

GFDA FY 2020 Budget

Approved 12/5/19

	<i>FY 2020 Budget</i>	<i>FY 2019 Actual</i>	<i>Difference</i>	<i>Percent Increase</i>	
REVENUE					
Investment	525,000	470,593	54,407	12%	Aspirational Goal of \$600,000
Generated Revenue					
AgriTech Park	-	-	-	0%	Assumes no lot sales
AgriTech TIF Reimbursement	315,000	534,233	(219,233)	-41%	See Schedule
BID	24,500	-	24,500	100%	Signed contract
FADC, PTAC & SBDC	250,819	202,188	48,631	24%	See Schedule
HPF Management	60,000	42,579	17,421	41%	See Schedule
Lending Interest & Fees	580,000	565,553	14,447	3%	See Schedule
Project Grants	516,072	180,974	335,098	185%	See Schedule
Client Grant Management	-	750	(750)	-100%	Assumes no new client grants
Events and Miscellaneous	-	7,662	(7,662)	-100%	Assumes no event revenue
Sponsorship	15,000	10,000	5,000	50%	Aspirational Goal of \$25,000
	<u>1,761,391</u>	<u>1,543,939</u>	<u>217,452</u>	<u>14%</u>	
Loan Capital Grants	1,051,267	588,105	463,162	79%	See Schedule
CDFI Loan Forgiveness	-	250,000	(250,000)	-100%	N/A
	-				
Total Revenue	3,337,658	2,852,637	485,021	17%	
EXPENSE					
Staff					
Payroll	909,900	751,111	158,789	21%	See Schedule
Benefits	254,769	205,822	48,947	24%	28% on average
Professional Development	45,000	33,520	11,480	34%	Due to increase from 11 to 15 FTE
	<u>1,209,669</u>	<u>990,453</u>	<u>219,216</u>	<u>22%</u>	
Operations					
Auto	10,400	9,720	680	7%	
Communication	25,000	19,073	5,927	31%	Phone, mail, delivery
Depreciation	28,000	24,820	3,180	13%	
Insurance	19,000	18,103	897	5%	
Meetings & Events	25,000	21,143	3,857	18%	Hosted events & meetings
Office	71,000	55,302	15,698	28%	Full fiscal year in new office
Operating Debt Interest & Fees	22,000	22,764	(764)	-3%	
Professional Fees	40,000	39,446	554	1%	Audit, tax returns, legal, etc.
Supplies, Computing & Copying	30,000	26,454	3,546	13%	
Miscellaneous	15,500	14,981	519	3%	
	<u>285,900</u>	<u>251,806</u>	<u>34,094</u>	<u>14%</u>	
Business Development					
Marketing	51,000	31,913	19,087	60%	See Schedule
Memberships & Subscriptions	60,000	55,242	4,758	9%	See Schedule
Professional Fees	50,000	67,409	(17,409)	-26%	See Schedule
Publications	2,000	1,466	534	36%	
Travel	85,000	65,469	19,531	30%	See Schedule
	<u>248,000</u>	<u>221,499</u>	<u>26,501</u>	<u>12%</u>	
Lending					
Allowance for Loan Losses	100,000	264,475	(164,475)	-62%	Estimate based on lending volume
Loan Capital Interest	26,000	26,846	(846)	-3%	Assumes no new borrowing
Brownfield Loan Capital Grants	-	65,029	(65,029)	-100%	Assumes no grants to clients
Professional Fees & Misc.	60,500	9,378	51,122	545%	See Schedule
	<u>186,500</u>	<u>365,728</u>	<u>(179,228)</u>	<u>-49%</u>	
Projects					
AgriTech Park	196,458	222,578	(26,120)	-12%	See Schedule
Agritech TIF Reimbursement	315,000	534,233	(219,233)	-41%	Equals TIF reimbursement revenue
Brownfield Assessment	236,267	46,807	189,460	405%	See Schedule
Yes for Cascade County Jobs	-	4,800	(4,800)	-100%	N/A
	<u>747,725</u>	<u>808,418</u>	<u>(60,693)</u>	<u>-8%</u>	
Total Expense	2,677,794	2,637,904	39,890	2%	
NET INCOME	<u><u>659,864</u></u>	<u><u>214,733</u></u>	<u><u>445,131</u></u>	<u><u>207%</u></u>	

October Budget Comparison

11/13/19	October 2019	Total Through 10/31/19	FY 2020 Budget	Prorated Thru 10/31/19	Over (Under) Budget
REVENUE					
Investment	40,224	213,875	525,000	175,000	38,875
Generated Revenue					
AgriTech Park	0	0	0	0	0
AgriTech TIF Reimbursement	0	0	315,000	105,000	(105,000)
BID	0	0	24,500	8,167	(8,167)
FADC, PTAC & SBDC	22,370	85,955	250,819	83,606	2,349
HPF Management	2,000	9,000	60,000	20,000	(11,000)
Lending Interest & Fees	49,605	202,857	580,000	193,333	9,524
Project Grants	104,736	225,590	516,072	172,024	53,566
Client Grant Management	0	0	0	0	0
Events and Miscellaneous	0	0	0	0	0
Sponsorship	0	0	15,000	5,000	(5,000)
	<u>178,712</u>	<u>523,402</u>	<u>1,761,391</u>	<u>587,130</u>	<u>(63,728)</u>
Loan Capital Grants	0	170,000	1,051,267	350,422	(180,422)
CDFI Loan Forgiveness	0	0	0	350,422	(180,422)
Total Revenue	218,936	907,277	3,337,658	1,462,975	(385,698)
EXPENSE					
Staff					
Payroll	67,360	258,440	909,900	303,300	(44,860)
Benefits	18,586	75,816	254,769	84,923	(9,107)
Professional Development	7,032	18,239	45,000	15,000	3,239
	<u>92,977</u>	<u>352,495</u>	<u>1,209,669</u>	<u>403,223</u>	<u>(50,728)</u>
Operations					
Auto	810	3,240	10,400	3,467	(227)
Communication	1,300	5,710	25,000	8,333	(2,624)
Depreciation	2,041	8,026	28,000	9,333	(1,307)
Insurance	2,199	4,169	19,000	6,333	(2,164)
Meetings & Events	663	2,158	25,000	8,333	(6,176)
Office	5,881	23,524	71,000	23,667	(143)
Operating Debt Interest & Fees	1,335	5,458	22,000	7,333	(1,875)
Professional Fees	0	16,117	40,000	13,333	2,784
Supplies, Computing & Copying	3,423	7,610	30,000	10,000	(2,390)
Miscellaneous	2,993	5,632	15,500	5,167	465
	<u>20,644</u>	<u>81,643</u>	<u>285,900</u>	<u>95,300</u>	<u>(13,657)</u>
Business Development					
Marketing	4,943	10,498	51,000	17,000	(6,502)
Memberships & Subscriptions	3,293	30,384	60,000	20,000	10,384
Professional Fees	2,910	5,070	50,000	16,667	(11,597)
Publications	458	1,133	2,000	667	466
Travel	8,004	16,689	85,000	28,333	(11,645)
	<u>19,609</u>	<u>63,773</u>	<u>248,000</u>	<u>82,667</u>	<u>(18,893)</u>
Lending					
Allowance for Loan Losses	0	0	100,000	33,333	(33,333)
Loan Capital Interest	1,670	6,821	26,000	8,667	(1,845)
Brownfield Loan Capital Grants	0	0	0	0	0
Professional Fees & Misc.	1,868	3,267	60,500	20,167	(16,900)
	<u>3,538</u>	<u>10,088</u>	<u>186,500</u>	<u>62,167</u>	<u>(52,078)</u>
Projects					
AgriTech Park	13,146	54,733	196,458	65,486	(10,754)
Agritech TIF Reimbursement	0	0	315,000	105,000	(105,000)
Brownfield Assessment	93,793	149,125	236,267	78,756	70,370
Yes for Cascade County Jobs	0	0	0	0	0
	<u>106,939</u>	<u>203,858</u>	<u>747,725</u>	<u>249,242</u>	<u>(45,384)</u>
Total Expense	243,708	711,857	2,677,794	892,598	(180,741)
NET INCOME	(24,772)	195,420	659,864	570,377	(204,957)

BUDGET SCHEDULES - INCOME

AgriTech TIF Reimbursement	Based on 85% of projected tax revenue taken from 2019 tax bills per Development Agreement.
FADC, PTAC & SBDC	Based on signed contracts for FADC and PTAC for fiscal year, signed contract for first half of fiscal year and anticipated 2020 contract for SBDC.
	65,000 Food & Ag Development Center (FADC) contract
	73,819 Procurement Technical Assistance Center (PTAC) contract
	107,000 Small Business Development Center (SBDC) contracts
	<u>5,000</u> SBDC program income projection based on average annual income
	250,819
HPF Management	Assumes closing loans already approved by SBA and scheduled to close this fiscal year. GFDA is paid 75% of gross service fees earned by HPF per service agreement.
Lending Interest & Fees	Assumes current outstanding loans and \$2 million in new loans
	510,000 Interest on currently outstanding loans
	30,000 Fees on new loans at blended rate of 1.5%
	<u>40,000</u> Interest on new loans at blended rate of 6% for 4 months
	580,000
Project Grants	Assumes only grant awards already signed.
	23,812 EPA RLF Deferred Grant Revenue \$23,812 (Hazardous)
	129,293 EPA RLF Non loan capital funds \$102,975 (Hazardous) \$26,318 (Petroleum)
	236,267 EPA Assessment Grant #901 \$164,959 (Hazardous) \$71,308 (Petroleum)
	18,700 Montana Pulse Committee
	78,000 CDFI 2019 assume 80% of grant this FY at 15% for ops
	<u>30,000</u> CDFI 181FA022764
	516,072
Loan Captial Grants	Assumes only grant awards already signed.
	170,000 CDFI 181FA022764
	442,000 CDFI 2019 assume 80% of grant this FY at 85% for loan K
	<u>439,267</u> EPA RLF \$353,304 (Hazardous) \$85,963 (Petroleum)
	1,051,267

BUDGET SCHEDULES - EXPENSE

Staff

Payroll Includes cost of living increase of 1.9% based on 2018 CPI.
 Includes \$30,000 merit salary increases and bonuses based on productivity growth.
 Assumes replacement of lending position by December 1st.
 Includes four new FTE positions:
 Business Development Officer -- start date October 1st
 Rural Business Advisor -- start dated October 14th
 Downtown Business Development Officer -- start date December 1st
 Talent Attraction Director -- start date December 1st

Business Development

Marketing Includes business development event registrations, marketing materials, internet, sponsorships and advertising.

\$19,000 increase to fund increased marketing to launch talent attraction effort, a campaign to build Top 10 distribution, and more rural marketing events.

Partnerships/Memberships/
Subscriptions

Includes partnership investments in Montana Defense Alliance, Downtown Development Partnership, Airline Marketing Fund & MT Infrastructure Coalition. Includes memberships in targeted trade associations and subscriptions to online systems and tools such as Social Toaster, GIS Planning, Sizeup and JobsEQ
 \$5,000 increase to fund Airline Marketing Fund, memberships in rural chambers, and increase cost of online tools.

Professional Fees

Includes web design, photography, videography, lead generation, market research services, and public relations.
 Includes estimated \$20,000 for transload marketing effort consultant.
 \$17,000 reduction from prior fiscal year due to stopping public relations consultant and one time expense for Salesforce formatting.

Travel

Includes all business development travel expenses other than event registrations.
 \$20,000 increase to account for inflation and \$18,700 one-time travel expense funded by Montana Pulse Committee.

Lending

Professional Fees & Misc.

3,000	Legal estimate.
1,000	Misc. lending fees based on average years.
19,500	Brownfield engineering fees paid by EPA.
25,000	CDFI FA and Capital Magnet grant applications
12,000	Consultant support to update lending policies and procedures.
<u>60,500</u>	

Projects

AgriTech Park

52,358	Property taxes on lots 6A, 7, 8, 9 and 10 based on received tax bills.
111,000	Interest on in-house infrastructure loans
8,100	Interest on term loan for power line raising.
15,000	Legal fee estimate to amend option agreement and misc.
5,000	Appraiser fees to amend option agreement
<u>5,000</u>	Engineering fees for misc.
196,458	

Brownfield Assessment

Engineering professional fees paid by EPA grant.