

Resolution No. 2025-02R

A RESOLUTION CALLING FOR AN ELECTION: TO RETAIN THE APPOINTMENT OF MICHELLE KENDZIORSKI TO THE BOARD, TO EXTEND THE TERM OF THE IMPOSITION OF THE 3% RESORT TAX, TO EXTEND THE IMPOSITION OF THE 1% RESORT TAX FOR AN ADDITIONAL INFRASTRUCTURE PROJECT, AND TO APPROVE THE ISSUANCE OF BONDS TO FINANCE CAPITAL IMPROVEMENT PROJECTS.

WHEREAS, the electorate of the Big Sky Resort Area District (the “District”) in Gallatin County, Montana and Madison County, Montana originally approved a resort tax of three percent (3%) in April, 1992 for a period of twenty years, and extended the imposition of the 3% resort tax for another twenty years on November 2, 2006; and

WHEREAS, the electorate of the District in Gallatin County, Montana and Madison County, Montana approved an additional one percent (1%) resort tax for infrastructure projects in May 2020 for two water and sewer infrastructure projects;

WHEREAS, the existing term of the 3% resort tax is currently set to expire on June 1, 2032 and the term of the 1% resort tax for infrastructure will terminate upon the earlier of June 1, 2032 or when the costs of each of the two water and sewer infrastructure projects have been paid or accounted for; and

WHEREAS, the District relies on revenue from the combined resort taxes to meet the needs of District residents and the increased demands of tourists on the District’s services and infrastructure; and

WHEREAS, the Board of Directors of the District (the “Board”) has identified specific capital improvement projects needed within the District; and

WHEREAS, State law requires approval of the electorate before the District is authorized to issue resort tax revenue bonds payable from the 3% resort tax for such capital improvement projects; and

WHEREAS, the term of the imposition of the 3% resort tax must be extended for the District to issue resort tax revenue bonds payable from the 3% resort tax to pay for the capital improvement projects; and

WHEREAS, the District has identified additional infrastructure projects which require extending the imposition of the 1% resort tax for infrastructure; and

WHEREAS, State law requires approval of the electorate before the District can extend the imposition of the additional 1% resort tax to pay or finance new infrastructure projects; and

WHEREAS, in the Fall of 2024, the Board appointed Michelle Kendziorski to fill the Board seat left vacant as the result of Steve Johnson’s death, and the appointee must be retained by

the electorate of the District in Gallatin County, Montana and Madison County, Montana at the next election.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE BIG SKY RESORT AREA DISTRICT AS FOLLOWS:

1. In accordance with Section 7-6-1546, MCA the Board of the District hereby calls for an election whereby the electors of the District shall vote FOR or AGAINST the question of whether to retain Michelle Kendziorski as a Member of the District's Board for the remainder of the term expiring May 5, 2026.

2. In accordance with Section 7-6-1541, MCA, the Board of the District hereby calls for an election whereby the electors of the District shall vote FOR or AGAINST the question of whether the authority of the District to impose the 3% resort tax shall be extended from 2032 to June 30, 2065.

3. In accordance with Sections 7-6-1504 and 1542, MCA, the Board of the District hereby calls for an election whereby the electors of the District shall vote FOR or AGAINST the question of whether the District shall be authorized to issue bonds payable from collections of the 3% resort tax in the District, in principal amounts not to exceed the maximum amount authorized by law and upon terms and interest rates to be determined by the Board, and whether the District shall be authorized to continue to impose an additional 1% resort tax for infrastructure, commencing when the costs of the Water Resource Recovery Facility Phase 1 project approved by voters at the May 2020 election are paid or accounted for, and to issue bonds payable from collections of the 1% additional resort tax in principal amounts not to exceed the maximum amount authorized by law and upon terms and interest rates to be determined by the Board, in each case to pay or finance applicable costs of the acquisition of land by the Big Sky Community Housing Trust for development of the Cold Smoke workforce housing project and the design, construction, acquisition or installation of infrastructure related thereto, including water, wastewater, storm water, sewer, and utility systems, fire protection, and roads, bridges and other transportation needs; and to pay related costs of issuance or other financing costs. If approved, the infrastructure development at the Cold Smoke project may be funded prior to or coterminously with the Gallatin Canyon Water and Sewer District project approved by the voters at the May 2020 election.

4. In accordance with Sections 7-6-1504 and 1542, MCA, the Board of the District hereby calls for an election whereby the electors of the District shall vote FOR or AGAINST the question of whether the District shall be authorized to issue bonds payable from collections of the 3% resort tax in the District, in principal amounts not to exceed the maximum amount authorized by law and upon terms and interest rates to be determined by the Board, for the purpose of financing all or a portion of the costs of public facilities, improvements and capital

projects serving the District comprising the Big Sky Community Organization’s Community Park Renovation project, and to pay related costs of issuance or other financing costs.

5. The elections described herein shall each be held on Tuesday, May 6, 2025. The elections shall be conducted by mail ballot. The places of deposit for the mail ballot election shall be as follows:

Gallatin County Election Office: 311 West Main Street, Room 210, Bozeman MT
Big Sky Water & Sewer District Office: 561 Little Coyote Road, Big Sky MT.

6. The Secretary of the District is hereby authorized and directed to give notice of the call and details of this election to the Gallatin County Election Administrator at least 85 days before the election. The Gallatin County Election Administrator is requested to prepare a mail ballot election plan in accordance with Section 13-19-205, MCA, and to give notice of the close of registration and thereafter prepare printed lists of the qualified electors of the District entitled to vote in the election and to conduct the election in the form and manner prescribed by law and consistent with the mail ballot plan. The Gallatin County Election Administrator shall prepare the ballot and arrange for the printing of the ballot and conduct the election in accordance with all legal requirements.

7. The proposed extension of the existing 3% resort tax and the existing 1% resort tax do not change or affect the existing resort taxes, including the uses to which the revenues resulting from the existing 3% resort tax or the existing 1% resort tax are applied. In addition to the projects described in this resolution, the revenues from the imposition of the 3% resort tax may be applied to any costs permitted by state law and the resolutions and ordinances of the District.

8. Attached to this Resolution is the proposed ballot statement for the elections called for in this Resolution.

PASSED BY THE BOARD OF DIRECTORS OF THE DISTRICT ON FEBRUARY 4, 2025, BY A VOTE OF 4 IN FAVOR and 0 OPPOSED.

Kevin Germain
Kevin Germain (Feb 5, 2025 09:24 MST)

Kevin Germain, Chair

Grace Young
Grace Young (Feb 5, 2025 09:25 MST)

Grace Young, Secretary/Treasurer

John Zirkle
John Zirkle (Feb 4, 2025 15:31 MST)

John Zirkle, Director

Sarah Blechta
Sarah Blechta (Feb 4, 2025 15:34 MST)

Sarah Blechta, Vice Chair

Michelle Kendziorski
Michelle Kendziorski (Feb 4, 2025 15:27 MST)

Michelle Kendziorski, Director

The ballot statements for the Big Sky Resort Tax Area District elections to be held on May 5, 2025 pursuant to Resolution No. 2025-02R should read as follows:

1. The ballot question for whether to retain Michelle Kendziorski shall appear in substantially the following form:

Shall Michelle Kendziorski be retained as a Member of the District's Board for the remainder of the term expiring May 5, 2026?

- FOR Retaining Michelle Kendziorski
- AGAINST Retaining Michelle Kendziorski

2. The ballot question for whether to extend the authority of the Big Sky Resort Area District to impose the 3% resort tax until June 30, 2065 shall appear in substantially the following form:

Shall the authority of the Big Sky Resort Area District to impose the 3% resort tax be extended until June 30, 2065?

- FOR extending the 3% resort tax until June 30, 2065
- AGAINST extending the 3% resort tax until June 30, 2065

3. The ballot question for whether the District shall be authorized to issue bonds payable from collections of resort taxes for the development of the Cold Smoke workforce community housing project sponsored by the Big Sky Community Housing Trust shall appear in substantially the following form:

Shall the Big Sky Resort Area District be authorized to issue bonds payable from collections of the 3% resort tax in the District, in principal amounts not to exceed the maximum amount authorized by law and upon terms and interest rates to be determined by the Board, and whether the District shall be authorized to continue to impose an additional 1% resort tax for infrastructure, commencing when the costs of the Water Resource Recovery Facility Phase 1 project approved by voters at the May 2020 election are paid or accounted for, and to issue bonds payable from collections of the 1% additional resort tax in principal amounts not to exceed the maximum amount authorized by law and upon terms and interest rates to be determined by the Board, in each case to pay or finance applicable costs of the acquisition of land by the Big Sky Community Housing Trust for development of the Cold Smoke workforce housing project and the design, construction, acquisition or installation of infrastructure related thereto, including water, wastewater, storm water, sewer, and utility systems, fire protection, and roads, bridges and other transportation needs; and to pay related costs of issuance or other financing costs?

- FOR authorizing the issuance of bonds for the Cold Smoke workforce housing project
- AGAINST authorizing the issuance of bonds for the Cold Smoke workforce housing project

By voting FOR, you support the issuance of bonds payable from the collections of the 3% and the 1% resort taxes to pay or finance applicable costs of the acquisition of land by the Big Sky Community Housing Trust for development of the Cold Smoke workforce housing project and for the design, construction, acquisition or installation of infrastructure related thereto, including water, wastewater, storm water, sewer, and utility systems, fire protection, and roads, bridges and other transportation needs; and to pay related costs of issuance or other financing costs.

By voting FOR, the infrastructure development at the Cold Smoke project may be funded prior to or coterminously with the Gallatin Canyon Water and Sewer District project approved by the voters at the May 2020 election.

By voting FOR, the proposed use of the existing 3% resort tax and the existing 1% resort tax does not change or affect the existing resort taxes, including the uses to which the revenues resulting from the existing 3% resort tax or the existing 1% resort tax are applied. In addition to the projects described in this ballot question, the revenues from the imposition of the 3% resort tax may be applied to any costs permitted by state law and the resolutions and ordinances of the District.

4. The ballot question for whether the District shall be authorized to issue bonds payable from collections of resort taxes for the renovation of the Community Park project sponsored by the Big Sky Community Organization shall appear in substantially the following form:

Shall the Big Sky Resort Area District authorized to issue bonds payable from collections of the 3% resort tax in the District, in principal amounts not to exceed the maximum amount authorized by law and upon terms and interest rates to be determined by the Board, for the purpose of financing all or a portion of the costs of public facilities, improvements and capital projects serving the District comprising the Big Sky Community Organization's Community Park Renovation project, and to pay related costs of issuance or other financing costs.

- FOR authorizing the issuance of bonds for the renovation of the BSCO Community Park
- AGAINST authorizing the issuance of bonds for the renovation of the BSCO Community Park

By voting FOR, you support the issuance of bonds payable from the collections of the 3% resort tax to finance all or a portion of the costs of public facilities, improvements and capital projects serving the District comprising the Big Sky Community Organization's Community Park Renovation project, and to pay related costs of issuance or other financing costs.

By voting FOR, the proposed use of the existing 3% resort tax does not change or affect the existing resort taxes, including the uses to which the revenues resulting from the existing 3% resort tax are applied. In addition to the projects described in this ballot question, the revenues from the imposition of the 3% resort tax may be applied to any costs permitted by state law and the resolutions and ordinances of the District.












Resolution 2025-02R

Final Audit Report

2025-02-05

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