

CERTIFICATE AS TO RESOLUTION AND ADOPTING VOTE

I, the undersigned, being the duly qualified and acting recording officer of the Big Sky Resort Area District, Montana (the “District”), hereby certify that the attached resolution is a true copy of Resolution No. 2025-09R, entitled: “RESOLUTION RELATING TO WRRF CONTRIBUTION; PROVIDING FOR THE ESCROW OF FUNDS TO COMPLETE THE WRRF CONTRIBUTION AND AUTHORIZING A RELATED INTERFUND TRANSFER AND REPAYMENT” (the “Resolution”), on file in the original records of the District in my legal custody; that the Resolution was duly adopted by the Board of Directors of the District at a regular meeting on October 8, 2025, and that the meeting was duly held by the Board of Directors and was attended throughout by a quorum, pursuant to call and notice of such meeting given as required by law; and that the Resolution has not as of the date hereof been amended or repealed.

I further certify that, upon the vote being taken on the Resolution at said meeting, the following Board members voted in favor thereof: John Zirkle, Grace Young, Michelle Kendziorski, and Kevin Germain; voted against the same: none; abstained from voting thereon: Sarah Blechta; or were absent: none.

WITNESS my hand officially this 13th day of November 2025.

Grace D. Young
Grace D. Young (Nov 17, 2025 18:59:22 MST)

Secretary

RESOLUTION NO. 2025-09R

RESOLUTION RELATING TO WRRF CONTRIBUTION;
PROVIDING FOR THE ESCROW OF FUNDS TO COMPLETE
THE WRRF CONTRIBUTION AND AUTHORIZING A RELATED
INTERFUND TRANSFER AND REPAYMENT

BE IT RESOLVED by the Board of Directors (the “Board”) of the Big Sky Resort Area District, Montana (the “District”), as follows:

Section 1. Recitals. On May 5, 2020, the electors of the District authorized the District to impose an additional 1% resort tax (the “1% Resort Tax”) for the purpose of funding two wastewater infrastructure projects, including the contribution from the District to the Big Sky County Water and Sewer District No. 363, Montana (the “BSWSD”) of up to \$27,000,000 (the “WRRF Contribution”) to upgrade the water resource recovery facility using membrane bioreactor technology and related improvements (the “WRRF Phase I Project”).

Pursuant to such authority, on April 20, 2021, BSWSD and the District entered into a First Amended and Restated Interlocal Agreement (the “Interlocal Agreement”), which sets forth the parties’ agreement with respect to the WRRF Contribution. The WRRF Contribution is pledged by BSWSD to the repayment of certain of its outstanding sewer system revenue bonds.

As of the date of this Resolution, BSRAD has collected and paid \$14,297,551 of the WRRF contribution, leaving a balance owed on its obligation of \$12,702,449 (“Remaining Balance of WRRF Contribution”). As of the date of this Resolution, BSRAD presently has \$12,180,460.86 in a restricted fund (“Restricted WRRF Account”) which will be used to make the Remaining Balance of WRRF Contribution.

On May 6, 2025, the electors of the District authorized the issuance of bonds payable from the 3% Resort Tax and to continue imposing the 1% Resort Tax, commencing when the WRRF Contribution has been paid or provided for, and to issue bonds payable therefrom for the purpose of financing applicable costs of the acquisition of land by the Big Sky Community Housing Trust for the development of the Cold Smoke workforce housing project and the design, construction, acquisition or installation of infrastructure related thereto (the “Cold Smoke Project”), and to pay related costs of issuance or other financing costs.

Section 2. Escrow of WRRF Contribution. The District is preparing to proceed with the issuance of bonds payable from the 1% Resort Tax to finance the costs of the Cold Smoke Project; however, the WRRF Contribution must first be paid or provided for in full. BSWSD has expressed its preference to continue receiving annual payments substantially in conformity with the Interlocal Agreement. Therefore, the District has concluded that it is in the best interests of the District, BSWSD and the Cold Smoke Project to satisfy its obligations with respect to the Remaining Balance of WRRF Contribution by depositing an additional amount not to exceed \$521,988.14 into the Restricted WRRF Account (“Additional Deposit”), bringing the total in that account to \$12,702,449. Following the Additional Deposit by the District into the Restricted WRRF Account, the WRRF Contribution shall be deemed to be provided for in full. Amounts escrowed in the Restricted WRRF Account shall be disbursed only to or as directed in

accordance with the Interlocal Agreement; provided however, any and all interest earned on the Restricted WRRF Account shall be retained by BSRAD and shall be used for any purpose deemed appropriate by the BSRAD Board.

Section 3. Authorization of Interfund Transfer. Given that the WRRF Contribution must be provided for in full prior to the formal launch of the financing for the Cold Smoke Project, and that there is presently a deficit in the amount of the Additional Deposit, the Board hereby authorizes District staff, if and to the extent necessary, to transfer an amount not to exceed the Additional Deposit from available 3% resort tax revenues or other funds on hand and available therefor to the Restricted WRRF Account so that the total amount escrowed in the Restricted WRRF Account will equal the Remaining Balance of WRRF Contribution. The Additional Deposit shall be repaid to the relevant District account from which the funds were transferred as promptly as possible from 1% Resort Taxes collections received; provided that the interfund transfer repayment shall be in all respects subordinate to the payment of bonds issued to finance the Cold Smoke Project.

PASSED AND APPROVED by the Board of Directors of the Big Sky Resort Area District, Montana, this 13th day of November 2025.

Sarah Blechta
Sarah Blechta (Nov 17, 2025 16:44:55 MST)
Sarah Blechta, Chair

Grace D. Young
Grace D. Young (Nov 17, 2025 18:59:22 MST)
Grace Young, Secretary & Treasurer

Kevin Germain
Kevin Germain (Dec 30, 2025 11:03:59 MST)
Kevin Germain, Director

John Zirkle
John Zirkle (Nov 17, 2025 15:37:11 MST)
John Zirkle, Vice Chair

Michelle Kendziorski
Michelle Kendziorski (Nov 25, 2025 05:55:41 CST)
Michelle Kendziorski, Director











Resolution 2025-09R Interfund transfer Cold Smoke Bonds


Final Audit Report

2025-12-30


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-  Document created by Jenny Muscat (jenny@resorttax.org)
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 Agreement completed.

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