



# Board Meeting Agenda

September 8<sup>th</sup>, 2021 | 9:00am

Big Sky Resort Area District

11 Lone Peak Drive #204

PO Box 160661

Big Sky, MT 59716

ResortTax.org

Info@ResortTax.org

406.995.3234

## I. Open Meeting

- A. Roll Call — 9:00
- B. Public Comment — 9:05
- C. Consent Agenda: Action — 9:10
  - a. Approval of Minutes: August 11<sup>th</sup>, 2021
  - b. Finance Report: July 2021
- D. Regular Agenda
  - 1. Old Business
    - a. Executive Report: Discussion — 9:15
    - b. CommUNITY Forum Update: Discussion — 9:20
    - c. Big Sky Relief Update: Discussion — 9:25
    - d. Housing Committee Update: Discussion — 9:30
    - e. Final Scoring System: Discussion — 9:35
    - f. Sponsor One-Pager Draft: Discussion — 9:40
  - 2. New Business
    - a. First Reading of Revised Ordinance 98-01: Action — 9:45
    - b. Discovery Academy & Community Learning Center Update: Discussion — 9:55
- E. Public Comment

September’s Board meeting will be held at the Resort Tax office (11 Lone Peak Drive, Suite #204) and through Zoom. Join this meeting here: <https://us02web.zoom.us/j/88017949376>

**BSRAD BOARD & STAFF:** Sarah Blechta, Chair | Ciara Wolfe, Vice Chair | Steve Johnson, Secretary & Treasurer | Kevin Germain, Director | Grace Young, Director | Daniel Bierschwale, Executive Director | Kristin Drain, Finance & Compliance Manager | Jenny Muscat, Operations Manager | Sara Huger, Administrative Assistant

*\* All Board Meetings are recorded and live streamed. Please visit [ResortTax.org](https://ResortTax.org) for more information.*



## Board Meeting Minutes

August 11<sup>th</sup>, 2021 | 9:00am

Big Sky Resort Area District  
11 Lone Peak Drive #204  
PO Box 160661  
Big Sky, MT 59716  
ResortTax.org  
Info@ResortTax.org  
406.995.3234

### I. Open Meeting

[\(00:00:00\)](#) Sarah Blechta called meeting to order at 9:00 am.

#### A. Roll Call

[\(00:00:05\)](#) All Board members were in attendance: Ciara Wolfe, Steve Johnson, Grace Young, Kevin Germain, and Sarah Blechta.

B. Public Comment: *NONE*

#### C. Consent Agenda: *Action*

a. Approval of Minutes: July 14<sup>th</sup>, 2021

b. Finance Report: June 2021

[\(00:00:28\)](#) **Motion**: Approve Consent Agenda: Kevin Germain

[\(00:00:52\)](#) **Vote**: Motion Passed Unanimously

#### D. Regular Agenda

##### 1. Old Business

a. Executive Report: *Discussion*

[\(00:01:11\)](#) Daniel Bierschwale discussed collections and general updates. Daniel discussed plans for the upcoming “CommUNITY Forum” and open house on October 26<sup>th</sup>.

b. BSRAD/Commissioner Subcommittee Update: *Discussion*

[\(00:04:51\)](#) Kevin Germain updated everyone on the Joint County subcommittee meeting and discussed collaboration and initiatives, including the TIGER Grant.

c. Draft FY23 Scoring System: *Discussion*

[\(00:14:57\)](#) Daniel Bierschwale discussed the scoring system and which updates were made with a focus on deliverables and measurable impacts. Board members discussed the scoring system.

[\(00:24:22\)](#) Steve Johnson and Sarah Blechta discussed how to encourage public engagement. (Public Comments are highly encouraged and can be sent to Info@ResortTax.org)

d. Housing Land Acquisition Subcommittee Update: *Discussion*

[\(00:27:48\)](#) Steve Johnson explained possible approaches and opportunities for Housing in Big Sky. Steve explained that a community Land Bank is not an available option. Daniel Bierschwale explained the District’s Bonding authority. The subcommittee will meet with the Housing Trust at the end of the month.

## 2. New Business

### a. Big Sky Relief 2.0: Discussion

[\(00:30:57\)](#) Daniel Bierschwale discussed ability to partner with counties and philanthropy foundations to collaborate and move forward effectively. Steve Johnson asked about possible testing for 2021/2022 winter. Board members discussed

### b. Review FY21 Project Impact Reports: Discussion

[\(00:37:00\)](#) Daniel Bierschwale explained that the deliverables, outcomes, and metrics on the application are important for Impact Reports. Sarah Blechta suggested a score for impact reports and board members discussed referencing the scoring system.

### c. Big Sky Chamber of Commerce & Visit Big Sky Update: Discussion

[\(00:40:15\)](#) Brad from the Chamber and VBS updated the Board and public on the direction and goals of their organizations and possible future funding requests from Resort Tax. Brad clarified that membership dues/fees should support their administration and operations and plans to request Resort Tax for specific projects. Projects include public restrooms and wayfinding signs that are more understandable for visitors.

[\(00:47:16\)](#) Brad discussed data metrics that will be used to better understand how many visitors are in Big Sky and where they go from here to help understand which times may require marketing and how to target those visitors. Board members asked questions related to data collection and metrics.

## E. Public Comment

[\(00:56:03\)](#) Whitney Montgomery shared comments related to COVID and being prepared as a community.

[\(00:56:37\)](#) Board Members discussed concerns and possible testing and continued vaccination efforts.

[\(01:00:44\)](#) Motion to Adjourn

Respectfully Submitted,

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*Steve Johnson, Secretary & Treasurer*

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**Accountant's Summary**  
**Month Ended July 31, 2021**

**Balance Sheet**

- No significant unexpected fluctuations in from June 2021 noted. All balances appear reasonable.
- Equity accounts have not been closed yet for the new fiscal year. That will occur when the annual financial report is pulled together this month in preparation for the audit.

**Profit & Loss**

- Added a new report this month so the Board could see monthly performance compared with the same month in the previous year.
- So far tax collections are ahead of July 2020. There is also a large balance that hasn't cleared MUNIREvs (approx. \$500,000), so July 2021 assessments were probably closer to a 98% increase compared to July 2020.
- There were a few budget categories for the month that were over expended but nothing noteworthy.
- The total budgeted expenditures for FY22 are approx. \$940,000 and \$91,500 (10%) of the budget was expended as of July 31, 2021.

# BIG SKY RESORT AREA DISTRICT

## Balance Sheet As of July 31, 2021

	TOTAL	
	AS OF JUL 31, 2021	AS OF JUN 30, 2021 (PP)
<b>ASSETS</b>		
Current Assets		
Bank Accounts		
10000 Funds Available	9,251,238.91	9,337,332.72
10500 Funds Reserved	2,163,457.23	1,897,750.63
1072 Bill.com Money Out Clearing	12.00	12.00
<b>Total Bank Accounts</b>	<b>\$11,414,708.14</b>	<b>\$11,235,095.35</b>
Accounts Receivable		
12000 Accounts Receivable	1,307,610.26	958,621.69
12001 Installment Plans	19,865.00	19,865.00
<b>Total Accounts Receivable</b>	<b>\$1,327,475.26</b>	<b>\$978,486.69</b>
Other Current Assets		
13100 Prepaid expenses	25,125.76	13,174.96
<b>Total Other Current Assets</b>	<b>\$25,125.76</b>	<b>\$13,174.96</b>
<b>Total Current Assets</b>	<b>\$12,767,309.16</b>	<b>\$12,226,757.00</b>
Fixed Assets		
15030 Capital Furnishings & Fixtures	5,228.49	5,228.49
15040 Suite 204	190,324.00	190,324.00
15045 Suite 203 Renovation	17,622.45	17,622.45
15060 Suite 203	295,000.00	295,000.00
16000 Accumulated Depreciation	-57,836.99	-57,836.99
<b>Total Fixed Assets</b>	<b>\$450,337.95</b>	<b>\$450,337.95</b>
<b>TOTAL ASSETS</b>	<b>\$13,217,647.11</b>	<b>\$12,677,094.95</b>

# BIG SKY RESORT AREA DISTRICT

## Balance Sheet As of July 31, 2021

	TOTAL	
	AS OF JUL 31, 2021	AS OF JUN 30, 2021 (PP)
<b>LIABILITIES AND EQUITY</b>		
Liabilities		
Current Liabilities		
Accounts Payable		
21000 General Accounts Payable	267,365.59	655,367.41
<b>Total Accounts Payable</b>	<b>\$267,365.59</b>	<b>\$655,367.41</b>
Other Current Liabilities		
23000 Payroll Liabilities	24,250.53	24,326.43
23500 General Appropriations	1,645,751.27	1,648,758.15
<b>Total Other Current Liabilities</b>	<b>\$1,670,001.80</b>	<b>\$1,673,084.58</b>
<b>Total Current Liabilities</b>	<b>\$1,937,367.39</b>	<b>\$2,328,451.99</b>
Long-Term Liabilities		
24000 Bonds Payable	559,982.17	648,236.38
25000 Note Payable - Suite 203	289,418.70	289,418.70
<b>Total Long-Term Liabilities</b>	<b>\$849,400.87</b>	<b>\$937,655.08</b>
<b>Total Liabilities</b>	<b>\$2,786,768.26</b>	<b>\$3,266,107.07</b>
Equity		
30100 Retained Earnings	2,916,150.83	2,916,150.83
30200 Committed Fund Balance	1,096,283.23	1,096,283.23
30300 Fund Balance	4,805,432.79	4,805,432.79
30500 Investment in Fixed Assets	170,933.31	170,933.31
30600 Prior Period Adjustment	-379,279.66	-379,279.66
31000 Restricted Fund Balance	801,467.38	801,467.38
Net Income	1,019,890.97	
<b>Total Equity</b>	<b>\$10,430,878.85</b>	<b>\$9,410,987.88</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$13,217,647.11</b>	<b>\$12,677,094.95</b>

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<b>ASSETS</b>		
Current Assets		
Bank Accounts		
10000 Funds Available		
10100 Reserved Funds	-2,163,457.23	-1,897,750.63
10120 FSB-Checking #80073430	250,000.00	176,061.82
10121 FSB - Repurchase Checking	11,150,933.38	11,043,265.20
10125 FSB - Disbursements #1336	-396.00	49.78
10140 FSB-MM #80073422 - .19	2,900.47	2,910.47
10150 FSB Office Acct #2200001403547	146.10	1,684.83
10160 Petty Cash	200.00	200.00
10170 STIP	10,912.19	10,911.25
<b>Total 10000 Funds Available</b>	<b>9,251,238.91</b>	<b>9,337,332.72</b>
10500 Funds Reserved		
10502 Reserve fund	982,868.00	982,868.00
10505 Infrastructure Tax Collected	1,012,675.11	746,968.51
10545 Bond Account	54,498.89	54,498.89
10550 Big Sky Relief Fund	113,415.23	113,415.23
<b>Total 10500 Funds Reserved</b>	<b>2,163,457.23</b>	<b>1,897,750.63</b>
1072 Bill.com Money Out Clearing	12.00	12.00
<b>Total Bank Accounts</b>	<b>\$11,414,708.14</b>	<b>\$11,235,095.35</b>

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<b>Total Accounts Receivable</b>	<b>\$1,327,475.26</b>	<b>\$978,486.69</b>
Other Current Assets		
13100 Prepaid expenses		
13100.2 Prepaid software	2,124.96	2,974.96
13100.3 Prepaid advertising	23,000.80	10,200.00
<b>Total 13100 Prepaid expenses</b>	<b>25,125.76</b>	<b>13,174.96</b>
<b>Total Other Current Assets</b>	<b>\$25,125.76</b>	<b>\$13,174.96</b>
<b>Total Current Assets</b>	<b>\$12,767,309.16</b>	<b>\$12,226,757.00</b>
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<b>Total Accounts Payable</b>	<b>\$267,365.59</b>	<b>\$655,367.41</b>
Other Current Liabilities		
23000 Payroll Liabilities	0.00	0.00
23020 Accrued Leave	20,388.41	20,388.41
23040 Health Insurance	835.39	2,962.73
23100 State Unemployment Health Insurance (company paid)	984.31	975.29
	2,042.42	
<b>Total 23000 Payroll Liabilities</b>	<b>24,250.53</b>	<b>24,326.43</b>
23500 General Appropriations		
Arts Council	-0.02	-0.02
Big Sky Chamber of Commerce	0.68	0.68
Big Sky Community Housing Trust	1,563,822.81	1,563,822.81
Big Sky Community Organization	0.33	0.33
Big Sky Fire Department	0.50	0.50
Big Sky Rotary Foundation	2,219.00	2,219.00
Big Sky Search and Rescue	1,250.00	1,250.00
Food Bank	-0.03	-0.03
Friends of the Comm. Library	-3,006.88	0.00
Morningstar	24,671.00	24,671.00
Post Office	46,000.00	46,000.00
Skating and Hockey Association	9,345.16	9,345.16
Women in Action	1,448.72	1,448.72
<b>Total 23500 General Appropriations</b>	<b>1,645,751.27</b>	<b>1,648,758.15</b>
<b>Total Other Current Liabilities</b>	<b>\$1,670,001.80</b>	<b>\$1,673,084.58</b>
<b>Total Current Liabilities</b>	<b>\$1,937,367.39</b>	<b>\$2,328,451.99</b>
Long-Term Liabilities		
24000 Bonds Payable	0.00	0.00
24001 Series 2019A Bond	306,273.99	354,543.33
24002 Series 2019B Bond	253,708.18	293,693.05
<b>Total 24000 Bonds Payable</b>	<b>559,982.17</b>	<b>648,236.38</b>
25000 Note Payable - Suite 203	289,418.70	289,418.70
<b>Total Long-Term Liabilities</b>	<b>\$849,400.87</b>	<b>\$937,655.08</b>
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Net Income	1,019,890.97	
<b>Total Equity</b>	<b>\$10,430,878.85</b>	<b>\$9,410,987.88</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$13,217,647.11</b>	<b>\$12,677,094.95</b>

# BIG SKY RESORT AREA DISTRICT

Budget vs. Actuals: Monthly

July 2021

	TOTAL			
	ACTUAL	BUDGET	OVER BUDGET	% OF BUDGET
<b>Income</b>				
40010 Interest Earned	0.94	208.33	-207.39	0.45 %
40020 Interest from Tax Collections	386.61	289.09	97.52	133.73 %
40030 Late Fees from Tax Collections	602.16	1,270.03	-667.87	47.41 %
40100 Reimbursement from County	64,169.25		64,169.25	
<b>41000 Tax Collections</b>				
41001 3% Tax	<b>744,024.35</b>	<b>771,826.80</b>	<b>-27,802.45</b>	<b>96.40 %</b>
41002 1% for Infrastructure	<b>265,706.60</b>	<b>257,275.60</b>	<b>8,431.00</b>	<b>103.28 %</b>
<b>Total 41000 Tax Collections</b>	<b>1,009,730.95</b>	<b>1,029,102.40</b>	<b>-19,371.45</b>	<b>98.12 %</b>
<b>Total Income</b>	<b>\$1,074,889.91</b>	<b>\$1,030,869.85</b>	<b>\$44,020.06</b>	<b>104.27 %</b>
<b>GROSS PROFIT</b>	<b>\$1,074,889.91</b>	<b>\$1,030,869.85</b>	<b>\$44,020.06</b>	<b>104.27 %</b>
<b>Expenses</b>				
60000 Bad Debt		41.67	-41.67	
60010 Bank Charges	10.00		10.00	
60060 Equipment		0.00	0.00	
60070 Gifts		42.00	-42.00	
60080 Dues & Meeting Expenses	83.20		83.20	
60080.1 Board/Staff Meetings	259.07	583.37	-324.30	44.41 %
60080.2 Summit/Legislative Meetings		0.00	0.00	
60080.3 Memberships & Dues	883.28	600.00	283.28	147.21 %
<b>Total 60080 Dues &amp; Meeting Expenses</b>	<b>1,225.55</b>	<b>1,183.37</b>	<b>42.18</b>	<b>103.56 %</b>
<b>60090 Public Information</b>				
60090.1 Stakeholder Development		0.00	0.00	
60090.2 Conferences		0.00	0.00	
60090.3 Branding Initiative		0.00	0.00	
60090.4 Public Information Ads	2,908.40	1,733.33	1,175.07	167.79 %
60090.5 Printed Materials and Design		996.66	-996.66	
60090.6 Public Info Prof. Services		4,166.66	-4,166.66	
<b>Total 60090 Public Information</b>	<b>2,908.40</b>	<b>6,896.65</b>	<b>-3,988.25</b>	<b>42.17 %</b>
<b>61000 Facilities</b>				
61001 Association Dues	1,897.50		1,897.50	
61001.1 RJS Buidling	2,116.02	2,116.02	0.00	100.00 %
61001.2 Town Center		0.00	0.00	
<b>Total 61001 Association Dues</b>	<b>4,013.52</b>	<b>2,116.02</b>	<b>1,897.50</b>	<b>189.67 %</b>
61011 Property Tax		0.00	0.00	
61012 Unit 203 Mortgage FSB		0.00	0.00	
<b>Total 61000 Facilities</b>	<b>4,013.52</b>	<b>2,116.02</b>	<b>1,897.50</b>	<b>189.67 %</b>
<b>62000 Insurance</b>				
62001 Directors & Officers		0.00	0.00	
62003 Office Contents & Liability		0.00	0.00	
62004 Workers' Compensation		0.00	0.00	

# BIG SKY RESORT AREA DISTRICT

Budget vs. Actuals: Monthly

July 2021

	TOTAL			
	ACTUAL	BUDGET	OVER BUDGET	% OF BUDGET
62005 Other insurance	63.70	63.70	0.00	100.00 %
<b>Total 62000 Insurance</b>	<b>63.70</b>	<b>63.70</b>	<b>0.00</b>	<b>100.00 %</b>
63000 Office Expenses				
63001 Copier Maintenance, Printing, Copying	66.00	120.00	-54.00	55.00 %
63002 Postage, Mailings, Meter	308.94	200.00	108.94	154.47 %
63003 Printing and Copying	185.19		185.19	
63004 Shred and recycle service		44.46	-44.46	
63005 Software	0.00		0.00	
63005.1 AV Capture		400.00	-400.00	
63005.2 Grant Software	850.00	0.00	850.00	
63005.3 Payroll Software	8.00		8.00	
63005.4 Online Tax Collection Fees	163.62	237.12	-73.50	69.00 %
63005.5 Board Portal		166.63	-166.63	
63005.6 MailChimp	20.99	20.00	0.99	104.95 %
63005.7 Monday.com		0.00	0.00	
63006 Network Software	233.95	215.00	18.95	108.81 %
63007 Quickbooks		260.00	-260.00	
63008 Short Term Rental - LodgingRevs	800.00	833.37	-33.37	96.00 %
63009 Tax Collection - MUNIRevs	922.50	1,922.50	-1,000.00	47.98 %
<b>Total 63005 Software</b>	<b>2,999.06</b>	<b>4,054.62</b>	<b>-1,055.56</b>	<b>73.97 %</b>
63010 Supplies	259.21		259.21	
63010.1 Office Supplies	16.98	500.00	-483.02	3.40 %
63010.2 Uniforms		0.00	0.00	
<b>Total 63010 Supplies</b>	<b>276.19</b>	<b>500.00</b>	<b>-223.81</b>	<b>55.24 %</b>
63012 Web Site/Email				
63012.1 Hosting Fees		61.76	-61.76	
63012.2 Website Improvements	400.00	416.66	-16.66	96.00 %
<b>Total 63012 Web Site/Email</b>	<b>400.00</b>	<b>478.42</b>	<b>-78.42</b>	<b>83.61 %</b>
<b>Total 63000 Office Expenses</b>	<b>4,235.38</b>	<b>5,397.50</b>	<b>-1,162.12</b>	<b>78.47 %</b>
64000 Professional Fees				
64000.2 Funding Partnerships		0.00	0.00	
64000.4 Compliance Audits and Ord. Educ		2,500.00	-2,500.00	
64000.5 Elections		0.00	0.00	
64000.6 IT Support		1,500.00	-1,500.00	
64000.7 Strategic Planning (BSRAD)		0.00	0.00	
64000.8 Professional Development		416.63	-416.63	
64001 Accounting				
64001.1 Bookkeeping		3,250.00	-3,250.00	
64001.2 Office Audit		0.00	0.00	
<b>Total 64001 Accounting</b>		<b>3,250.00</b>	<b>-3,250.00</b>	
64003 Legal		10,825.37	-10,825.37	

# BIG SKY RESORT AREA DISTRICT

Budget vs. Actuals: Monthly

July 2021

	TOTAL			
	ACTUAL	BUDGET	OVER BUDGET	% OF BUDGET
<b>Total 64000 Professional Fees</b>		<b>18,492.00</b>	<b>-18,492.00</b>	
65000 Travel				
65000.2 Travel Expenses		69.18	-69.18	
65002 Mileage		161.43	-161.43	
<b>Total 65000 Travel</b>		<b>230.61</b>	<b>-230.61</b>	
66000 Utilities				
66001 Electricity	104.51	100.00	4.51	104.51 %
66002 Propane		20.00	-20.00	
66003 Telephone/Internet	307.79	300.00	7.79	102.60 %
66004 Water Unit 203		0.00	0.00	
<b>Total 66000 Utilities</b>	<b>412.30</b>	<b>420.00</b>	<b>-7.70</b>	<b>98.17 %</b>
67000 Personnel Expenses				
67001 Benefits				
67001.1 Cell Phone Allowance		75.00	-75.00	
67001.3 Staff Annual Planning/Team Bldg		0.00	0.00	
67001.4 Professional Development		66.63	-66.63	
67002 457 Deferred Comp Contributions		3,114.16	-3,114.16	
67003 Health Insurance	2,042.42	2,127.34	-84.92	96.01 %
<b>Total 67001 Benefits</b>	<b>2,042.42</b>	<b>5,383.13</b>	<b>-3,340.71</b>	<b>37.94 %</b>
67005 Payroll Taxes	2,005.06		2,005.06	
67006 Medicare Company Tax		416.63	-416.63	
67007 Social Security Company Tax		1,791.63	-1,791.63	
67008 State Unemployment Tax		41.63	-41.63	
<b>Total 67005 Payroll Taxes</b>	<b>2,005.06</b>	<b>2,249.89</b>	<b>-244.83</b>	<b>89.12 %</b>
67011 Wages	27,710.83	27,769.22	-58.39	99.79 %
<b>Total 67000 Personnel Expenses</b>	<b>31,758.31</b>	<b>35,402.24</b>	<b>-3,643.93</b>	<b>89.71 %</b>
68000 Debt service				
68200 Interest	10,371.78		10,371.78	
<b>Total 68000 Debt service</b>	<b>10,371.78</b>		<b>10,371.78</b>	
69000 Capital Expenditures				
69000.1 Office Renovation		1,750.00	-1,750.00	
<b>Total 69000 Capital Expenditures</b>		<b>1,750.00</b>	<b>-1,750.00</b>	
<b>Total Expenses</b>	<b>\$54,998.94</b>	<b>\$72,035.76</b>	<b>\$ -17,036.82</b>	<b>76.35 %</b>
NET OPERATING INCOME	<b>\$1,019,890.97</b>	<b>\$958,834.09</b>	<b>\$61,056.88</b>	<b>106.37 %</b>
NET INCOME	<b>\$1,019,890.97</b>	<b>\$958,834.09</b>	<b>\$61,056.88</b>	<b>106.37 %</b>

# BIG SKY RESORT AREA DISTRICT

## Profit and Loss - Comparative by Month

July 2021

	TOTAL			
	JUL 2021	JUL 2020 (PY)	CHANGE	% CHANGE
<b>Income</b>				
40010 Interest Earned	0.94	77.49	-76.55	-98.79 %
40020 Interest from Tax Collections	386.61	289.09	97.52	33.73 %
40030 Late Fees from Tax Collections	602.16	1,270.03	-667.87	-52.59 %
40100 Reimbursement from County	64,169.25		64,169.25	
41000 Tax Collections	1,009,730.95	761,318.70	248,412.25	32.63 %
<b>Total Income</b>	<b>\$1,074,889.91</b>	<b>\$762,955.31</b>	<b>\$311,934.60</b>	<b>40.89 %</b>
<b>GROSS PROFIT</b>	<b>\$1,074,889.91</b>	<b>\$762,955.31</b>	<b>\$311,934.60</b>	<b>40.89 %</b>
<b>Expenses</b>				
60010 Bank Charges	10.00		10.00	
60020 Current Appropriations		2,495,322.00	-2,495,322.00	-100.00 %
60080 Dues & Meeting Expenses	1,225.55		1,225.55	
60090 Public Information	2,908.40	650.00	2,258.40	347.45 %
61000 Facilities	4,013.52	3,201.71	811.81	25.36 %
62000 Insurance	63.70	63.70	0.00	0.00 %
63000 Office Expenses	4,235.38	3,824.05	411.33	10.76 %
64000 Professional Fees		19,280.70	-19,280.70	-100.00 %
65000 Travel		2.30	-2.30	-100.00 %
66000 Utilities	412.30	-970.81	1,383.11	142.47 %
67000 Personnel Expenses	31,758.31	27,399.22	4,359.09	15.91 %
68000 Debt service	10,371.78	98,625.99	-88,254.21	-89.48 %
80000 Big Sky Relief		53,450.00	-53,450.00	-100.00 %
<b>Total Expenses</b>	<b>\$54,998.94</b>	<b>\$2,700,848.86</b>	<b>\$ -2,645,849.92</b>	<b>-97.96 %</b>
<b>NET OPERATING INCOME</b>	<b>\$1,019,890.97</b>	<b>\$ -1,937,893.55</b>	<b>\$2,957,784.52</b>	<b>152.63 %</b>
<b>NET INCOME</b>	<b>\$1,019,890.97</b>	<b>\$ -1,937,893.55</b>	<b>\$2,957,784.52</b>	<b>152.63 %</b>

# BIG SKY RESORT AREA DISTRICT

Budget vs. Actuals: YTD

July 2021 - June 2022

	TOTAL			
	ACTUAL	BUDGET	OVER BUDGET	% OF BUDGET
<b>Income</b>				
40010 Interest Earned	2,829.95	2,500.00	329.95	113.20 %
40020 Interest from Tax Collections	386.61	5,791.84	-5,405.23	6.68 %
40030 Late Fees from Tax Collections	602.16	33,296.44	-32,694.28	1.81 %
40100 Reimbursement from County	64,169.25		64,169.25	
41000 Tax Collections	1,009,730.95	12,866,310.05	-11,856,579.10	7.85 %
<b>Total Income</b>	<b>\$1,077,718.92</b>	<b>\$12,907,898.33</b>	<b>\$ -11,830,179.41</b>	<b>8.35 %</b>
<b>GROSS PROFIT</b>	<b>\$1,077,718.92</b>	<b>\$12,907,898.33</b>	<b>\$ -11,830,179.41</b>	<b>8.35 %</b>
<b>Expenses</b>				
60000 Bad Debt		500.04	-500.04	
60010 Bank Charges	24.40		24.40	
60060 Equipment		1,500.00	-1,500.00	
60070 Gifts		500.00	-500.00	
60080 Dues & Meeting Expenses	1,385.55	29,500.44	-28,114.89	4.70 %
60090 Public Information	2,908.40	90,000.00	-87,091.60	3.23 %
61000 Facilities	6,011.16	29,049.60	-23,038.44	20.69 %
62000 Insurance	127.40	7,064.40	-6,937.00	1.80 %
63000 Office Expenses	8,606.61	66,847.12	-58,240.51	12.88 %
64000 Professional Fees	13,333.32	228,104.00	-214,770.68	5.85 %
65000 Travel		5,000.00	-5,000.00	
66000 Utilities	768.07	6,995.00	-6,226.93	10.98 %
67000 Personnel Expenses	79,541.80	457,893.30	-378,351.50	17.37 %
68000 Debt service	10,371.78		10,371.78	
69000 Capital Expenditures		17,000.00	-17,000.00	
80000 Big Sky Relief	3,442.00		3,442.00	
Uncategorized Expense	530.00		530.00	
<b>Total Expenses</b>	<b>\$127,050.49</b>	<b>\$939,953.90</b>	<b>\$ -812,903.41</b>	<b>13.52 %</b>
<b>NET OPERATING INCOME</b>	<b>\$950,668.43</b>	<b>\$11,967,944.43</b>	<b>\$ -11,017,276.00</b>	<b>7.94 %</b>
<b>Other Expenses</b>				
79000 Other expenses	49,580.00		49,580.00	
<b>Total Other Expenses</b>	<b>\$49,580.00</b>	<b>\$0.00</b>	<b>\$49,580.00</b>	<b>0.00%</b>
<b>NET OTHER INCOME</b>	<b>\$ -49,580.00</b>	<b>\$0.00</b>	<b>\$ -49,580.00</b>	<b>0.00%</b>
<b>NET INCOME</b>	<b>\$901,088.43</b>	<b>\$11,967,944.43</b>	<b>\$ -11,066,856.00</b>	<b>7.53 %</b>

## Monthly Collections Update

Jul-21

### Top 20 Collectors for the Month

Overall change compared to same month last fiscal year	97%
Overall change fiscal year to date vs. last FYTD	97%
Additional Notes: For the first time during the summer season, over 1 million in resort tax was collected in July 2021	

### Delinquent Collectors

0-30 days past due	41
31-60 days past due	18
61-90 days past due	0
90+ days past due	3
Accounts with lawsuits in progress	4

### Accounts Receivable & Payment Plans

Total balance owed (of those with sales reported/legal fees)	\$11,843
Number of active installment plans	1
Plans paid off this month & balance paid	0

### Registered & Tax Collecting Businesses

Number of Registered Businesses	742
Number of Tax Collecting Registered Businesses	408



## **EXECUTIVE REPORT 9/8/21**

Many of our efforts have been special project focused – I’m reporting out on projects not on agenda.

### **W&S ARPA Applications**

- Scores for the Big Sky and Canyon W&S District applications have been scored and are in the final stages of review. Decisions from the Governor will likely be announced this week (week of 9/6).
- Kevin, Steve, and I have been very heavily engaged with the lobbyists and both Districts in an effort to materialize as much funding as possible for the projects.

### **Big Sky Post Office**

- Multiple staff from Senator Daines Office, Commissioners Skinner and Nye, Al Mal, Brad Niva, Sarah, Kevin, and I completed a walkthrough of the Big Sky Post Office early this week. We have made contact with the USPS liaison in DC and are beginning to gain traction.
- Ongoing pressure has been applied with USPS including a restriction in our contract requiring them to engage with a planning meeting with the Big Sky Post Office.
- The end goal of these efforts is to gain federal designation and a more appropriately sized facility to meet the needs of USPS customers in Big Sky.

### **TIGER Grant**

- MDOT is moving forward this year with the light at the intersection of 191/64 – pulled from grant and paid by MDOT.
- Powderlight turn lanes for work force housing has been pulled from grant and being paid for by Lone Mountain Land Company.
- Bid package is being compiled to go out in a few months and we have been working with Sanderson Stewart to identify staging and waste locations to mitigate another bid over budget.

### **Elevate Big Sky**

- The funding partners of Big Sky Relief are still engaged in pursuing collaborative opportunities to address the needs from the “Our Big Sky” plan. Sarah B and I have been engaged in the process representing BSRAD and Ciara has been involved through the YCCF lens.
- This collaboration is very exciting for the potential to more aggressively address community need.

### **Compliance and Collections**

- July was a record month for collections with 3% collections topping over 1 mil for the first time of any summer month.
- ORD 98-01 needs a laser amendment to prep for recreational marijuana collections and provide additional clarification for event organizers and private chefs.

# FY23 APPLICATION SCORING SYSTEM

September 2021

CRITERIA	DESCRIPTION	POINTS	SCORING BREAKDOWN	FOCUS	METRICS FOR EVALUATION
<b>Community Participation</b>	Does the Sponsor have active Big Sky Community participation?	5	No evidence <b>(0)</b> Some evidence <b>(3)</b> Strong evidence <b>(5)</b>	<b>Collaboration</b>	<ul style="list-style-type: none"> <li>• Volunteers</li> <li>• Donations/Memberships/Sponsorships</li> <li>• Events</li> <li>• Programs</li> </ul>
<b>Program Expense Ratio</b>	What percentage of expenses are “Programming” related?	5	Below 50% <b>(0)</b> 51-69.9% <b>(3)</b> Above 70% <b>(5)</b>	<b>Efficiency</b>	<ul style="list-style-type: none"> <li>• Sponsor Expenses (administration, fundraising, programming)                             <ul style="list-style-type: none"> <li>○ Current year budgeted</li> </ul> </li> </ul>
<b>Revenue Reliance</b>	How financially reliant is the Sponsor on Resort Tax?	5	67-100% of Sponsor revenue from RT <b>(0)</b> 33-66% of Sponsor revenue from RT <b>(3)</b> 0-32% of Sponsor revenue from RT <b>(5)</b>	<b>Efficiency</b>	<ul style="list-style-type: none"> <li>• Sponsor Revenues                             <ul style="list-style-type: none"> <li>○ Current year budgeted</li> </ul> </li> </ul>
<b>Track Record</b>	Does the Sponsor follow through with funding terms?	10	FY22 project(s) on track <b>(1)</b> Public funding recognition <b>(1)</b> Accurate payment requests <b>(1)</b> FY21 Impact Report completed accurately <b>(2)</b> FY21 project(s) completed as outlined <b>(5)</b>	<b>Efficiency</b>	<ul style="list-style-type: none"> <li>• FY21 Awards</li> <li>• FY22 Awards</li> <li>• Payment requests</li> <li>• Project applications</li> <li>• Impact Reports</li> </ul>
<b>Forecasting Accuracy</b>	How accurate was the Sponsor forecasted request last year?	5	+/- 30% or more variance <b>(0)</b> +/- 16-29% variance <b>(3)</b> +/- 0-15% variance <b>(5)</b>	<b>Planning</b>	<ul style="list-style-type: none"> <li>• Forecasted requests                             <ul style="list-style-type: none"> <li>○ FY22 Applications</li> </ul> </li> <li>• FY23 request</li> </ul>

CRITERIA	DESCRIPTION	POINTS	SCORING BREAKDOWN	FOCUS	METRICS FOR EVALUATION
<b>Matching Funds</b>	What portion of the project is funded by matching funds?	10	Less than 20% <b>(0)</b> 20-39% <b>(4)</b> 40-59% <b>(6)</b> 60-79% <b>(8)</b> 80% or greater <b>(10)</b>	<b>Collaboration</b>	<ul style="list-style-type: none"> <li>Project revenues</li> </ul>
<b>"Our Big Sky" Alignment</b>	Is the project addressing strategies demonstrating need and urgency?	10	Meets no strategies <b>(0)</b> Meets strategy with a green status <b>(5)</b> Meets strategy with a yellow status <b>(7)</b> Meets strategy with a red status <b>(10)</b>	<b>Collaboration</b>	<ul style="list-style-type: none"> <li>"Our Big Sky" report card</li> </ul>
<b>Partnerships</b>	Does the project demonstrate collaboration?	5	0 partners <b>(0)</b> 1-3 partners <b>(3)</b> 4+ partners <b>(5)</b>	<b>Collaboration</b>	<ul style="list-style-type: none"> <li>Partner support statements</li> </ul>
<b>Direct Expense Ratio</b>	What portion of the request is for Direct expenses?	5	19% <b>(0)</b> 20-39% <b>(2)</b> 40-59% <b>(3)</b> 60-79% <b>(4)</b> 80-100% <b>(5)</b>	<b>Efficiency</b>	<ul style="list-style-type: none"> <li>Project expenses</li> </ul>
<b>SMART Accountability</b>	Does the project demonstrate and articulate SMART deliverables, impacts, outcomes, goals, and milestones?	10	<b>SPECIFIC</b> deliverables <b>(2)</b> <b>MEASURABLE</b> impacts <b>(2)</b> <b>ACHIEVABLE</b> outcomes <b>(2)</b> <b>RELEVANT</b> goals <b>(2)</b> <b>TIME BOUND</b> milestones <b>(2)</b>	<b>Efficiency</b>	<ul style="list-style-type: none"> <li>Deliverables</li> <li>Impacts</li> <li>Outcomes</li> <li>Goals</li> <li>Milestones</li> </ul>

CRITERIA	DESCRIPTION	POINTS	SCORING BREAKDOWN	FOCUS	METRICS FOR EVALUATION
<b>Financial Sustainability</b>	Will the project result in operating costs requiring Resort Tax funding?	5	Yes (0) No (5)	Planning	<ul style="list-style-type: none"> <li>Project budget forecast</li> </ul>
<b>Longevity of Deliverable(s)</b>	What is the life of project deliverable(s)?	5	Life of 1 year or less (2) Life of 1-10 years (3) Life of 10+ years (5)	Planning	<ul style="list-style-type: none"> <li>Deliverable(s)</li> </ul>
<b>Quality of Proposal</b>	Was the funding application complete, thorough, and thoughtful?	15	All questions answered directly (3) Complete and accurate budget that matches application details (3) Articulate project summary (3) Application outlined project specifics, not org. level detail (3) Sponsor attended training session or consultation (3)	Planning	<ul style="list-style-type: none"> <li>Application responses</li> <li>Budgets</li> <li>Attendance <ul style="list-style-type: none"> <li>Training session or consultation</li> </ul> </li> </ul>
<b>Resort Tax Annuity</b>	For how many years will this project need Indirect operational funds from Resort Tax?	5	3+ years (0) 1-3 years (3) 0-1 year (5)	Planning	<ul style="list-style-type: none"> <li>Application responses</li> <li>Forecasted requests</li> </ul>

**SCORE BREAKDOWN**

SPONSOR VS PROJECT	
SPONSOR	30
PROJECT	70

SCORE FOCUS	
COLLABORATION	30
EFFICIENCY	35
PLANNING	35

# GALLATIN RIVER TASK FORCE (GRTF)

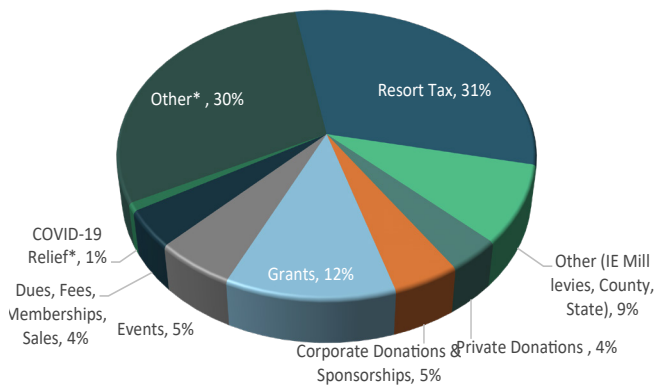


**\$563,562** (6.11% of all requests)

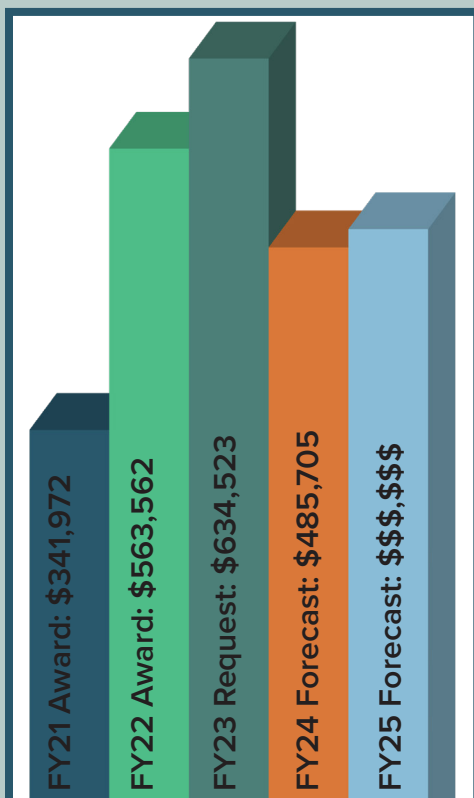
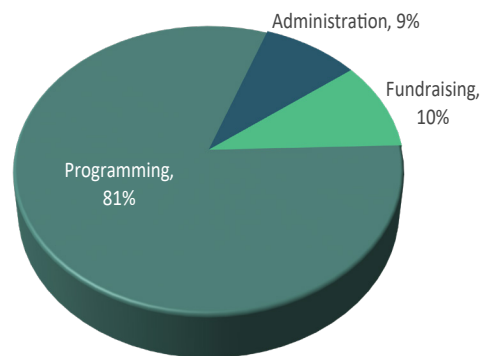
Projected: \$700,000 (-19.5 %)

- \$240,567 - Water Supply Resiliency
- \$86,567 - Upper Gallatin Nutrient Reduction
- \$76,201 - Operations
- \$46,377 - Gallatin River Access Restoration
- \$41,077 - Big Sky Water Conservation Program
- \$38,008 - Watershed Monitoring and Analysis
- \$34,765 - Middle Fork Restoration

**Revenue Distribution**  
Current FY Budget



**Expense Distribution**  
Current FY Budget



<p><b>Community Participation</b></p> <p>Does the Sponsor have active Big Sky Community participation?</p>	<p><input type="radio"/> No evidence (0)</p> <p><input type="radio"/> Some evidence (3)</p> <p><input type="radio"/> Strong evidence (5)</p>
<p><b>Program Expense Ratio</b></p> <p>What percentage of expenses are "Programming" related?</p>	<p><input type="radio"/> Below 50% (0)</p> <p><input type="radio"/> 51-69.9% (3)</p> <p><input type="radio"/> Above 70% (5)</p>
<p><b>Revenue Reliance</b></p> <p>How financially reliant is the Sponsor on Resort Tax?</p>	<p><input type="radio"/> 67-100% of Sponsor revenue from RT (0)</p> <p><input type="radio"/> 33-66% of Sponsor revenue from RT (3)</p> <p><input type="radio"/> 0-32% of Sponsor revenue from RT (5)</p>
<p><b>Track Record</b></p> <p>Does the Sponsor follow through with funding terms?</p>	<p><input type="checkbox"/> FY22 project(s) on track (1)</p> <p><input type="checkbox"/> Public funding recognition (1)</p> <p><input type="checkbox"/> Accurate payment requests (1)</p> <p><input type="checkbox"/> FY21 Impact Report completed accurately (2)</p> <p><input type="checkbox"/> FY21 project(s) completed as outlined (5)</p>
<p><b>Forecasting Accuracy</b></p> <p>How accurate was the Sponsor forecasted request last year?</p>	<p><input type="radio"/> +/-30% or more variance (0)</p> <p><input type="radio"/> +/-16-29 variance (3)</p> <p><input type="radio"/> +/-0-15% variance (5)</p>
<p><b>Sponsor Score:</b></p>	<p><b>## (out of 30)</b></p>

## SPONSOR EFFICIENCY

Previous FY: Recently completed Fiscal Year

Fiscal Year Dates:

Current FY: Fiscal Year as of 3/31/22

07/01/20-06/30/21

			Previous FY <i>(Actual)</i>	Current FY <i>(Budget)</i>	% Change	% of total <i>(Current FY)</i>
<b>REVENUE</b> <i>(Cash only, do not include In-Kind)</i>	<b>Public Funding</b>	Resort Tax	\$ 465,041	\$ 341,972	-26%	31%
		Other <i>(Mill levies, County, etc)</i>	\$ 67,879	\$ 96,000	-41%	9%
	<b>Fundraising</b>	Donations <i>(Private)</i>	\$ 58,637	\$ 40,000	-32%	4%
		Donations & Sponsorships <i>(Corporate)</i>	\$ 51,500	\$ 50,000	-3%	5%
		Grants	\$ 85,117	\$ 127,550	50%	12%
		Events	\$ 74,207	\$ 60,000	-19%	5%
	<b>Direct Revenue</b>	Dues, Fees, Sales	\$ 30,841	\$ 45,400	47%	4%
	<b>Other*</b>	COVID-19 Relief	\$ 47,235	\$ 10,000	-79%	1%
		Other	\$ 137,326	\$ 326,702	138%	30%
	<b>TOTAL</b>			<b>\$ 1,017,782</b>	<b>\$ 1,097,624</b>	<b>8%</b>
<b>EXPENSES</b>	<b>Administration</b>		\$ 84,455	\$ 97,640	16%	9%
	<b>Fundraising</b>		\$ 120,040	\$ 106,380	-11%	10%
	<b>Programming</b>		\$ 669,545	\$ 872,983	30%	81%
	<b>TOTAL</b>			<b>\$ 874,040</b>	<b>\$ 1,077,003</b>	<b>23%</b>

3-YEAR GROWTH FORECAST				RESERVES (ON HAND)	
	Current FY	Year 2	Year 3	Restricted**	\$ 406,656
<b>Total # of FTE</b>	5.0	5.0	5.0	<b>Unrestricted**</b>	
<b>Payroll &amp; Benefits</b>	\$ 392,449	\$ 405,531	\$ 425,808	<b>Goal</b>	
<b>Total Operating Budget</b> <i>(including payroll &amp; benefits)</i>	\$ 1,102,003	\$ 1,240,704	\$ 1,612,359		
<b>Capital Expenditures</b>					

OPERATING BUDGET GROWTH	Current-Year 2	Year 2-Year 3
	13%	30%

PAYROLL DETAIL		
Level of Position	Salary Range	Benefits
<b>Executive</b>	\$85,000+	Benefits are consistent and equal across staff: 50% insurance premium in first year, 100% insurance premium coverage after first year, up to 3% matching IRA, up to \$750 match FSA, group option dental and vision plan with no premium assistance, optional AFLAC insurance, mileage reimbursement per IRS guidelines, required 2 hours of river time weekly
<b>VP/Director</b>	\$65,000-\$78,000	
<b>Manager</b>	\$55,000-\$65,000	
<b>Assistant/Coordinator</b>	\$40,000-\$50,000	

\*Provide detail on other and COVID-19 Relief received, including sources and amounts\*:

Other: GRTF Capital Campaign-pledge installments and reserves

COVID 19: PPP Round 1 = \$47200, MT Cares Act \$10,000. We were not eligible for PPP Round 2. Note: Most corporate sponsorships or donations are accounted for under event or capital campaign category

\*\*Purpose of Restricted and Unrestricted Capital Reserves\*\*: Reserves are restricted to Gallatin River Forever campaign initiatives and 3 months of operating costs

**BIG SKY RESORT AREA DISTRICT**

**ORDINANCE No. 98-01-ORD, as amended**

**Adopted on:** \_\_\_\_\_  
**(Effective on:** \_\_\_\_\_)

**AN ORDINANCE PROVIDING FOR THE ADMINISTRATION OF THE RESORT TAX WITHIN THE BIG SKY RESORT AREA DISTRICT**

**PURSUANT TO THE AUTHORITY VESTED IN THE BIG SKY RESORT AREA DISTRICT BOARD OF DIRECTORS UNDER § 7-6-1505, §7-6-1542 and §7-6-1547, MCA, BE IT ORDAINED BY THE BOARD OF DIRECTORS OF THE BIG SKY RESORT AREA DISTRICT TO AMEND ORDINANCE NO. 98-01-ORD AS FOLLOWS:**

**Section 1. Purposes:**

- (1) The purpose of the District is to provide for the local collection, appropriation, and expenditure of resort taxes.
- (2) The purpose of the resort tax is to tax (a) Goods and Services sold to tourists and transient visitors, but which locals and other members of the general public also may purchase, and (b) Luxuries. Necessities of Life are not intended to be taxed.
- (3) Resort taxes are to be collected on all Goods and Services sold by Enumerated Establishments.
- (4) Resort taxes are to be collected on all Luxuries wherever they are sold within the District.
- (5) If first approved by a majority of the qualified electors voting on the question, the District may impose an additional tax of up to one percent (1%) on Goods and Services and on Luxuries to fund specific infrastructure projects consistent with Title 7, Chapter 6, Part 15, MCA.
- (6) Resort taxes collected will be used to fund infrastructure facilities or projects, public transportation, tourism development, and other public services and facilities within the District as well as all costs associated with the collection, administration, appropriation, expenditure, litigation of resort taxes; consistent with Ordinance No. 99-01-Ord.

**Section 2. Effective Date of the Resort Tax and of the Big Sky Resort Area District:** Pursuant to the election held on April 13, 1992 in Gallatin County, and the election held on April 21, 1992 in Madison County, a majority of the qualified electors authorized a resort tax within the District, the resort tax became effective on June 1, 1992. The District became effective on April 7, 1998.

**Section 3. Duration of the Resort Tax:** The original duration of the resort tax was for twenty (20) years commencing on June 1, 1992 and terminating on June 1, 2012. On November 7, 2006, by a majority vote of the qualified electors, the District was extended twenty (20) years and shall terminate on June 1, 2032 unless further extended.

**Section 4. Definitions:** For purposes of this Ordinance, the following definitions apply:

- (1) “Administrative Officer” means the person hired by the District Board to lead the administration of the resort tax and the District’s business and who serves at the pleasure of the District Board.
- (2) “Audit” means the examination of the books, records, accounting, sales, and financial data of a business pursuant to agreed-upon procedures by the District’s auditor.
- (3) “District” or “Big Sky Resort Area District” means the district created under sections 7-6-1531 through 1550, MCA, that has been established as a resort area under section 7-6-1508.
- (4) “District Board” means the board of directors of the Big Sky Resort Area District elected pursuant to Title 7, Chapter 6, Part 15, MCA.
- (5) “Enumerated Establishments” means each of the following businesses:
  - a. hotels, motels, and other lodging or camping facilities;
  - b. restaurants, fast food stores, or other food service establishments;
  - c. taverns, bars, night clubs, lounges, and other public establishments that serve beer, wine, liquor, or other alcoholic beverages by the drink; and
  - d. destination ski resorts and other destination recreational facilities.

If any establishment operates one or more of the above enumerated businesses, and simultaneously operates other lines of business that do not reasonably fall within the above definition, then the establishment must collect taxes on that portion of its business that falls within one of the above enumerated businesses. Each situation will be evaluated at the time of business registration and a determination will be made.

- (6) “Goods and Services” means any tangible consumable item, any item of merchandise, any beverage or food, and any service offered for compensation, which are sold at any Enumerated Establishment. The term does not include items sold at wholesale; or items sold by individuals for resale (such as garage sales or ski/gear swaps).
- (7) “Luxuries” means goods, services, products, or items sold at retail that are not considered Necessities of Life, including but not limited to each of the following:
  - a. any item of clothing;
  - b. any purchase or rental of sporting goods, or recreational equipment;
  - c. all recreational activities, lessons, or guided tour services provided on land, water, or air which charge compensation in the form of daily fees, season passes, limited use passes, punch-cards, or other fees or dues to participate;
  - d. all souvenirs, curios, antiques, jewelry, books, games, and home accessories; gift, art and photographic items; food gift items prepared and sold as a package or unit, flowers not used in landscaping; and sales of fireworks;
  - e. all prepared, or served food; and all food, food truck, ~~and~~ catering, and/or private chef services;
  - f. all tobacco, nicotine, nicotine delivery devices, and other tobacco related products;
  - g. all alcohol, excluding any sold at wholesale;

h. All recreational marijuana, recreational marijuana delivery services, and other recreational marijuana related products;

- h.i. all entertainment, including but not limited to, tickets or other admission fees, dues or payments for concerts; theaters; movies; shows; plays; sporting events; firework displays; rental movies, rental video games, and all related rental equipment; haunted houses and escape rooms;
- h.j. massages, facials, manicures, pedicures, and all other day spa services, unless prescribed by a physician;
- h.k. all event and entertaining services of any kind for events such as parties, weddings, meeting groups, and reunions, including, but not limited to space and facility rental, equipment rental, photography, florist, catering, and event planning/management;
- h.l. all unrelated business taxable income of any tax-exempt, non-profit, or educational organization;
- h.m. all rental agreements for all lodging facilities, except rental agreements for rental of a facility or unit to the same user for thirty (30) consecutive days or more and employee housing regardless of duration or location within the District.

(8) “Medical Supplies and Services” means items or services that are sold to be used for health care, curative, prosthetic, or medical maintenance purposes, whether or not prescribed by a physician.

(9) “Medicine” means substances sold for curative or remedial properties, including both; physician prescribed and over-the-counter medications.

(10) “Necessities of Life” means each of the following wherever sold within the District:

- a. all food purchased and unprepared or unserved including without limitation to all food or beverage items qualifying for purchase under the Supplemental Nutrition Assistance Program (“SNAP”) whether or not the purchaser of the item actually qualifies to participate in the program administered by the USDA Food and Nutrition Service and regardless of the origin of the item;
- b. all forms or methods of transportation;
- c. all utility services;
- d. all gasoline, diesel, ethanol, and other motor fuel;
- e. all landscaping, snow removal services, and other similar property management, and maintenance services;
- f. all propane and home heating fuel;
- g. all personal hygiene products of any kind;
- h. all Medicine;
- i. all Medical Supplies and Services;
- j. all business equipment;
- k. all appliances;
- l. all hardware supplies and tools;
- m. all Goods and Services, Luxuries, or programs offered or provided by tax-exempt, non-profit, or educational organizations other than such organization’s unrelated business taxable income.

**Section 5. Rates of Resort Taxes:** The rate of the resort tax is three percent (3%) of the retail value of all Goods and Services sold at Enumerated Establishments, and three percent (3%) of the retail value of

Luxuries sold anywhere within the District (“Resort Tax”). The District shall also be permitted to provide for an additional tax of up to one percent (1%) on the retail value of Goods and Services and of Luxuries to specifically support infrastructure projects as authorized by MCA §7-6-1503(1)(b), if such additional infrastructure tax is first approved by a majority of the qualified electors voting on the question (“Infrastructure Resort Tax”). The imposition and collection of any Infrastructure Resort Tax must also comply with all other applicable sections of Title 7, Chapter 6, Part 15, MCA.

**Section 6. Taxation of Goods and Services:** All Goods and Services sold at Enumerated Establishments within the District are subject to resort taxes.

**Section 7. Taxation of Luxuries:** All Luxuries wherever sold within the District are subject to resort taxes.

**Section 8. Exemptions from Resort Taxes:** All Necessities of Life, sold within the District, other than those sold at establishments enumerated in section 4, are exempt from all resort taxes.

**Section 9. Business Registration:** All establishments, businesses, and vendors operating within the District and providing or selling Good and Services and/or Luxuries must register with the District per established procedures. All event organizers operating within the District must require any vendors operating at any of its events within the District to register with the District per established procedures. Failure to timely register with the District, and failure of an event organizer to require each vendor operating at any of its events within the District to timely register with the District is deemed a violation of the Ordinance and such establishment, business, vendor, and/or event organizer will be subject to fines and penalties set forth in Section 17 below.

**Section 10. Time of Remittance of Resort Taxes:**

- (1) For establishments that remit resort taxes on a monthly basis, the resort taxes collected must be received by the District on or before the last day of each month for the prior month.
- (2) For establishments that remit resort taxes on a quarterly basis, the resort taxes collected must be received by the District on or before the last day of April, July, October, and January for the prior quarter.
- (3) Resort taxes collected must be paid to the District pursuant to the policies and procedures of the District which are available for viewing on the District’s website or upon request. Any delinquent payments will be subject to the penalties, interest and late fees described in Section 17.
- (4) Establishments that collect less than \$5,000 of resort taxes in the prior year, extending from January through December, may remit the resort taxes collected on a quarterly basis as set forth in (2) above.
- (5) Establishments that operate seasonally within the District have the option to remit resort taxes seasonally per the District’s established policies and procedures.

**Section 11. Administration Withholding Permitted by Establishment:** Pursuant to section 7-6-1505, MCA, each establishment collecting resort taxes is entitled to withhold the authorized maximum of five percent (5%) of the resort taxes collected to defray the establishment’s costs for the

administration of the tax collection. The administration fee may be withheld by the establishment at time of remitting the resort taxes to the District.

**Section 12. Reporting Forms for Resort Tax - Confidentiality:**

- (1) The District Board shall provide each establishment within the District responsible for collecting the resort taxes with the proper forms for reporting and accounting for the resort taxes collected.
- (2) The records and forms submitted to the District Board by the establishments shall be confidential and not open to public inspection unless so ordered by the District Board pursuant to Article II, Sections 9 and 10, of the Constitution of the State of Montana, a court of competent jurisdiction, or upon the filing of an action in District Court.

**Section 13. Maintenance of Records by Establishments:** Each establishment required to collect and remit resort taxes shall keep, maintain, and preserve for a period of not less than five (5) years all records necessary to determine the accuracy of the taxes collected and remitted and shall make the same available for Audit or inspection on its business premises by the District at all reasonable times. It is the obligation of each business that is required to collect and remit resort taxes to substantiate its compliance with this Ordinance through accurate and proper record keeping which may include disclosure on customer receipts or other forms of notifications to customers as defined by the District's established policies and procedures.

**Section 14. Audits:** Periodic random Audits shall be conducted under the direction of the District and all establishments shall cooperate in all respects in the conduct of the Audits. Any Audit shall be for the previous calendar year and shall be conducted in Big Sky on the premises of the establishment collecting the resort tax or at such other location as the District may determine. If the Audit determines a deficiency, the District shall have the discretion but not the obligation to Audit the previous three (3) years and may further require a follow-up Audit on the next reporting year. Payments and/or arrangements for payment of the amount determined as outstanding resort taxes owed must be paid or payment arrangements made within thirty (30) days of the date of the notification of the Audit results. Failure to cooperate in any Audit, including the failure to comply with agreed upon procedures, to provide information, or to make the appropriate records available in Big Sky within fourteen (14) calendar days of the auditor's scheduled Audit, shall constitute a violation of the provisions of this Ordinance and may result in the imposition of penalties set forth in Section 17.

**Section 15. Enforcement of Collection of Resort Tax:** The District Board shall enforce the collection of resort taxes and oversee the methods and procedures to be used in the enforcement as described in Ordinance No. 2008-1-Ord.

**Section 16. Administrative Determinations and Appeals:**

- (1) The Administrative Officer and his/her agents, employees, or designees shall be responsible for answering questions regarding those Enumerated Establishments, those Goods and Services, and those Luxuries that are subject to resort taxes, and for interpreting any other term, condition or obligation set forth in this Ordinance. All questions related to the imposition or collection of resort taxes shall be submitted to the Administrative Officer in writing and shall be answered in thirty (30) working days or less. The Administrative Officer shall maintain a written file of all questions and interpretations rendered. The Administrative Officer, in his/her discretion, may

seek advice and/or guidance from the Board and its attorneys.

- (2) Any determination rendered by the Administrative Officer pursuant to Section 16 (1) may be appealed to the Board; provided, that notice of appeal shall be in writing and shall be filed with the Board within thirty (30) days of the issuance of the Administrative Officer's determination or interpretation. After receipt of an appeal, the Board shall, at the next open board meeting, fix the time and place for hearing the appeal, and the Board shall cause notice in writing to be personally served upon the appellant. The findings and decision of the Board shall be final and conclusive and shall be served upon the appellant in the manner prescribed for service of notice of hearing or by certified mail directed to the appellant's last known address.

**Section 17. Penalties, Interest, Late Fees and Liens:**

- (1) The following penalties, referrals, or liens may be imposed as authorized by section 7-6-1505, MCA, for failure to report resort taxes due, failure to remit resort taxes due, and violations of this Ordinance:
  - a. a criminal penalty, not to exceed a fine of \$1,000 or six-months imprisonment, or both;
  - b. a civil penalty if the District prevails in a suit for the collection of resort taxes, not to exceed fifty percent (50%) of the resort taxes found due, plus the costs and attorney fees incurred by the District in the enforcement action;
  - c. upon referral to the County Commissioners of Gallatin or Madison Counties, revocation of the county license held by the offender, if applicable;
  - d. upon proper legal procedure secure and file a lien against the property of the establishment failing to report, collect or remit resort taxes.
- (2) The Administrative Officer is authorized to report any establishment which is delinquent in its collection or remittance of resort taxes to any county, state or federal licensing authorities administering any licenses held by such establishment and request that such licensing authority take action to suspend or revoke such license until the required resort taxes are paid in full. Nothing in this Ordinance shall be presumed to require any licensing authority to take any specific action.
- (3) Delinquent taxes shall bear interest at the rate of one percent (1%) per calendar month, for the delinquent month (12% per annum). The assessed interest of one percent (1%) per month, shall apply after the last day of the month in which the payment is due, and to each subsequent month, regardless of when the payment is made; and
- (4) A late fee shall be assessed for each reporting month that is delinquent.

**Section 18. Appropriation and Expenditure of Resort Tax:**

- (1) All revenue derived from the imposition of the Resort Tax or from the imposition of the Infrastructure Resort Tax will be appropriated by the District Board in compliance with Title 7, Chapter 6, Part 15, MCA and with District Ordinance No. 99-01-Ord.
- (2) The Board may issue bonds and pledge the proceeds to implement the appropriation, expenditure and purpose of resort taxes as authorized in section 7-6-1542, MCA, and consistent with District Ordinance No. 2014-02-Ord.

**Section 19. Authority to Hire Administrative and Other Employees:** The District Board may hire an Administrative Officer and other employees to assist in the administration, collection, and oversight of the resort taxes and who shall serve at the pleasure of the District Board.

**Section 20. Ratification:** The District Board hereby ratifies all prior appropriations and obligations of resort tax funds made by the Madison and Gallatin County Commissions which preceded the creation of the District.

**Section 21. Severance Clause :** If any section, subsection, subdivision, paragraph, sentence, or phrase of this Ordinance or any part thereof is for any reason held to be unconstitutional or in violation of any law, such decision shall not affect the validity of the remaining portions of this Ordinance or any part thereof.

**Section 22. Amendment of Ordinance:** This Administrative Ordinance may be amended at any time thereafter as may be necessary to effectively administer the resort tax and must include the requirements of section 7-6-150 5, MCA, but may not be amended to alter the specifications contained in the original ballot approved by the electors creating the resort area and imposing the resort tax.

**Section 23. Map of Big Sky Resort Area District:** A map of the District as approved by the electors on April 7, 1998, is attached to this Ordinance for reference.

**Passed by the District Board of the Big Sky Resort Area District on the following dates:**

**1st Reading** | Date: \_\_\_\_\_ Vote: \_\_\_\_\_ in Favor with \_\_\_\_\_ Opposed

**2nd Reading** | Date: \_\_\_\_\_ Vote: \_\_\_\_\_ in Favor with \_\_\_\_\_ Opposed

**By:**

\_\_\_\_\_  
**Chair, Sarah Blechta**

\_\_\_\_\_  
**Vice Chair, Ciara Wolfe**

\_\_\_\_\_  
**Secretary & Treasurer, Steve Johnson**

\_\_\_\_\_  
**Director, Kevin Germain**

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**Director, Grace Young**