

EMEDA

Eastern Montana Economic Development Authority

Commissioner Meeting Minutes

January 7, 2025

7:00pm

Fallon County Visitor Center

Members Present:

Chairperson Tasha Losing, Vice Chair Steve Zachmann, Treasurer Karol Zachmann, Commissioner Hugo Bumgardner, Commissioner "Cookie" Zenko.

Members Absent:, Commissioner Carson Beach.

Staff Present: Childcare Director Carrie Schwartz (7:33pm)

Others Present: Vaughn Zenko (SMART Executive Director)

Public Present: None

Meeting called to order: 7:05pm by Chairperson Tasha Losing

Approval of Agenda: Agenda approved as presented, with no objections.

Review of Previous Meeting Minutes: The board reviewed the minutes from the December 3, 2024 Monthly Meeting. Content and grammatical edits were suggested by the Board.

- MOTION (Steve Zachmann): To approve the minutes with the noted edits.
- SECOND: Hugo Bumgardner
- DISCUSSION: Chairperson Losing noted that a Claim to Rich Batterman was discussed early in the meeting, but not listed when individual claim forms were approved. It was determined that the Claim was overlooked during claim for approval, however Treasurer Karol Zachmann confirmed the Claim was paid despite this. **The Batterman Claim from December will be added to Claims approved at this meeting.**
- VOTE: Four in favor, none opposed, one absent. **December 3, 2024 Meeting Minutes approved with the noted edits.**

Public Comment: No public present

Financial Report: Treasurer Karol Zachmann presented the projected bank account balances as of 1-7-2025 as well as a list of monthly claims. Karol pointed out that restricted grant funds had yet to be transferred from the main checking account to Savings at the Bank of Baker. The report shows EMEDA with \$106,991.96 in the Main Checking, with \$25,242.34 to be transferred into Savings, leaving \$81,749.62 in the EMEDA Operating Account at the Bank of Baker. EMEDA currently has \$2,175.86 in the Childcare Operating account at the Bank of Baker and \$581.05 in the Grasslands account. Savings at the Bank of Baker currently has \$11,808.66, \$37,051.00 after the transfer.

7:33pm: Childcare Director Carrie Schwartz joined the meeting

Monthly Claim Forms Review: The Board reviewed claim forms numbered 116-129 presented by the Treasurer, in addition to the Batterman claim from December which was assigned Claim #105. The claims were broken down into what would be paid for from Operating, Childcare and the Construction Loan. There was discussion on why the Mike's Plumbing claim was higher than the initial estimate. Construction Supervisor Zachmann read documents in his possession explaining the additional costs and that some of the expense is reimbursable by Sheridan Homes due to warranty. After reviewing the claims and receiving an explanation for each from the Treasurer, Chairperson Losing suggested holding back Claim 125 to Steve Zachmann for Construction Supervision until the Construction Supervisor provided email correspondence between himself and Sheridan Homes that had been previously requested by Chairperson Losing. She then entertained a motion to approve other claims related to the Construction Loan with the Bank of Baker.

- MOTION (Hugo Bumgardner): To approve Claims 122, 126, 127 and 128, holding back Claim 125 until the requested documents are provided by Steve Zachmann.
- SECOND: Cookie Zenko
- ABSTAIN: Karol Zachmann abstained from the vote.
- VOTE: Three in favor, none opposed, one absent, one abstaining. **Claim 122 to Direct Electric for \$191.92 for work on Unit 1, Claim 126 to Steve Zachmann for \$3,429.91 for repairs to Unit 1, Claim 127 to Steve Zachmann for \$868.20 for materials, and Claim 128 to Direct Electric for \$432.33 for work on Unit 1 are approved and will be paid from the Construction Loan at the Bank of Baker. Claim 125 to Steve Zachmann for \$2,070 for Construction Supervision will be held until the documents requested by the Chairperson are provided.**

The board then turned to Claim 105 to attorney Rich Batterman for \$225, paid with check 1238 on December 5, but not approved by the Board due to an oversight during the December 5, 2024 meeting.

- MOTION (Hugo Bumgardner): To approve Claim 105 to Rich Batterman.
- SECOND: Steve Zachmann
- VOTE: Four in favor, none opposed, one absent. **Claim 105 to Rich Batterman for \$225 for a consult with the Chairperson is approved.** The claim has previously been paid.

The Board then turned to claims 116-121, and claim 123, to be paid from the EMEDA Main Checking.

- MOTION (Hugo Bumgardner): To approve Claims 116, 117, 118, 119, 210, 121 and 123 from EMEDA's main checking account.
- SECOND: Steve Zachmann
- DISCUSSION: Before paying all claims, Treasurer Karol Zachmann reminded the board to consider an upcoming loan payment due in February. Steve Zachmann estimated that expected payment to be approximately \$5,671.
- VOTE: Four in favor, none opposed, one absent. **Claim 116 to the Bank of Baker for \$24 for the annual fee on Safety Deposit Box 340, Claim 117 to MDU for \$359.15 for service to both facilities, Claim 118 to the Insurance Store for \$6,273.57 for building insurance, Claim 119 to SMART for \$5,751 for October, November and December administrative services, Claim 120 to the City of Baker for \$449.27 for October, November and December service to both facilities, Claim 121 to Mike's Plumbing for \$15,430 for work on Unit 1, and Claim 123 to the Baker Chamber of Commerce and Agriculture for \$225 annual Chamber membership were approved, to be paid out of EMEDA main checking at the Bank of Baker.**

The Board then turned to the remaining Claims. Treasurer Zachmann suggested that EMEDA needs to add funds to the Childcare Operations account at the Bank of Baker in order to pay Carrie. There was discussion on what the \$35,800 in grant funds could be utilized for. **Chairperson Losing suggested forming a committee to**

discuss what the grant can be spent on. Karol asked that the original grant documents be provided to her by the Executive Director. There was also continued discussion on holding Claim 125 to Steve Zachmann.

- MOTION (Steve Zachmann): That further discussion on Claim 125 be held until he presents his Construction Supervisor Report.
- SECOND: Hugo Bumgardner
- VOTE: Three in favor, one opposed, one absent. **Discussion on Claim 125 to Steve Zachmann for \$2,070 for Construction Supervision will be held until the Construction Supervisor Report in the agenda.**

The board then looked at Claim 124 to the Montana State Fund for work comp. Continued discussion on moving funds to the Childcare Account in order to pay this and Carrie's wages.

- MOTION (Karol Zachmann): To move \$3,500 from main checking into the childcare account at the Bank of Baker.
- SECOND: Hugo Bumgardner

8:07pm: Cookie Zenko left the meeting. Meeting recessed with no objection.

8:10pm: Cookie Zenko returned to the meeting. Meeting called back to order by Chairperson Losing.

The board then returned to the motion on the table.

- VOTE: Four in favor, none opposed, one absent. **\$3,500 will be moved from EMEDA's main checking account at the Bank of Baker to the Childcare Operating account at the Bank of Baker.**

The Board then returned to Claim 124.

- MOTION (Steve Zachmann): To pay Claim 124 out of Childcare.
- SECOND: Hugo Bumgardner
- VOTE: Four in favor, none opposed, one absent. **Claim 124 to the Montana State Fund for \$546.84 approved and will be paid from the Childcare Operations account at the Bank of Baker.**

Chairperson Losing moved that remaining claims, 125, 129 and a new claim from Carrie Schwartz numbered 130 regarding reimbursement for a Uhaul rental, be held until later in the agenda. There was no objection.

Reports and Discussion:

Construction Supervisor: The board reviewed and discussed the written Construction Supervisor Report provided by Steve Zachmann. During discussion, Steve voiced his objection to holding Claim 125, citing in-kind donation hours and discounts he has provided EMEDA over the course of the project, and asking that he be paid. Chairperson Losing addressed her rationale. Construction Supervisor Zachmann provided his Certificate of Substantial Completion to the Chairperson Losing, including a punchlist of items still to be done. Tasha had previously reviewed the document and gave the board opportunity to review it or walk through the building before she signed. There were no objections to her signing the document at this time.

- MOTION (Hugo Bumgardner): To sign the presented Certificate of Substantial Completion.
- SECOND: Cookie Zenko
- ABSTAIN: Steve Zachmann abstained from the vote.
- VOTE: Three in favor, none opposed, one absent, one abstaining. **Chairperson Losing will sign the document provided by Steve Zachmann accepting the work on the Childcare Project as substantially complete.**

Discussion then returned to Claim 125 to Steve Zachmann for Construction Supervision.

- MOTION (Hugo Bumgardner): To hold Claim 125 until the requested documents are received by the Chairperson.

- SECOND: Cookie Zenko
- DISCUSSION: Executive Director Zenko pointed out that this motion had been made and approved previously in the meeting.
- MOTION RESCINDED: Hugo Bumgardner
- NEW MOTION (Hugo Bumgardner): To approve Claim 125, but withholding payment until the requested documents have been received.
- SECOND: Cookie Zenko
- ABSTAIN: Steve Zachmann abstained from the vote.
- VOTE: Three in favor, none opposed, one absent, one abstaining. **Claim 125 to Steve Zachmann for \$2,070 for Construction Supervision is approved, with payment to be withheld until Steve fulfills the Chairperson's request to provide documentation of all email correspondence with Sheridan Homes regarding the project.**

Childcare Director: The board reviewed and discussed the written Childcare Director Report provided by Carrie Schwartz. Carrie also provided a proposed start-up budget to the Board. The board reviewed the budget, as well as EMEDA's available funds. There was discussion on what items on the budget could be paid with grant funds and with the childcare loan at the Bank of Baker. Holding a special budget meeting was suggested to address new information once Carrie presents her budget to the Bank of Baker to specifically find out what items in the budget could be covered by the loan. Chairperson Losing entertained a motion to allow Carrie to make purchases for the Childcare Facility using grant funding, without needing prior board approval.

- MOTION (Hugo Bumgardner): To give Carrie Schwartz spending authority for the \$35,800 in grant funding.
- SECOND: Cookie Zenko
- DISCUSSION: Discussion focused on Carrie's support network for making appropriate and necessary purchases, including SMART, Zero to Five Montana, Montana Childcare Business Connect, and other childcare providers throughout the State. Karol suggested that EMEDA could not afford to pay SMART for this assistance and requested that the Executive Director donate his time to this. Vaughn agreed to do so.
- VOTE: Four in favor, none opposed, one absent. **Carrie Schwartz is given authority to make purchases within the guidelines of the \$35,800 Community Investment Program Grant through Grid United and the Montana Community Foundation.**

The board then took up spending authority within the parameters of the childcare start up loan through the Bank of Baker and the need to define COGS (Cost of Goods Sold) in regard to what the loan could potentially pay for.

- MOTION (Hugo Bumgardner): To allow Carrie to spend up to \$12,000 on listed budget items if approved by the Bank.
- SECOND: Steve Zachmann
- DISCUSSION: Discussion on potential revenue of the Childcare Facility beyond start-up costs and EMEDA's potential financial obligation once the facility is operational.
- VOTE: Four in favor, none opposed, one absent. **Carrie Schwartz is given authority to spend up to \$12,000 within the presented budget on items approved by the Bank of Baker.** Carrie will approach the Bank with her budget to get clarification as to which budget items can be paid through the loan.

Discussion then returned to the Childcare Director Report, with Carrie mentioning that she would prefer a full sized toilet with a step stool for the main bathroom, as opposed to the child-sized toilet already installed. Chairperson Losing entertained a motion to sell the child-sized toilet and reinstall the full-sized toilet that had been removed.

- MOTION (Hugo Bumgardner): To sell the tiny toilet and use that money to pay for a contractor to put the big toilet back in.

- SECOND: Cookie Zenko
- VOTE: Four in favor, none opposed, one absent. **Carrie Schwartz will post the child-sized toilet for sale. Any proceeds from this sale will be directed to paying to have the full-sized toilet reinstalled in the main bathroom at the facility.** There are no changes necessary to the staff bathroom.

Further discussion on the Childcare Director report focused on Carrie's concern that the facility may not be up to code if there is not a bathtub available. Steve noted that the building inspector has already reviewed the facility. **Chairperson Losing suggested purchasing a removable shower head to address potential licensing concerns in case of emergencies necessitating clean-up of children or staff. There was no objection.**

Carrie asked for authority to gather estimates for both wood chips for the playground area and for a structure to hang the childcare facility sign on. **There was no objection to Carrie having that authority.**

Executive Director Report: The board reviewed and discussed the written Executive Director Report provided by Vaughn Zenko. In addition to the written report, Vaughn informed the Board that, at Carrie's request, he had applied for a Workforce Development Grant for \$1,255 through the Department of Commerce to fund purchase of work clothes and a computer for Carrie. The board also suggested Vaughn post the EMEDA Board Recruitment Flier in additional locations, send the Board the link to a Zero to Five MT webinar regarding Employer Funded Childcare on January 17, and approach the Fallon County Times about a potential article focused on "Meet the Board" showcasing board members, why they serve, and why the public should be interested in joining the board.

Old Business:

Childcare Facility

Set Start-Up Budget for Childcare Director: Addressed earlier in the meeting. Chairperson Losing stated that a special meeting regarding this item would be called once Carrie had visited with Jodi Varner at the Bank of Baker to get clarification on the childcare loan.

Acquire Credit Card for Childcare Facility: Chairperson Losing suggested incorporating the Childcare Facility as a separate entity from EMEDA prior to getting a credit or debit card.

Incorporation of Baker Childcare and Early Learning Center: Reasons were given as to why incorporating the facility as a separate entity would be necessary going forward, as well as the suggestion, based on the advice of Jason Nitschke with Montana Childcare Business Connect, that the business be formed as an LLC. Tasha entertained a motion to have Carrie proceed with forming an LLC.

- MOTION (Karol Zachmann): That Carrie proceed with the process of incorporating as an LLC.
- SECOND: Hugo Bumgardner
- DISCUSSION: Steve Zachmann recommended looking at other types of corporate structures, requesting a report on why an LLC would be better than another potential structure. It was suggested that Carrie could gather this information for board review at the previously discussed special meeting.
- VOTE: None in favor, four opposed, one absent. **Motion to have Carrie Schwartz proceed with incorporating the Baker Childcare and Early Learning Center as an LLC fails.**

- MOTION (Karol Zachmann): That Carrie gather information on best business plans to be presented at a future meeting.
- SECOND: Hugo Bumgardner

- VOTE: Four in favor, none opposed, one absent. **Carrie Schwartz will gather information on different corporate structures and present to the board as a future special meeting agenda item regarding incorporation of the Baker Childcare and Early Learning Center.**

Acquire Credit Card for Childcare Facility (tabled from earlier): The board discussed options, including acquiring a business credit card or creating a new account with a debit card attached to it to allow the childcare facility to make purchases.

- MOTION (Hugo Bumgardner): To change the Grasslands childcare account to a single signature account and attach a debit card.
- DISCUSSION: Discussion about the advantages of having the debit card associated with the existing Bank of Baker accounts instead.
- MOTION AMENDED (Hugo Bumgardner): Bank of Baker instead of Grasslands.
- DISCUSSION: Board discussion on how the account and debit card would be used and if it should be associated to EMEDA or wait for incorporation so it can be associated with the childcare facility. Steve asked if EMEDA could open a new EMEDA account at the Bank of Baker and potentially transfer to it a business account for the childcare facility after the facility is incorporated.

- MOTION RESCINDED (Hugo Bumgardner)

Chairperson Losing requested a new motion.

- MOTION (Hugo Bumgardner): To create a new EMEDA single signature account at the Bank of Baker with a debit card for childcare operations with the intent to change the account to Baker Childcare and Early Learning Center once it is established as a business.

- SECOND: Steve Zachmann

- VOTE: Four in favor, none opposed, one absent. **EMEDA will establish a new, single signature, account at the Bank of Baker to be associated with a debit card for childcare operations, with the intent of changing the account from EMEDA to the Baker Childcare and Early Learning Center once the BCELC is established as its own business.**

- MOTION (Hugo Bumgardner): To offer online viewing of the new account for Karol and Carrie.

- SECOND: Steve Zachmann

- VOTE: Four in favor, none opposed, one absent. **The new childcare operations account at the Bank of Baker, once established, will authorize both Karol Zachmann and Carrie Schwartz for online viewing.**

Snow Removal Agreement: Chairperson Losing presented quotes for snow removal at the childcare site. Discussion about EMEDA's relationship with Head Start and specifics of snow removal needs for the parking lot, as well as the pros and cons of each contractor Tasha received estimates from. After discussion, Chairperson Losing requested a motion.

- MOTION (Steve Zachmann): That Director Zenko write up a contract with Wyrick Construction to plow if there is 4+ inches of snow, to be done before 7am.

- SECOND: Hugo Bumgardner

- DISCUSSION: Discussion on checking with Shawna Sargent from Action for Eastern Montana Head Start to see if they have existing contracts for snow removal at their other facilities, cost sharing between the two organizations and where snow should be moved to.

- VOTE: Four in favor, none opposed, one absent. **Director Zenko will reach out to Wyrick Construction regarding a contract for snow removal for the childcare facility parking lot, specifically only when four or more inches of snow has fallen and completed by 7am.** Vaughn will reach out to Shawna Sargent for examples of snow removal contracts. The board's intent is for the expense to be billed to EMEDA, and EMEDA will pay the bill and then collect Head Start's share of the cost. The board also requested that snow be

removed and pushed to the south side of the lot around where the garbage cans are situated. **After contacting Wyrick, Vaughn will present a contract to the board for approval.**

Playground Mulch, Sign Structure, Storage Shed: Mulch and sign structure were addressed earlier in the meeting, with Carrie being given permission to seek estimates. Storage shed options were not discussed.

Telephone/ Internet Connections: Discussion on whether to establish immediately or wait until the business is established.

- MOTION (Karol Zachmann): To approve Carrie to contact Midrivers about establishing phone and internet under EMEDA.
- SECOND: Steve Zachmann
- VOTE: Four in favor, none opposed, one absent. **Carrie Schwartz will contact Midrivers about establishing phone and internet connections at the Childcare Facility under EMEDA.**

Other Childcare Business as Necessary: None

EMDA Accounting w/ Rachel's Accounting: As approved at the August 5, 2024 Meeting, "EMEDA will hire Rachel's Accounting for purposes of monthly bookkeeping and financial statements at a cost of \$75.00 per month." Chairperson Losing requested confirmation from Treasurer Zachmann as to what extent Rachel's has done this, or if other arrangements have been made by the Treasurer. Karol will reach out to Rachel's. She also confirmed that Rachel's can take the Treasurer's spreadsheets and import them into Quickbooks if necessary.

Acquire Designated EMEDA PO Box: Vice Chairman Zachmann noted that there has been a push from government auditors for governmental entities to establish their own unique addresses, even if utilizing an outside organization for administrative purposes. Treasurer Zachmann stated an EMEDA PO Box would cost \$94, listed as Claim 129. There was discussion about who will collect EMEDA's mail, as where as all records will be kept. Steve and Karol suggested that Karol will collect all of the mail personally and that she will keep all records herself in a locked filing cabinet. Karol also noted that she is working on a release form for written access to EMEDA files, should anyone wish to view them, including a ledger or journal kept by Karol.

- MOTION (Karol Zachmann): That EMEDA establish its own PO Box, as part of Claim 129, for \$94.
- SECOND: Steve Zachmann
- DISCUSSION: It was noted that EMEDA will have to update its address with all payees and contractors.
- VOTE: Four in favor, none opposed, one absent. **EMEDA will acquire its own PO Box, separate from SMART, at a cost of \$94. The associated claim 129 to the US Postal Service, for \$94, was simultaneously approved.** Discussion points prior to the motion were not formally addressed.

Due to time constraints on the Childcare Director, Chairperson Losing moved to proceed to the Cleaning Work Day agenda item under new business. There were no objection.

New Business:

Cleaning Work Day: It was confirmed that Carrie is satisfied with the cleaning help she has been getting from Community Service Workers in preparation for opening the Childcare Facility. Chairperson Losing noted that she will send the EMEDA Board a message if any other assistance is requested.

Chairperson Losing moved to return to Old Business, suggesting that Adoption of Donation Acceptance Policy and Adoption of Bill Payment Policy could be tabled, due to time, until the February Monthly Meeting. There were no objections.

Old Business (continued):

Adoption of Donation Acceptance Policy: Tabled by Chairperson

Adoption of Bill Payment Policy: Tabled by Chairperson

10:34pm: Childcare Director Carrie Schwartz left the meeting.

MOU Cancellation w/ SMART for Office Manager: Director Zenko presented the MOU Cancellation Document, signed by SMART President Jodi Varner, which had previously been sent to the EMEDA Board for review. As per the EMEDA Board's unanimous vote at the December 3, 2024 meeting, Chairperson Losing signed the document. **The Memorandum of Understanding with SMART for Office Manager Assistance for \$300 per month has been terminated.**

Coldwell Field Sound System Grant: Vaughn presented his suggested option for the Coldwell Field sound system, noting that the total estimated expense was slightly higher, but that he, through the Rock Jocks, was still willing to donate to make up what is not covered by the grant funds if necessary. There was discussion about the items and why they were chosen.

- **MOTION (Hugo Bumgardner):** For Vaughn to proceed with purchasing the items listed.
- **SECOND:** Steve Zachmann
- **VOTE:** Four in favor, none opposed, one absent. **Vaughn will proceed with purchasing the suggested items for the Coldwell Field Sound System. \$1,251 will come out of EMEDA's restricted funds upon purchase. Any additional expense associated with purchasing the listed items will be donated by Rock Jocks Entertainment LLC.** Vaughn will update the board as to when the items have been acquired and plans for installation.

New Business:

EMEDA Board Handbook/ Board Duties: Chairperson Losing requested that Vaughn develop an EMEDA Board Handbook, a draft copy of which was emailed to the Board prior to the meeting. Considering the time, **Chairperson Losing suggested the Board review the draft copy and the topic would be brought up again at the February Monthly Meeting. There were no objections.**

EMEDA Quickbooks Subscription through SMART Cancellation: Director Zenko presented the Board with a written notification of SMART's intent to cancel EMEDA's Quickbooks subscription through SMART, as EMEDA is no longer utilizing it. There were no objections. **EMEDA's Quickbooks online subscription, through SMART, will be cancelled.** After consulting with Rachel's Accounting, SMART will export and retain all pertinent EMEDA data, and EMEDA will have access to the Quickbooks subscription for review or to reestablish the account for one year from the date the cancellation is complete.

Cleaning Work Day: Addressed previously in the meeting.

The board then turned its attention to scheduling a Special Meeting to address Childcare business related items brought up in this meeting. It was decided that a Special Meeting would be held on January 16, 2024 at

7pm at the Visitor Center to address childcare issues requiring additional information for a decision, specifically Start-Up Budget for Childcare Director and Incorporation of Baker Childcare and Early Learning Center.

Having no other business to attend to at this time, Steve Zachmann made a motion to adjourn. Cookie Zenko seconded. All present in favor. **Meeting adjourned at 10:48pm**

The EMEDA Special Meeting is scheduled for January 16, 2025 at 7pm at the Visitor Center.

The next EMEDA Monthly meeting is scheduled for February 4, 2025 at 7pm at the Visitor Center.

Tasha Losing, Chairman



Vaughn Zenko, Executive Director