

EDC Audit Follow-Up per SBA Issues

About two months ago, our auditors came to us with concerns about their level of independence as required by the code of federal regulations which was updated a couple years ago. In that code of federal regulations are specific requirements related to auditor independence. The issue our auditors are having is in regards to one of the provisions in the code of federal regulations. They are required to have a level of independence and are saying their independence is not in compliance with the code of federal regulations because they prepare the footnotes. The solution would be to engage another accounting firm to reissue the audit. The audit and financial statements will stay the same. Somebody else would be rendering the opinion on the financial statements. Committee members expressed concern over the cost of the re-issued audit, and directed Jim to ask AZ to help cover the cost of this added expense.

Motion: Kevin Gustainis, to approve and forward to the full Board, we have a conversation with original auditors about the cost.

Second: Cory Moore

Discussion: None

Motion carried

➤ Executive Director's Report – Steve

GE Agreement Update and Next Steps

Steve mentioned we have executed our settlement agreement with GE last week. There will be a discussion at our April 13th Board meeting to consider a proposal from the prospect we've been working on for the potential reuse of the GE facility. We'll have the prospects here to talk directly to us about their plans.

Board Planning Session Agenda Review

Steve reviewed the draft agenda for the Board Planning Session being held at the Hilton Garden Inn on April 13th.

Update: Operations Director Position

Steve updated the Joint Executive Committee on the progress in the hiring of the Director of Operations position with Big Sky Economic Development. Hopefully we'll have a candidate within the next few weeks.

Update: Higher Education Investment – MSU Billings Science Building

Steve provided a letter to the Joint Executive Committee he received from Chancellor Ron Larson and Dr. John Cech, Deputy Commissioner of Montana University System. They are getting together a task force to support Chancellor Larson's planning and strategic direction efforts for Montana State University-Billings. They've asked Steve to participate in the task force. This first kick-off meeting will be the week of the 17th of April. They'll be helping Ron develop a strategic direction that is to be presented to Dr. Cruzado in December and then to the Board of Regents in January of 2018.

In terms of investing in the MSU Science Building, the legislature is working on a budget bill and this may directly impact what is included in the infrastructure bills. There's a House and Senate bill, both the House and Senate bills contain an additional five million dollars for the Science Building. Potentially, by the end of the week one of those bills will move to the other side and both concepts, at least so far, have the additional five million dollars for the Science Building. Steve spoke to Governor Bullock's office this week and encouraged their support in this provision of the bonding bill. As Steve gets more information on this, he will send it out to the Board.

➤ **Program Directors Updates**

Business Finance-SBA Application/Bylaws Review as Needed – Brandon/Steve

Steve mentioned we have not received final word from the SBA on our merger request. It has gone through the state office, the Denver Regional office, and then to DC. We hope by the end of April we have word from the SBA. We have ten days to execute the transition. We have two potential team members from Helena coming in this week. We're going to give them a preliminary orientation and address their questions about benefits and any other questions they have. When we rolled out the information on the merger, included was an amendment to our by-laws which we were being guided by legal council to address. There was a provision Steve added to the by-laws amendment that dealt with board members going from one board to the next. The amendment says that if you move from the EDA Board to the EDC Board, and there's no gap, that new term on the EDC Board would be a three year term.

BillingsWorks-Update – Karen

Karen met with the Steering Committee completing the 2017 State of the Workforce report. She will be meeting with Billings Public School tomorrow to solidify the job description for the Career Technical Education Business Liaison Director title.

TEDD/Infrastructure Master Plan Agreement – Katy/Dianne

Dianne spoke of the agreement to work on the Infrastructure Master Plan on the TEDD. This is the draft that is going through with the County prior to them signing. They will sign on April 11th.

Meeting Adjourned at 8:20 am

Next Meeting – May 3, 2017 – Rosebud Room, Granite Tower

Respectfully submitted,
Sheri Nicholson, EDA Chair

When approved, minutes will be filed electronically in the Big Sky EDA office.