BEARTOOTH
RESOURCE CONSERVATION AND DEVELOPMENT AREA, INC.

October 11, 2026

RE: Beartooth RC&D MOU COLA Increase

Dear Mayor Nelson and Members of the Billings City Council:

Two years ago, we shared that the Beartooth RC&D Board of Directors had recommended an adjustment to the per capita amount charged for economic development services. The proposed increase was from 19 cents to 29 cents per capita for the 2026 MOU. In recognition of Yellowstone County's larger population and contribution, we proposed a smaller adjustment of 7 cents per capita, bringing Yellowstone County's rate to 26 cents.

This increase is necessary to help offset rising operating costs since our last rate adjustment eight years ago. Significant growth in our loan and grant portfolios has increased annual audit expenses, while higher insurance premiums and software requirements for compliance and reporting have added additional costs.

We were mindful of the budget challenges facing Yellowstone County and its partner entities during the 2026 budget cycle and chose to defer the increase for one additional year. As a result, the Yellowstone County MOU, shared among Yellowstone County, the City of Billings, the City of Laurel, and Big Sky Economic Development, remained at 19 cents per capita for 2026. As previously communicated, the rate will increase to 26 cents per capita beginning with the 2027 MOU.

Beartooth RC&D remains committed to leveraging funding opportunities and providing economic development services that benefit our entire five-county region. We continue to operate as efficiently as possible while responding to growing demand for services and compliance requirements. We appreciate your partnership and support and look forward to continuing our work together in 2027 and beyond.

If you have any questions, please feel free to contact us at 406-962-3914.

Sincerely,

Myrna Lastusky

Myrna Lastusky
Project Manager / Interim Executive Director

Building Stronger Communities
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