous	(4,481)	3,499	(7,980)	(4,027)	6,999	(11,025)	41,992
Total Operating Expenses	82,410	94,615	(12,205)	159,042	188,294	(29,252)	1,062,263
Net Revenue Over (Under) Expense	(46,790)	(35,185)	(11,605)	(52,845)	(54,434)	1,590	20,894

Big Sky EDC

Balance Sheet

	August 31, 2019	August 31, 2018	+/-
ASSETS			
Current Assets			
First Interstate Bank	\$ 159,590.01	\$ 419,201.88	\$ (259,611.87)
FIB SSBCI Principal	1,361,794.09	1,204,019.94	157,774.15
FIB-Long Term Reserve	250,000.00	150,000.00	100,000.00
FIB-Opportunity Fund	152,356.93	22,200.00	130,156.93
FIB-RLF	212,743.36	217,272.73	(4,529.37)
FIB-OBSD Restricted	-	305,841.00	(305,841.00)
Accounts Receivable	18,899.59	1,000.00	17,899.59
Contributions Receivable	44,500.00	71,000.00	(26,500.00)
Prepaid Expenses	20,367.00	907.35	19,459.65
RLF Portfolio-Current	22,798.01	77,883.12	(55,085.11)
SSBCI Portfolio-Current	126,447.71	123,590.12	2,857.59
	<u>2,369,496.70</u>	<u>2,592,916.14</u>	<u>(223,419.44)</u>
Other Assets			
RLF Portfolio-Non Current	238,662.58	249,017.02	(10,354.44)
SSCBI Portfolio-Non Current	779,072.09	913,843.98	(134,771.89)
TOTAL ASSETS	<u><u>3,387,231.37</u></u>	<u><u>3,755,777.14</u></u>	<u><u>(368,545.77)</u></u>
LIABILITIES & EQUITY			
Liabilities			
Current Liabilities			
Accounts Payable	44,519.90	1,028.20	43,491.70
Accrued Expenses	1,437.50	40,350.00	(38,912.50)
Deferred 504 Revenue	48,400.05	-	48,400.05
Due to/Due From EDA	125,835.45	171,101.76	(45,266.31)
	<u>220,192.90</u>	<u>212,479.96</u>	<u>7,712.94</u>
Net Assets	<u>3,167,038.47</u>	<u>3,543,297.18</u>	<u>(376,258.71)</u>
TOTAL LIABILITIES & EQUITY	<u><u>\$ 3,387,231.37</u></u>	<u><u>\$ 3,755,777.14</u></u>	<u><u>\$ (368,545.77)</u></u>

Big Sky EDC
Statement of Operations - Actual v Budget
For the Two Months Ended August 31, 2019

	2019	Annual Budget	Budget Remaining
Income			
504 Loan Origination	\$ (2,500.00)	\$ 135,000.00	\$ 137,500.00
504 Loan Servicing	85,409.73	526,488.00	441,078.27
CTE Director Donations	7,500.00		
Member Investment	11,000.00	370,000.00	359,000.00
Miscellaneous Income	(1,862.50)	13,000.00	14,862.50
Recovery of Bad Debt	600.00	3,600.00	3,000.00
RLF Business Loan Interest	2,085.28	11,004.28	8,919.00
SSBCI Revenue	3,964.61	24,063.88	20,099.27
	<u>106,197.12</u>	<u>1,083,156.16</u>	<u>984,459.04</u>
Expense			
BEAR/Advisory Council	-	5,386.00	5,386.00
Business Incubation	-	3,000.00	
Contingency	-	10,000.00	10,000.00
Dues and Subscriptions	1,324.68	20,177.23	18,852.55
EDA Reimbursement	87,289.81	584,747.81	497,458.00
Insurance	-	11,000.00	11,000.00
Marketing - departmental	5,996.00	61,547.67	55,551.67
Marketing - organizational	8,916.28	11,000.00	2,083.72
Membership Development	563.69	15,000.00	14,436.31
Miscellaneous	(4,027.00)	41,992.38	46,019.38
Office Equipment	-	2,500.00	2,500.00
Office Supplies	274.30	2,056.00	1,781.70
Opportunity Fund Contribution	-	40,000.00	40,000.00
Organizational Event Expense	21,180.98	52,500.00	31,319.02
Postage and Printing	-	1,000.00	1,000.00
Professional Fees	13,611.30	80,928.45	67,317.15
Rent	6,814.84	41,049.08	27,437.78
Sponsorships	68.78	8,603.06	8,534.28
Telecommunications	1,236.29	5,619.12	4,382.83
Travel & Training	15,791.64	64,155.80	48,364.16
	<u>159,041.59</u>	<u>1,062,262.60</u>	<u>893,424.55</u>
Operating Income	<u><u>\$ (52,844.47)</u></u>	<u><u>\$ 20,893.56</u></u>	<u><u>\$ 91,034.49</u></u>

Big Sky EDC
Statement of Operations - Year Over Year Actual
For the Two Months Ended August 31, 2019

	<u>2019</u>	<u>2018</u>	<u>+/-</u>
Income			
504 Loan Origination	\$ (2,500.00)	\$ 48,228.73	\$ (50,728.73)
504 Loan Servicing	85,409.73	85,783.92	(374.19)
CTE Director Donations	7,500.00		7,500.00
Member Investment	11,000.00	13,500.00	(2,500.00)
Miscellaneous Income	(1,862.50)	1,500.00	(3,362.50)
OBSD Revenue		46,000.00	(46,000.00)
Recovery of Bad Debt	600.00	1,100.00	(500.00)
RLF Business Loan Interest	2,085.28	1,732.95	352.33
SSBCI Revenue	3,964.61	4,748.70	(784.09)
	<u>106,197.12</u>	<u>202,594.30</u>	<u>(96,397.18)</u>
Expense			
Dues and Subscriptions	1,324.68	2,455.71	(1,131.03)
EDA Reimbursement	87,289.81	83,803.68	3,486.13
Event Expense	21,180.98	1,046.54	20,134.44
Marketing	14,912.28	1,934.67	12,977.61
Membership Development	563.69	35.23	528.46
Miscellaneous	(4,026.61)	2,992.79	(7,019.40)
Office Supplies	274.30	2,117.95	(1,843.65)
OBSD Expense	-	12.42	(12.42)
Professional Fees	13,611.30	6,400.00	7,211.30
Rent	6,814.84	6,045.99	768.85
Sponsorships	68.78	1,000.00	(931.22)
Telephone	1,236.29	836.95	399.34
Travel & Training	15,791.64	11,427.78	4,363.86
	<u>159,041.98</u>	<u>120,109.71</u>	<u>38,932.27</u>
Operating Income	<u>\$ (52,844.86)</u>	<u>\$ 82,484.59</u>	<u>\$ (135,329.45)</u>

Internal Memorandum

Date: November 1, 2019

To: Steve Arveschoug
Big Sky EDA/EDC Executive Committee
Big Sky EDA/EDC Board of Directors

From Shanna Zier

Subject: July 2019 EDA Financial Statements

Attached are updated financial statements for July 2019. The July financials that were presented previously were preliminary. Items that were changed are highlighted.

July EDA

Big Sky EDA Preliminary Balance Sheet

	July 31, 2019	July 31, 2018	+/-
ASSETS			
Current Assets			
Checking/Savings			
First Interstate Bank	\$ 98,924.33	\$ 163,369.87	\$ (64,445.54)
FIB-Recovered Property Taxes	193,704.71	1,000.00	192,704.71
Opportunity Fund - FIB	54,368.41	13,248.04	41,120.37
Opportunity Fund - Stockman	3,612.55	645,598.75	(641,986.20)
Opportunity Fund - Opportunity Bank	613,994.30	-	613,994.30
Stockman Bank	15,127.87	28,479.10	(13,351.23)
Yellowstone County Funds	293,220.57	440,067.65	(146,847.08)
	<u>1,272,952.74</u>	<u>1,291,763.41</u>	<u>(18,810.67)</u>
Other Current Assets			
Accounts Receivable	203,518.20	211,287.33	(7,769.13)
American Revenue Guarantee	6,887.28	6,887.28	-
Due To/Due From EDC	76,658.45	126,456.37	(49,797.92)
Miscellaneous Receivables	-	3,007.00	(3,007.00)
Tax Levy Receivable	8,761.37	12,187.20	(3,425.83)
Tax Levy Receivable - Protested	9,211.16	1,437.48	7,773.68
Allowance for Doubtful Accts	(9,211.16)	(1,437.48)	(7,773.68)
Interest Receivable	2,420.67	-	2,420.67
Opportunity Fund - CDs	-	-	-
Prepaid Expenses	-	5,427.00	(5,427.00)
Undeposited Funds	-	9,041.66	(9,041.66)
	<u>298,245.97</u>	<u>374,293.84</u>	<u>(67,006.21)</u>
Non-Current Assets			
Opportunity Fund - CDs	4,590,718.00	5,328,831.00	(738,113.00)
Loans Receivable	399,999.93	-	399,999.93
TEDD Receivable	64,775.00	75,000.00	(10,225.00)
Cabelas Conduit	4,982.40	4,977.58	4.82
Deferred Outflow of Resources	247,689.38	365,827.38	(118,138.00)
	<u>5,308,164.71</u>	<u>5,774,635.96</u>	<u>(466,471.25)</u>
TOTAL ASSETS	<u>\$ 6,879,363.42</u>	<u>\$ 7,440,693.21</u>	<u>\$ (561,329.79)</u>
LIABILITIES & EQUITY			
Current Liabilities			
Accounts Payable	72,850.66	92,604.86	(19,754.20)
Accrued Expenses	100,341.70	408,619.64	(308,277.94)
Payroll Liabilities	175.45	257.78	(82.33)
Compensated Absences	164,177.36	146,352.75	17,824.61
	<u>337,545.17</u>	<u>647,835.03</u>	<u>(310,289.86)</u>
Long Term Liabilities			
Deferred Inflow of Resources	13,740.97	7,418.97	6,322.00
Pension Liability	884,803.80	908,810.80	(24,007.00)
	<u>898,544.77</u>	<u>916,229.77</u>	<u>(17,685.00)</u>
Net Assets	<u>5,643,273.48</u>	<u>5,876,628.41</u>	<u>(233,354.93)</u>
TOTAL LIABILITIES & EQUITY	<u>\$ 6,879,363.42</u>	<u>\$ 7,440,693.21</u>	<u>\$ (561,329.79)</u>

Big Sky EDA

Preliminary Statements of Operations - Actual v Budget

For the First Month Ended July 2019

	2019	Annual Budget	Budget Remaining
Income			
Department of Defense	\$ 50,253.00	\$ 633,828.00	\$ 583,575.00
EDC Reimbursement	43,224.84	584,747.81	541,522.97
EPA - Brownfields	502.50	-	(502.50)
Grant Administration	-	8,900.00	8,900.00
Health Levy Revenue	7,812.00	102,360.00	94,548.00
Mill Levy Revenue	(333.08)	1,461,225.00	1,461,558.08
Opportunity Fund Investment	-	25,000.00	25,000.00
SBA/MT Dept of Commerce	14,394.92	164,500.00	150,105.08
VBOC	22,003.88	300,000.00	277,996.12
	<u>137,858.06</u>	<u>3,280,560.81</u>	<u>3,142,702.75</u>
Expense			
Community Development Projects	-	50,000.00	50,000.00
Contingency	-	30,000.00	30,000.00
Contract Support	-	1,000.00	1,000.00
Employer Contributions	41,706.33	530,396.25	488,689.92
Insurance	12,632.20	14,766.00	2,133.80
Marketing - Departmental	297.38	16,652.33	16,354.95
Marketing - Organizational	4,939.27	61,750.00	56,810.73
Miscellaneous	11,330.43	92,550.33	81,219.90
Office Equipment	-	7,000.00	7,000.00
Office Expense	956.66	20,000.00	19,043.34
Professional Fees	602.50	35,125.55	34,523.05
PTAC Satellite	6,980.30	140,520.30	133,540.00
PTAC Subcenter	27,037.79	278,281.50	251,243.71
Rent	11,315.87	126,363.80	115,047.93
Repairs	176.00	-	(176.00)
Salaries/Wages	132,449.26	1,612,771.24	1,480,321.98
Sponsorships	7,800.00	15,916.94	8,116.94
Tax Protests	-	49,190.40	49,190.40
TEDD	13.25	5,000.00	4,986.75
Telecommunications	4,802.82	54,240.00	49,437.18
Travel/Training	6,013.69	133,222.70	127,209.01
	<u>269,053.75</u>	<u>3,274,747.34</u>	<u>3,005,693.59</u>
Operating Income/(Loss)	<u>(131,195.69)</u>	<u>5,813.47</u>	<u>137,009.16</u>
Other Income			
Interest Income	1,317.95	90,334.12	89,016.17
Net Income/(Loss)	<u>\$ (129,877.74)</u>	<u>\$ 96,147.59</u>	<u>\$ 226,025.33</u>

Big Sky EDA
Statement of Operations - Year over Year
For the First Month Ended July 2019

	2019	2018	+/-
Income			
Department of Defense	\$ 50,253.00	\$ 40,025.00	10,228.00
EDC Reimbursement	43,224.84	41,678.19	1,546.65
EPA - Brownfields	502.50	7,348.29	(6,845.79)
Grant Administration	-	4,266.00	(4,266.00)
Health Levy Revenue	7,812.00	7,207.50	604.50
Mill Levy Revenue	(333.08)	-	(333.08)
Recovery of Protested Taxes	-	146,854.25	(146,854.25)
SBA/MT Dept of Commerce	14,394.92	9,041.66	5,353.26
SBDC Program Income	-	62.81	(62.81)
VBOC	22,003.88	14,712.77	7,291.11
	137,858.06	271,196.47	(133,338.41)
Expense			
Advertising	699.03	-	699.03
Dues and Subscriptions	7,349.33	9,780.58	(2,431.25)
Employer Contributions	41,706.33	37,129.65	4,576.68
Insurance	12,632.20	6,485.00	6,147.20
Marketing	5,236.65	3,665.00	1,571.65
Miscellaneous	3,282.07	(881.75)	4,163.82
Office Equipment	-	1,710.00	(1,710.00)
Office Expense	956.66	1,434.80	(478.14)
Professional Fees	602.50	7,443.29	(6,840.79)
PTAC Satellite	6,980.30	7,455.79	(475.49)
PTAC Subcenter	27,037.79	25,117.09	1,920.70
Rent	11,315.87	11,021.00	294.87
Repairs	176.00	80.00	96.00
Salaries/Wages	132,449.26	118,464.92	13,984.34
Sponsorships	7,800.00	-	7,800.00
TEDD	13.25	2,018.37	(2,005.12)
Telecommunications	4,802.82	4,185.10	617.72
Travel/Training	6,013.69	6,356.66	(342.97)
Workforce Development	-	284.46	(284.46)
	269,053.75	241,749.96	27,303.79
Operating Income/(Loss)	(131,195.69)	29,446.51	(160,642.20)
Other Income			
Interest Income	1,317.95	298.76	1,019.19
Net Income/(Loss)	\$ (129,877.74)	\$ 29,745.27	\$ (159,623.01)

Internal Memorandum

Date: November 1, 2019

To: Steve Arveschoug
Big Sky EDA/EDC Executive Committee
Big Sky EDA/EDC Board of Directors

From Shanna Zier

Subject: July 2019 EDC Financial Statements

Attached are updated financial statements for July 2019. The July financials that were presented previously were preliminary. Items that were changed are highlighted.

July EDC

Big Sky EDC Balance Sheet

	July 31, 2019	July 31, 2018	+/-
ASSETS			
Current Assets			
First Interstate Bank	\$ 256,203.28	\$ 343,988.22	\$ (87,784.94)
FIB SSBCI Principal	1,348,444.37	1,178,252.55	170,191.82
FIB-Long Term Reserve	250,000.00	150,000.00	100,000.00
FIB-Opportunity Fund	22,200.00	22,200.00	-
FIB-RLF	171,192.94	211,035.86	(39,842.92)
FIB-OBSD Restricted	-	263,341.00	(263,341.00)
Accounts Receivable	23,943.57	1,000.00	22,943.57
Contributions Receivable	44,500.00	71,000.00	(26,500.00)
Prepaid Expenses	18,000.00	407.73	17,592.27
RLF Portfolio-Current	44,336.55	78,487.44	(34,150.89)
SSBCI Portfolio-Current	126,447.71	137,241.12	(10,793.41)
	<u>2,305,268.42</u>	<u>2,456,953.92</u>	<u>(151,685.50)</u>
Other Assets			
RLF Portfolio-Non Current	257,352.15	252,661.07	4,691.08
SSCBI Portfolio-Non Current	789,746.18	924,440.15	(134,693.97)
TOTAL ASSETS	<u><u>3,352,366.75</u></u>	<u><u>3,634,055.14</u></u>	<u><u>(281,688.39)</u></u>
LIABILITIES & EQUITY			
Liabilities			
Current Liabilities			
Accounts Payable	17,905.45	10,680.78	7,224.67
Accrued Expenses	6,437.50	36,045.00	(29,607.50)
Deferred 504 Revenue	37,514.50	-	37,514.50
Due to/Due From EDA	76,681.14	126,456.37	(49,775.23)
	<u>138,538.59</u>	<u>173,182.15</u>	<u>(34,643.56)</u>
Net Assets	<u>3,213,828.16</u>	<u>3,460,872.99</u>	<u>(247,044.83)</u>
TOTAL LIABILITIES & EQUITY	<u><u>\$ 3,352,366.75</u></u>	<u><u>\$ 3,634,055.14</u></u>	<u><u>\$ (281,688.39)</u></u>

Big Sky EDC**Statement of Operations - Year Over Year Actual**

For the First Month Ended July 31,

	2019	2018	+/-
Income			
504 Loan Origination	\$ 10,630.60	\$ 7,706.87	\$ 2,923.73
504 Loan Servicing	41,281.91	42,886.22	(1,604.31)
CTE Director Donations	7,500.00		
Member Investment	11,000.00	1,500.00	9,500.00
Miscellaneous Income	(2,487.50)	375.00	(2,862.50)
Recovery of Bad Debt	300.00	700.00	(400.00)
RLF Business Loan Interest	512.01	726.64	(214.63)
SSBCI Revenue	1,840.25	2,646.29	(806.04)
	<u>70,577.27</u>	<u>56,541.02</u>	<u>14,036.25</u>
Expense			
Dues and Subscriptions	771.39	835.97	(64.58)
EDA Reimbursement	43,224.84	41,678.19	1,546.65
Event Expense	9,150.00	-	9,150.00
Marketing	8,368.80	351.65	8,017.15
Membership Development	396.80	12.00	384.80
Miscellaneous	453.91	2,582.04	(2,128.13)
Office Supplies	98.56	1,875.17	(1,776.61)
OBSD Expense	-	12.42	(12.42)
Professional Fees	2,061.30	-	2,061.30
Rent	5,786.47	3,430.12	2,356.35
Telephone	382.17	298.26	83.91
Travel & Training	5,938.20	2,935.11	3,003.09
	<u>76,632.44</u>	<u>54,010.93</u>	<u>22,621.51</u>
Operating Income	<u>\$ (6,055.17)</u>	<u>\$ 2,530.09</u>	<u>\$ (8,585.26)</u>

Big Sky EDC
Statement of Operations - Actual v Budget
For the First Month Ended July 31,

	2019	Annual Budget	Budget Remaining
Income			
504 Loan Origination	\$ 10,630.60	\$ 135,000.00	\$ 124,369.40
504 Loan Servicing	41,281.91	526,488.00	485,206.09
CTE Director Donations	7,500.00		
Member Investment	11,000.00	370,000.00	359,000.00
Miscellaneous Income	(2,487.50)	13,000.00	15,487.50
Recovery of Bad Debt	300.00	3,600.00	3,300.00
RLF Business Loan Interest	512.01	11,004.28	10,492.27
SSBCI Revenue	1,840.25	24,063.88	22,223.63
	<u>70,577.27</u>	<u>1,083,156.16</u>	<u>1,020,078.89</u>
Expense			
BEAR/Advisory Council	-	5,386.00	5,386.00
Business Incubation	-	3,000.00	
Contingency	-	10,000.00	10,000.00
Dues and Subscriptions	771.39	20,177.23	19,405.84
EDA Reimbursement	43,224.84	584,747.81	541,522.97
Insurance	-	11,000.00	11,000.00
Marketing - departmental	5,510.00	61,547.67	56,037.67
Marketing - organizational	2,858.80	11,000.00	8,141.20
Membership Development	396.80	15,000.00	14,603.20
Miscellaneous	453.91	41,992.38	41,538.47
Office Equipment	-	2,500.00	2,500.00
Office Supplies	98.56	2,056.00	1,957.44
Opportunity Fund Contribution	-	40,000.00	40,000.00
Organizational Event Expense	9,150.00	52,500.00	43,350.00
Postage and Printing	-	1,000.00	1,000.00
Professional Fees	2,061.30	80,928.45	78,867.15
Rent	5,786.47	41,049.08	38,987.78
Sponsorships	-	8,603.06	8,603.06
Telecommunications	382.17	5,619.12	5,236.95
Travel & Training	5,938.20	64,155.80	58,217.60
	<u>76,632.44</u>	<u>1,062,262.60</u>	<u>986,355.33</u>
Operating Income	<u>\$ (6,055.17)</u>	<u>\$ 20,893.56</u>	<u>\$ 33,723.56</u>



BIG SKY
ECONOMIC DEVELOPMENT

EDA • EDC CREATING MONTANA BUSINESS OPPORTUNITIES

ATTACHMENT C



BIG SKY ECONOMIC DEVELOPMENT

EDA · EDC CREATING MONTANA BUSINESS OPPORTUNITIES

October 29, 2019

Ross Allison, Keystone XL Program Manager
Office of Environmental Quality & Transboundary Issues
U.S. Department of State
2201 C Street NW
Washington, DC 20520

Docket # DOS-2019-0033

Dear Mr. Allison,

On behalf of the Board of Directors of Big Sky Economic Development Authority and Big Sky Economic Development Corporation, we offer these comments in support of the Keystone XL Pipeline Project. Big Sky Economic Development (BSED) is a public/private partnership responsible for stewarding economic growth and job creation in Yellowstone County, Montana. Our organization strongly believes that the Keystone XL Pipeline project will bring significant and positive economic impact to our state.

Billings, the largest city in Montana and the urban hub for industry in South Central Montana including agriculture, energy, medical, transportation and finance, is uniquely positioned to support the Keystone XL project through our vast network of businesses and vendors as well as a highly trained workforce. This project represents an opportunity for us to support the energy needs of our nation while providing Montana businesses, large and small, with the opportunity to grow and expand.

While this economic opportunity is vital, we are also keenly aware of the need for stringent environmental and safety considerations for the area being developed under this project. Big Sky Economic Development, along with many private businesses, work every day to manage and understand the delicate balance between industry and environment. We live and work in a community that supports three refineries along our most valuable community asset, the Yellowstone River. In the past several years, added protections were established by the Pipeline and Hazardous Materials Safety Administration, to better protect environmental assets. These added protections, supported by our industry leaders as well as TransCanada, represent our commitment to protecting the environment while allowing industry to co-exist and thrive.

We ask you to continue towards completion of the Keystone XL Pipeline Project, as it represents a valuable opportunity for our state to grow through private investment, job creation, and increased tax base.

Respectfully Submitted,

Steve Arveschoug, Executive Director
Big Sky Economic Development

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