

GFDA Financial Report December 2019

1/10/20 (Financials as of December 31, 2019)

This financial report includes GFDA's wholly owned subsidiary AgriTech Park LLC.

It does not include High Plains Financial or AgriTech Park Association which are separate entities.

Highlights

Net Assets	\$9,722,610	
Fiscal Year Net Income	\$293,545	
Less TIF Reimb.	<u>(\$159,912)</u>	to be paid out in January
	\$133,633	
Operating Surplus (Deficit)	\$123,545	net income less loan capital grants, and allowance for loan losses
TIF Reimbursement	<u>\$ (159,912)</u>	
	(\$36,367)	Adjusted operating deficit
Days unrestricted operating cash	154 days	

December was a strong month for investment with \$49,541 collected and an additional \$5,000 in sponsorship revenue. Generated revenue is running \$22,481 ahead of budget.

In the first six months of the fiscal year, we collected investment totalling \$302,941 which is 58% of our budget and just over 50% of our aspirational \$600,000 goal.

We received \$159,912 in tax increment financing (TIF) reimbursement from the City in December which we paid out in early January, so have adjusted the net income and operating deficit numbers above to more accurately reflect our performance.

An operating deficit of \$36,367 for our first six months is pretty good, but this will grow closer to budget because of the staff we have added.

The TIF reimbursement payment brings total reimbursed to date to \$715,536 for AgriTech Park infrastructure investments. The balance outstanding after this most recent payment is \$3,810,476. We expect to receive the next payment in June which will be in the same amount of \$159,912. Of the total reimbursed to date, \$27,548 has gone to pay down the loan we borrowed to raise the electric transmission line, \$395,262.05 has gone to pay down the loans we made to Park tenants for the infrastructure, and \$292,726 has gone to partially pay back the funds Pacific Steel & Recycling invested in the infrastructure.

As of 1/11/20, the principal balance of the loan we owe for the AgriTech Park is \$96,798 and the balance of our term loan is \$267,231. We will have these both paid off three years from this month unless we accelerate payoffs with lot sales.

We have met the required 1:1 match for the new \$650,000 CDFI Financial Award and expect to receive the first tranche of funds by the end of this quarter.

We have been recertified as of MicroBusiness Development Corporation by the Montana Department of Commerce and expect to receive loan documents this month extended our \$500,000 loan for this loan fund for another 4 years. This will allow us to move the debt from current liability to longterm liability.

GFDA BALANCE SHEET
December 31, 2019

	<u>December 31,</u> <u>2019</u>	<u>June 30,</u> <u>2019</u>
Current Assets		
Cash and Cash Equivalents	\$ 1,237,253	\$ 1,248,863
Cash Restricted For Loans and Grants	733,629	559,810
Accounts Receivable	31,729	24,671
AgriTech TIF Receivable	0	140,099
Accrued Interest Receivable	89,435	47,827
Current Portion of Loans Receivable (Net of Allowance for Doubtful Loans of \$66,119)	<u>2,614,795</u>	<u>2,075,863</u>
 Total Current Assets	 4,706,842	 4,097,133
 AgriTech TIF Receivable - Long-Term Assets	 140,099	 0
 Office Furniture and Equipment - Net	 94,126	 98,388
 Noncurrent Portion of Loans Receivable (Net of Allowance for Doubtful Loans of \$792,356)	 <u>6,349,969</u>	 <u>6,900,354</u>
 Total Assets	 <u>\$ 11,291,036</u>	 <u>\$ 11,095,875</u>
 Current Liabilities		
Accounts Payable	\$ 50,102	\$ 50,814
Accrued Liabilities	150,776	138,624
Current Portion of Notes Payable	156,677	653,323
MDOC - Microloan Note Payable	500,000	
Deferred Grant Revenues	0	23,852
Funds Held in Trust	6,342	9,689
Due To High Plains Financial, Inc.	<u>(7,573)</u>	<u>(6,527)</u>
 Total Current Liabilities	 856,324	 869,776
 Noncurrent Notes Payable		
MDOC - Microloan Note Payable	0	0
USDA-IRP	373,131	400,960
MBOI-IRP	92,549	95,393
First Interstate Bank Loan-#2372	60,809	74,275
First Interstate Bank Loan-#628	<u>185,612</u>	<u>226,407</u>
 Total Noncurrent Liabilities	 <u>712,101</u>	 <u>797,034</u>
 Net Assets		
Beginning of Year	9,429,065	9,214,332
Increase (Decrease) in Net Assets - Current Year	<u>293,545</u>	<u>214,733</u>
 Total Net Assets	 <u>9,722,610</u>	 <u>9,429,065</u>
 Total Liabilities and Net Assets	 <u>\$ 11,291,036</u>	 <u>\$ 11,095,875</u>

GFDA INCOME/EXPENSE
December 31, 2019

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	December 2019	Total Through 12-31-2019	Operating Budget		Over (Under) Budget
			Total	Prorated Thru 12-31-19	
REVENUE					
Investment	\$ 49,541	302,941	\$ 525,000	\$ 262,500	\$ 40,441
GENERATED REVENUE					
AgriTech Park	0	0	0	0	0
AgriTech Park City TIF Reimbursement	159,912	159,912	315,000	157,500	2,412
BID	0	0	24,500	12,250	(12,250)
FADC, PTAC, SBDC & Coop	21,342	130,307	250,819	125,410	4,897
HPF Management	3,500	16,000	60,000	30,000	(14,000)
Lending Interest & Fees	58,516	310,755	580,000	290,000	20,755
Project Grants	14,202	280,487	516,072	258,036	22,451
Client Grant Management	0	0	0	0	0
Events and Miscellaneous	0	716	0	0	716
Sponsorship	5,000	5,000	15,000	7,500	(2,500)
	<u>262,471</u>	<u>903,176</u>	<u>1,761,391</u>	<u>880,696</u>	<u>22,481</u>
Loan Capital Grants	0	170,000	1,051,267	525,634	(355,634)
	<u>0</u>	<u>170,000</u>	<u>1,051,267</u>	<u>525,634</u>	<u>(355,634)</u>
Total Revenue	312,012	1,376,117	3,337,658	1,668,829	(292,712)
EXPENSE					
Staff					
Salaries and Wages	74,161	413,471	909,900	454,950	(41,479)
Payroll Expenses & Benefits	20,418	114,897	254,769	127,385	(12,488)
Professional Development	4,250	26,835	45,000	22,500	4,335
	<u>98,828</u>	<u>555,202</u>	<u>1,209,669</u>	<u>604,835</u>	<u>(49,632)</u>
Operations					
Auto	899	5,038	10,400	5,200	(162)
Communication	1,678	9,486	25,000	12,500	(3,014)
Depreciation	2,132	12,251	28,000	14,000	(1,749)
Insurance	3,949	14,467	19,000	9,500	4,967
Meetings	332	4,201	25,000	12,500	(8,299)
Office	5,979	35,383	71,000	35,500	(117)
Operating Debt Interest & Fees	1,318	8,080	22,000	11,000	(2,920)
Professional Fees	14,395	32,560	40,000	20,000	12,560
Supplies, Computing & Copying	2,851	11,438	30,000	15,000	(3,562)
Miscellaneous	4,395	11,722	15,500	7,750	3,972
	<u>37,928</u>	<u>144,626</u>	<u>285,900</u>	<u>142,950</u>	<u>1,676</u>
Business Development					
Marketing	8,717	19,949	51,000	25,500	(5,551)
Memberships & Subscriptions	9,796	50,513	60,000	30,000	20,513
Professional Fees	300	6,470	50,000	25,000	(18,530)
Publications	44	1,549	2,000	1,000	549
Travel	3,651	23,310	85,000	42,500	(19,190)
	<u>22,508</u>	<u>101,791</u>	<u>248,000</u>	<u>124,000</u>	<u>(22,209)</u>
Lending					
Allowance For Loan Losses	0	0	100,000	50,000	(50,000)
Loan Capital Interest	1,647	10,116	26,000	13,000	(2,884)
Brownfield Loan Capital Grants	0	0	0	0	0
Professional Fees & Misc.	1,050	5,023	60,500	30,250	(25,227)
	<u>2,697</u>	<u>15,139</u>	<u>186,500</u>	<u>93,250</u>	<u>(78,111)</u>
Projects					
AgriTech Park	12,609	79,697	196,458	98,229	(18,532)
AgriTech Park TIF Reimbursement	0	0	315,000	157,500	(157,500)
Brownfield Assessment	5,792	186,115	236,267	118,134	67,982
Yes for Cascade County Jobs	0	0	0	0	0
	<u>18,402</u>	<u>265,813</u>	<u>747,725</u>	<u>373,863</u>	<u>(108,050)</u>
Total Expense	180,364	1,082,572	2,677,794	1,338,897	(256,325)
Net Income	131,648	293,545	659,864	329,932	(36,387)
Less Loan Capital Grants	0	(170,000)	(1,051,267)		
Operating Surplus (Deficit)	131,648	123,545	(391,403)		

GFDA CASH BALANCES
December 31, 2019

	12/31/19	6/30/19
Unrestricted Cash		
Bank Accounts		
Operating - (GFDA FIB 8023)	95,624.36	239,194.58
AgriTech Park - (ATP FIB 7780)	161,309.93	864.49
Enterprise - 4211 - (GFDA Lending)	1,034.18	1,031.97
Enterprise - 6937 - (GFDA Lending)	979,284.78	1,007,771.85
	1,237,253.25	1,248,862.89
Less TIF Reimbursement to be Paid Out in January	(159,912.00)	
	1,077,341.25	
Days Operating Cash		
Annual Budget Expense	2,677,794.00	
Less Depreciation	(28,000.00)	
Less Allowance for Loan Losses	(100,000.00)	
Less Brownfield Loan Capital Grants	0.00	
	2,549,794.00	
Operating Budget	2,549,794.00	
Daily Operating Expense (365 days)	6,985.74	
Days Unrestricted Operating Cash	154	days operating cash

	Restricted Cash
Programs	
SBDC	10,973.24
EDA RLF	217,995.85
EPA Assessment - (GFDA FIB 3008)	77.65
EPA RLF	50,024.45
CDBG - City EDA RLF	3,484.27
CDBG - Cascade County RLF	26,457.59
Downtown RLF	143,844.16
CDBG - City RLF	46,304.68
MicroBusiness RLF	123,941.08
IRP RLF	110,526.39
	733,629.36