

Great Falls Development Authority, Inc.
Financial Report
July 31, 2017

Page 1 – Statement of Financial Position:

Net assets decreased \$39,374 during the month ended July 31, 2017.

Cash restricted for loans and grants decreased \$5,391 during the month. One loan was closed during July in the principal amount of \$22,500.

Page 2 – Statement of Activities and Changes in Net Assets:

Private support revenues totaled \$2,120 for the month, a decrease of \$26,775 over July 2016.

Page 3 – Statement of Revenues and Expenses:

This statement segregates GFDA's lending activities, AgriTech Park, and the EPA Assessment Grant from its other activities.

The right-hand column reflects revenues and expenses for the previous fiscal year.

Page 4 – Statement of Revenues and Expenses by Month:

This statement reflects GFDA's revenues and expenses on a monthly basis for each of the last six months.

Significant expenses incurred during July include professional fees, professional training, travel, interest and real estate taxes.

Page 5 – Comparison with "Operating" Budget

This statement compares GFDA's actual results through July with a prorated budget amount for the "Operating" portion of GFDA's budget.

The total budget amount has been prorated primarily by using time (1 of 12 months), with exceptions for the grant revenues and expenses. TIF District reimbursements and expenses, if any, are not reflected on the budget comparison.

Total revenues through July were approximately \$41,200 less than the prorated budget amount with the most significant under budget item being Private Support revenues. Total expenses were approximately \$23,700 less than the prorated budget amount with significant over budget line items including memberships and dues and professional training.

Page 6 – Comparison with “Non-Operating” Budget

This statement compares GFDA’s actual results through July with a prorated budget amount for the “Non-Operating” portion of GFDA’s budget.

Page 7 – Statement of Cash Flows:

This statement reflects GFDA’s sources and uses of cash for each of the three months in the period ended July 31.

Page 8 – Accounts Receivable, Accounts Payable, Accrued Liabilities and Professional Fees

This page lists GFDA’s receivables, payables and accrued liabilities at July 31, 2017 and Professional Fee expenses recognized through July 31.

Pages 9 and 10 – AgriTech Park

Page 9 reflects activities with respect to the AgriTech Park for month ended July 31. Net expenses pertaining to the Park totaled \$14,940.

Page 10 reflects all activities with respect to the AgriTech Park from inception through July 31, 2017. Unrecovered costs on the project totaled \$691,466 exclusive of in-kind engineering fees in the amount of \$16,514.

Great Falls Development Authority, Inc.
Statement of Financial Position
July 31 and June 30, 2017

	<u>July 31,</u> <u>2017</u>	<u>June 30,</u> <u>2017</u>
Current Assets		
Cash and Cash Equivalents	\$ 61,070	\$ 421,966
Cash Restricted For Loans and Grants	680,409	685,890
Accounts Receivable	31,591	27,855
Accrued Interest Receivable	41,419	40,061
Current Portion of Loans Receivable (Net of Allowance for Doubtful Loans of \$19,000)	356,365	354,431
	<hr/>	<hr/>
Total Current Assets	1,170,854	1,530,203
Office Furniture and Equipment - Net	12,838	13,466
Noncurrent Portion of Loans Receivable (Net of Allowance for Doubtful Loans of \$495,050)	8,769,003	8,774,367
	<hr/>	<hr/>
Total Assets	\$ 9,952,695	\$ 10,318,036
	<hr/> <hr/>	<hr/> <hr/>
Current Liabilities		
Accounts Payable	\$ 93,411	\$ 119,585
Accrued Liabilities	92,071	95,518
Current Portion of Notes Payable	108,545	108,545
Deferred Grant Revenues	100,930	104,656
Due To High Plains Financial, Inc.	8,856	1,476
	<hr/>	<hr/>
Total Current Liabilities	403,813	429,780
Noncurrent Notes Payable		
First Interstate Bank Loan	-	300,000
MDOC - Microloan Note Payable	500,000	500,000
CDFI - Enterprise Fund	250,000	250,000
	<hr/>	<hr/>
Total Noncurrent Liabilities	750,000	1,050,000
	<hr/>	<hr/>
Net Assets		
Beginning of Year	8,838,256	7,767,581
Increase (Decrease) in Net Assets - Current Year	(39,374)	1,070,675
	<hr/>	<hr/>
Total Net Assets	8,798,882	8,838,256
	<hr/>	<hr/>
Total Liabilities and Net Assets	\$ 9,952,695	\$ 10,318,036
	<hr/> <hr/>	<hr/> <hr/>

Great Falls Development Authority, Inc.
Statement of Activities and Changes in Net Assets
For The Month Ended July 31, 2017

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Support and Revenues				
Private Support	\$ 2,120	\$ -	\$ -	\$ 2,120
Sponsorships	-			0
Public Support	-	-		0
Total Support	<u>2,120</u>	<u>-</u>	<u>-</u>	<u>2,120</u>
Grants	-	6,242	-	6,242
Contracts and Program Revenues	-	8,101	-	8,101
Interest	47	42,605	-	42,652
Fees and Miscellaneous Income	<u>1,184</u>	<u>117</u>	<u>-</u>	<u>1,301</u>
Total Support and Revenues	3,351	57,065	0	60,416
Net Assets Released				
From Restrictions	<u>57,065</u>	<u>(57,065)</u>	<u>-</u>	<u>-</u>
Total Support, Revenues and Reclassifications	<u>60,416</u>	<u>0</u>	<u>0</u>	<u>60,416</u>
Expenses				
Strategic Priorities				
Business Attraction and Expansion	16,398	-	-	16,398
Great Falls AgriTech Park	14,940	-	-	14,940
Business Technical Assistance	15,444	-	-	15,444
Fundraising	-	-	-	-
Grants	2,516	-	-	2,516
Lending and Finance	44,227	-	-	44,227
Management and General	<u>6,265</u>	<u>-</u>	<u>-</u>	<u>6,265</u>
Total Expenses	<u>99,790</u>	<u>-</u>	<u>-</u>	<u>99,790</u>
Change in Net Assets	(39,374)	0	0	(39,374)
Revolving Loan Fund Expenses In Excess of Earnings	(2,446)	2,384	62	
Net Assets, July 1, 2017	<u>3,032,886</u>	<u>1,052,954</u>	<u>4,752,416</u>	<u>8,838,256</u>
Net Assets, July 31, 2017	<u>\$ 2,991,066</u>	<u>\$ 1,055,338</u>	<u>\$ 4,752,478</u>	<u>\$ 8,798,882</u>

Great Falls Development Authority, Inc.
Statement of Revenues and Expenses
For the Months Ended July 31, 2017 and 2016

	Lending Activities	AgriTech	EPA - Assessment	All Other Activities	Month Ended 7-31-17	Month Ended 7-31-16
Private Support	\$	\$	\$	\$ 2,120	\$ 2,120	\$ 28,895
Sponsorships					0	
Public Support					0	
Support Collected				2,120	2,120	28,895
Program Revenues				8,101	8,101	7,107
Grants	3,726		1,600	916	6,242	41,210
Management	621				621	5,136
Interest	42,605			47	42,652	22,336
TIF Reimbursements					0	11,556
Miscellaneous Income	117			563	680	3,327
Sale of Agri-Tech Lots						
Total Income	47,069	0	1,600	11,747	60,416	119,567
Operating Expenses:						
Salaries and Wages	24,499		1,215	17,369	43,083	51,234
Payroll Expenses	7,769		385	6,149	14,303	12,559
Rent				3,421	3,421	3,421
Memberships and Dues				5,840	5,840	760
Business Development				(4,479)	(4,479)	1,881
Auto Expense				810	810	810
Depreciation				628	628	602
Insurance				1,880	1,880	1,867
Meeting Expenses				185	185	1,145
Professional Fees						
AgriTech Park		2,640			2,640	0
TIF Infrastructure					0	11,556
EPA Assessment Grant					0	32,844
Other	632			5,042	5,674	2,202
Grants					0	
Office Supplies, Computing & Copying				1,089	1,089	2,215
Postage				24	24	20
Professional Training				5,370	5,370	4,467
Publications				442	442	235
Other	66	145		44	255	321
Real Estate Taxes		5,360			5,360	5,120
Telephone				1,322	1,322	1,382
Travel				2,218	2,218	6,834
Allowance For Loan Losses					0	
Loan Servicing Fees					0	230
Interest	1,891	6,795		1,039	9,725	10,838
Expense Allocation	9,370			(9,370)		
Total Expenses	44,227	14,940	1,600	39,023	99,790	152,543
	\$ 2,842	\$ (14,940)	\$ 0	\$ (27,276)	\$ (39,374)	\$ (32,976)

Great Falls Development Authority, Inc.
Statement of Revenues and Expenses
By Month For Each of the Six Months Ended July 31, 2017

	July	June	May	April	March	February
Private Support	\$ 2,120	\$ 35,495	\$ 27,320	\$ 37,570	\$ 7,495	\$ 36,720
Sponsorships					400	10,000
Public Support						
Support Collected	2,120	35,495	27,320	37,570	7,895	46,720
Program Revenues	8,101	7,613	8,442	8,206	10,866	5,898
Grants	6,242	(78,976)	115,555	55,779	58,794	48,293
Management	621	8,918	7,248	4,166	4,352	914
Interest	42,652	41,905	40,603	41,753	41,719	37,480
TIF District Reimbursement		692			347	258,045
Miscellaneous Income	680	823	2,907	2,382	(2,008)	15,403
Total Income	60,416	16,470	202,075	149,856	121,965	412,753
Operating Expenses:						
Salaries and Wages	43,083	49,039	45,863	45,862	45,862	56,326
Payroll Expenses	14,303	13,654	14,044	14,849	15,340	14,549
Rent	3,421	3,422	3,421	3,422	3,421	3,422
Memberships and Dues	5,840	7,234	1,005	4,605	3,626	6,741
Business Development	(4,479)	11,299	10,395	2,547	1,381	1,728
Auto Expense	810	810	810	810	810	810
Bad Debts			18,327			
Depreciation	628	620	620	620	620	697
Insurance	1,880			669		
Meeting Expenses	185	1,800	149	819	5,186	423
Professional Fees						
AgriTech Park	2,640	4,720	985	1,326	3,956	940
AgriTech Park - TIF		692			347	258,045
EPA Assessment Grant		1,908	11,609	54,395	2,752	4,723
Other	5,674	10,931	14,632	16,220	4,673	11,333
Grants					1,050	
Office Supplies, Computing & Copying	1,089	853	2,263	1,950	1,247	984
Postage	24	108	30	109	48	295
Professional Training	5,370	616	745	3,107	773	2,666
Publications	442	1,725	273	1,295	380	686
Other	255	370	299	135	178	592
Real Estate Taxes	5,360	5,360	5,360	5,360	5,360	5,360
Telephone	1,322	1,343	1,297	1,340	1,334	1,543
Travel	2,218	14,196	3,728	4,711	7,874	7,075
Allowance For Loan Losses		183,450				
Loan Servicing Fees						
Interest	9,725	9,266	9,459	8,958	9,269	8,418
Total Expenses	99,790	323,416	145,314	173,109	115,487	387,356
	\$ (39,374)	\$ (306,946)	\$ 56,761	\$ (23,253)	\$ 6,478	\$ 25,397

Great Falls Development Authority, Inc.
 Comparison With 2017-18 "Operating" Budget
 Through the Month Ended July 31, 2017

	Total Through 7-31-17	Operating Budget		Over (Under) Budget
		Total	Prorated Thru 7-31-17	
Private Support	\$ 2,120	\$ 475,000	\$ 39,583	\$ (37,463)
Sponsorships	0			
Public Support	0	50,000		
Support Collected	2,120	525,000	39,583	(37,463)
Program Revenues	8,101	90,572	7,548	553
Management	621	30,500	2,542	(1,921)
Grant Management	0	5,000	417	(417)
MT Food & Ag Development Center		50,000		
MMEC Grant		65,000		
EPA Assessment Grant	1,600	92,457	1,600	
EPA RLF Grant	3,726	83,644	3,726	
Other Grants	916	38,512	3,209	(2,293)
Interest	42,652	480,000	40,000	2,652
Miscellaneous Income	680	36,100	3,008	(2,328)
Total Income	60,416	1,496,785	101,633	(41,217)
Operating Expenses:				
Salaries and Wages	43,083	620,273	51,689	(8,606)
Payroll Expenses	14,303	194,971	16,248	(1,945)
Rent	3,421	42,000	3,500	(79)
Memberships and Dues	5,840	40,000	3,333	2,507
Business Development	(4,479)	50,000	4,167	(8,646)
Auto Expense	810	9,720	810	
Depreciation	628	7,500	625	3
Insurance	1,880	20,000	1,667	213
Meeting Expenses	185	16,000	1,333	(1,148)
Professional Fees				
AgriTech Park	2,640	25,000	2,083	557
EPA Assessment Grant		81,888		
EPA RLF Grant	592	74,492	592	
MMEC		5,000		
Labor Survey Grant		21,012		
Other	5,082	80,500	6,708	(1,626)
Grants				
Office Supplies, Computing & Copying	1,089	27,000	2,250	(1,161)
Postage	24	1,000	83	(59)
Professional Training	5,370	32,000	2,667	2,703
Publications	442	9,500	792	(350)
Other	255	12,000	1,000	(745)
Real Estate Taxes	5,360	80,000	6,667	(1,307)
Telephone	1,322	17,800	1,483	(161)
Travel	2,218	59,799	4,983	(2,765)
Allowance For Loan Losses				
Loan Servicing Fees		1,500	125	(125)
Interest	9,725	128,500	10,708	(983)
Operating Expenses	99,790	1,657,455	123,514	(23,724)
	\$ (39,374)	\$ (160,670)	\$ (21,881)	\$ (17,493)

Great Falls Development Authority, Inc.
 Comparison With 2017-18 "Non-Operating" Budget
 Through the Month Ended July 31, 2017

	Total Through 7-31-17	Total Non-Operating Budget	Over (Under) Budget
Grants			
CDBG Grants	\$	\$ 40,000	\$ (40,000)
Total Grant Income	0	40,000	(40,000)
Total Expenses	0	0	0
	\$ 0	\$ 40,000	\$ (40,000)

Great Falls Development Authority, Inc.
Statement of Cash Flows

	<u>Month Ended 7-31-17</u>	<u>Month Ended 6-30-17</u>	<u>Month Ended 5-31-17</u>
Cash Flows From Operating Activities:			
Change in Net Assets	\$ (39,374)	\$ (306,946)	\$ 56,761
Adjustments To Reconcile Change in Net Assets to Net Cash Provided By Operating Activities:			
Depreciation	628	620	620
Increase (Decrease) in Bad Debts & Loan Losses		201,777	
(Increase) Decrease in Operating Assets:			
Accounts Receivable	(3,736)	10,268	(7,811)
Accrued Interest Receivable	(1,358)	5,006	6,976
Increase (Decrease) in Operating Liabilities:			
Accounts Payable	(26,174)	1,295	(9,627)
Accrued Liabilities	(3,447)	9,508	(31,950)
Deferred Grant Revenues	(3,726)	83,644	21,012
Due To High Plains Financial, Inc.	7,380	5	(4,707)
	<u>(69,807)</u>	<u>5,177</u>	<u>31,274</u>
Cash Flows From Investing Activities:			
Principal Payments Received on Notes Receivable	25,930	23,836	123,259
Loans Made To Third Parties	(22,500)	(74,881)	(154,500)
Purchase of Office Equipment & Furniture			
	<u>3,430</u>	<u>(51,045)</u>	<u>(31,241)</u>
Cash Flows From Financing Activities:			
Loan Proceeds		300,000	
Principal Payments Made on Loans	(300,000)	(7,019)	(3,848)
(Increase) Decrease in Cash			
Restricted For Loans, Grants & TIF Infrastructure	<u>5,481</u>	<u>46,860</u>	<u>(49,086)</u>
Net Cash Provided (Used) By Financing Activities	<u>(294,519)</u>	<u>339,841</u>	<u>(52,934)</u>
Net Increase (Decrease) in Cash	(360,896)	293,973	(52,901)
Unrestricted Cash, Beginning	421,966	127,993	180,894
Unrestricted Cash, Month End	<u>\$ 61,070</u>	<u>\$ 421,966</u>	<u>\$ 127,993</u>

Great Falls Development Authority, Inc.
Accounts Receivable, Accounts Payable, Accrued Liabilities and Professional Fees
July 31, 2017

	<u>Receivables</u>
PTAC Program	5,251
SBDC Program	5,447
City of Great Falls - BSTF Management	5,830
EPA Assessment Grant	1,600
Specialty Crop Block Grant	1,191
TIF Reimbursement	12,272
	31,591
	31,591

	<u>Payables</u>
CM Russell Museum - EPA Grant	19,448
Church, Harris Johnson & Williams	2,077
Dell Business Credit	12,110
Falcon, Lester & Schaff, P.C.	26,541
GIS Planning	5,000
TD & H	2,800
Wells Fargo - Credit Cards	19,809
Other Accounts Payable	5,626
	93,411
	93,411

	<u>Accrued Liabilities</u>
Interest	8,163
Real Estate Taxes	37,520
Payroll (Paid After Month-End)	21,542
Paid Time Off, Etc.	24,846
	92,071
	92,071

	<u>Professional Fees</u>
Accounting Fees	1,925
Various Vendors - EPA RLF	592
Dimitir's Collection - Falcon, Lester & Schaff, P.C.	40
AgriTech Park - Falcon, Lester & Schaff, P.C.	2,640
TIF Infrastructure	
EPA Assessment Grant	
Other Professional Fees	3,117
	8,314
	8,314

Great Falls Development Authority, Inc.

AgriTech Park

July 1, 2017 Through July 31, 2017

	<u>BSTF</u>	<u>GTA</u>	<u>HUD #2 (f/k/a Rail Spur Sewer Main)</u>	<u>HUD #4</u>	<u>TIF District</u>	<u>GFDA All Other</u>	<u>Total</u>
Cascade County							0.00
Grant Income							0.00
Sale of Lots - Net of Option							0.00
TIF District Reimbursement							0.00
In Kind Contributions							0.00
Total Income	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Engineering							0.00
Engineering - TIF District							0.00
Construction							0.00
Consulting & Other							0.00
Legal						2,640.00	2,640.00
Grants Awarded							0.00
Rail Crossing							0.00
Engineering - In-Kind							0.00
Appraisal, etc.							0.00
Application Fees							0.00
Salaries							0.00
Payroll Expenses							0.00
Advertising							0.00
Other Expenses						145.49	145.49
Travel							0.00
Real Estate Taxes						5,360.00	5,360.00
Interest						6,794.53	6,794.53
Admin Allocation							0.00
Total Expenses	0.00	0.00	0.00	0.00	0.00	14,940.02	14,940.02
Net	0.00	0.00	0.00	0.00	0.00	(14,940.02)	(14,940.02)

Great Falls Development Authority, Inc.
AgriTech Park

From Inception Through July 31, 2017

	BSTF	GTA	HUD #2 (f/k/a Rail Spur (Sewer Main)	HUD #4	TIF District	GFDA All Other	Total	Collected and/or Paid	Receivable and/or Payable
Cascade County Grant Income	25,000.00						25,000.00	25,000.00	
Sale of Lots - Net of Option		50,000.00	326,600.00	370,000.00		0.00	771,600.00	771,600.00	
TIF District Reimbursement					2,356,593.93	730,620.24	730,620.24	730,620.24	
In Kind Contributions						3,675.00	3,675.00	3,675.00	12,272.26
Total Income	50,000.00	50,000.00	326,600.00	370,000.00	2,356,593.93	734,295.24	3,887,489.17	3,875,216.91	12,272.26
Engineering	50,000.00	50,000.00		20,254.60		173,653.28	293,907.88	291,107.88	2,800.00
Engineering - TIF District					2,355,596.85		2,355,596.85	2,355,596.85	
Construction			331,130.50	348,981.75			680,112.25	680,112.25	
Consulting & Other						7,401.00	7,401.00	7,401.00	
Legal						204,839.20	204,839.20	176,261.28	28,577.92
Grants Awarded						56,378.00	56,378.00	56,378.00	
Rail Crossing						4,000.00	4,000.00	4,000.00	
Engineering - In-Kind						16,513.79	16,513.79	16,513.79	
Appraisal, etc.						2,075.00	2,075.00	2,075.00	
Application Fees						4,128.00	4,128.00	4,128.00	
Salaries				4,629.35		387,058.78	391,688.13	391,688.13	
Payroll Expenses				1,226.25		96,157.70	97,383.95	97,383.95	
Advertising				183.00	997.08	6,433.41	7,613.49	7,613.49	
Other Expenses						4,202.79	4,202.79	4,057.30	145.49
Travel						148.58	148.58	148.58	
Real Estate Taxes						253,091.63	253,091.63	215,571.63	37,520.00
Interest						125,260.24	125,260.24	118,465.71	6,794.53
Admin Allocation				2,034.40		89,093.36	91,127.76	91,127.76	
Total Expenses	50,000.00	50,000.00	331,130.50	377,309.35	2,356,593.93	1,430,434.76	4,595,468.54	4,519,630.60	75,837.94
Net	0.00	0.00	(4,530.50)	(7,309.35)	0.00	(696,139.52)	(707,979.37)		