

## GFDA Financial Report December 2020

1/13/21 (Financials as of December 31, 2020)

*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

	<i>As of</i> 12/31/20	<i>As of</i> 12/31/19	<i>Difference</i>		
Net Income Fiscal Year to Date	385,838	293,545	92,293		
Revenue Above (Below) Prorated Budget	131,327	22,481	108,846		
Expenses Above (Below) Prorated Budget	(179,037)	(256,325)	77,288		
Days Unrestricted Operating Cash	167	154	13	Minimum Target:	180
Investment Paid Fiscal Year to Date	261,418	302,941	(41,523)		
Investment Paid % of Budget	62%	48%	14%		

Net assets climbed above \$10 million as we continue to strengthen our financial position. Liabilities increased because of the \$540,000 held in trust -- funds received from the Montana Board of Investments to pay down three Working capital Program loans we expect to close in January.

Revenue is running above budget, however, our budget will need to be revised again to take into account greater than expected income from grants and the Agritech Park infrastructure reimbursement. These items include the \$10,000 CARES Act business adaptability grant, \$130,983 in AgriTech Park infrastructure reimbursement over budget, \$11,281 in CDFI operating grant funds over budget, and \$63,924 in CDFI loan capital grant funds over budget. When these items are taken into account, revenue is \$84,861 under budget, primarily due to lending interest revenue running \$81,769 behind budget and HPF management running \$24,000 behind budget. We expect those numbers to stabilize as we close a number of loans this quarter.

Expenses are running \$179,037 under budget, however, when you factor in the additional \$130,983 in AgriTech Park infrastructure reimbursement, expenses are actually \$283,054 under budget. Management plans to present recommended budget revisions later this quarter, after we learn how much we should anticipate from the new CDFI non-competitive financial award.

December was a strong month for investment with \$50,175 paid. Investment in the first six months of the fiscal year totaled \$261,418, 62% of budget.

Unrestricted operating cash is running slightly below target at 167 days. That should improve with expected loan repayments this quarter.

We have closed the Wells Fargo credit card account. We expect to close on a new \$300,000 line of credit for our downtown loan fund by the end of January, replacing the old \$300,000 line.

We continue efforts to secure additional loan capital to meet needs for spring construction project loans.

The CDFI Fund has requested additional documentation as part of its investment match audit. We plan to provide the additional documentation by the end of January. The Executive Committee approved extending our three year audit and tax return preparation contract with Douglas Wilson & Co. by one year, after which will issue an RFP for the next three years.

Today, the U.S. Economic Development Administration issued its risk rating of our longstanding EDA revolving loan fund. Once again we received an "A" rating, the highest possible. The rating is based on our RLF reporting through June 30, 2020.

**GFDA Balance Sheet**  
**December 31, 2020**

	December 31, 2020	June 30, 2020
<b>Current Assets</b>		
Cash and Cash Equivalents	\$ 2,474,941	\$ 1,188,789
Cash Restricted For Loans and Grants	2,544,804	2,416,984
Accounts Receivable	104,727	191,009
Accrued Interest Receivable	117,862	102,012
Due from High Plains Financial	2,687	10,544
Current Portion of Loans Receivable (Net of Allowance for Doubtful Loans of \$51,903)	2,916,214	2,883,220
<b>Total Current Assets</b>	8,161,236	6,792,559
 AgriTech TIF Receivable - Long-Term Assets	 117,216	 127,688
 Office Furniture and Equipment - Net	 73,698	 84,022
 Noncurrent Portion of Loans Receivable (Net of Allowance for Doubtful Loans of \$1,491,232)	 3,904,360	 4,337,597
 <b>Total Assets</b>	\$ 12,256,510	\$ 11,341,866
 <b>Current Liabilities</b>		
Accounts Payable	\$ 26,409	\$ 18,530
Accrued Liabilities	132,853	144,915
Current Portion of Notes Payable	162,163	160,611
First Interstate Bank PPP Loan #1870-0	0	84,178
Deferred Grant Revenues	0	0
Funds Held in Trust	555,415	11,903
<b>Total Current Liabilities</b>	876,840	420,137
 Noncurrent Notes Payable		
MDOC - Microloan Note Payable	500,000	500,000
Enterprise Fund - CDFI 201FA	280,975	
USDA-IRP	344,980	373,088
MBOI-IRP	86,761	89,662
First Interstate Bank PPP Loan #1870-0	0	107,220
First Interstate Bank Loan-#2372	0	26,724
First Interstate Bank Loan-#628	98,790	142,710
<b>Total Noncurrent Liabilities</b>	1,311,506	1,239,403
<b>Total Liabilities</b>	2,188,347	1,659,541
 <b>Net Assets</b>		
Beginning of Year	9,682,325	9,440,255
Increase (Decrease) in Net Assets - Current Year	385,838	242,070
<b>Total Net Assets</b>	10,068,163	9,682,325
 <b>Total Liabilities and Net Assets</b>	\$ 12,256,510	\$ 11,341,866

**GFDA INCOME/EXPENSE**  
**December 31, 2020**

	6 December 2020	FY Total Through 12/31/20	FY 2021 Budget	% of Budget Fiscal Year to Date	FY 2021 Prorated Through 12/30/20	Over (Under) Budget
<b>REVENUE</b>						
Investment	50,175	261,418	425,000	62%	212,500	48,918
<b>GENERATED REVENUE</b>						
AgriTech Park	0	0	0	#DIV/0!	0	0
AgriTech Park TIF Reimbursement	261,517	261,517	315,000	83%	157,500	104,017
BID	3,290	18,804	38,500	49%	19,250	(446)
<b>FADC, PTAC &amp; SBDC</b>						
Food & Ag Development Center	5,417	32,500	65,000	50%	32,500	(0)
Procurement Tech Assistance	5,278	34,879	74,000	47%	37,000	(2,121)
Small Business Dev Center	10,760	65,906	129,117	51%	64,559	1,347
SBDC COVID	12,297	55,265	86,882	64%	43,441	11,824
SBDC Program Income	0	480	5,000	10%	2,500	(2,020)
<i>FADC, PTAC &amp; SBDC Total</i>	33,752	189,030	359,999	2	180,000	9,030
HPF Management	0	9,000	66,000	14%	33,000	(24,000)
Lending Interest & Fees	33,200	222,031	607,600	37%	303,800	(81,769)
<b>Project Grants</b>						
State CARES Act Grants	10,000	178,189	168,189	106%	168,189	10,000
Brownfield Asses 2018	0	21,783	17,267	126%	17,267	4,516
Brownfield RLF	2,134	23,698	25,623	92%	23,698	0
Brownfield Assess FY21	695	4,232	80,000	5%	4,232	0
EDA COVID RLF Admin	20,287	79,814	182,917	44%	91,459	(11,645)
Montana Pulse Committee	0	0	0	0%	0	0
CDFI 2020 FA Award	0	56,404	45,123	125%	45,123	11,281
<i>Project Grants Total</i>	33,116	364,120	519,119	5	349,968	14,152
Client Grant Management	0	0	0	#DIV/0!	0	0
Events and Miscellaneous	0	0	0	#DIV/0!	0	0
Sponsorship	0	0	5,000	0%	2,500	(2,500)
<i>Generated Revenue Total</i>	364,875	1,064,502	1,911,218	56%	1,046,017	18,485
PPP Loan Forgiveness	191,398	191,398	191,398	100%	191,398	0
<b>Loan Capital Grants</b>						
EDA COVID RLF	0	0	4,000,000	0%	0	0
Brownfield RLF	0	176,568	288,478	61%	176,568	0
CDFI 201FA Award	0	319,621	255,697	125%	255,697	63,924
<i>Loan Capital Grants Total</i>	0	496,189	4,544,175	11%	432,265	63,924
<b>Total Revenue</b>	606,448	2,013,507	7,071,791	28%	1,882,180	131,327
<b>EXPENSE</b>						
<b>Staff</b>						
Salaries and Wages	80,579	495,959	1,126,617	44%	563,309	(67,349)
Payroll Expenses & Benefits	21,072	147,473	315,453	47%	157,727	(10,253)
Professional Development	605	5,623	45,000	12%	22,500	(16,877)
	102,256	649,055	1,487,070	44%	743,535	(94,480)

**GFDA INCOME/EXPENSE**  
**December 31, 2020**

	December 2020	FY Total Through 12/31/20	FY 2021 Budget	% of Budget Fiscal Year to Date	FY 2021 Prorated Through 12/30/20	Over (Under) Budget
<b>Operations</b>						
Auto	899	5,395	10,800	50%	5,400	(5)
Communication	1,401	8,625	20,000	43%	10,000	(1,375)
Depreciation	2,358	13,818	28,000	49%	14,000	(182)
Fundraising	0	237	3,500	7%	1,750	(1,513)
Insurance	0	16,522	19,000	87%	9,500	7,022
Meetings & Events	504	3,359	15,500	22%	7,750	(4,391)
Office	5,881	38,614	73,000	53%	36,500	2,114
Operating Debt Interest & Fees	967	5,766	18,000	32%	9,000	(3,234)
Professional Fees	158	22,004	40,000	55%	20,000	2,004
Supplies, Computing & Copying	3,692	13,465	32,000	42%	16,000	(2,535)
Miscellaneous	1,457	10,177	16,500	62%	8,250	1,927
	17,316	137,981	276,300	50%	138,150	(169)
<b>Business Development</b>						
<b>Marketing</b>						
GFDA Events	0	0	16,200	0%	8,100	(8,100)
Conf & Trade Show Registrations	0	325	9,500	3%	4,750	(4,425)
Costar/Loopnet AgriTech Park	2,499	17,498	30,000	58%	15,000	2,498
SBDC COVID Marketing	970	4,825	5,800	83%	2,900	1,925
Advertising	0	2,165	12,000	18%	6,000	(3,835)
Marketing Materials	0	696	15,300	5%	7,650	(6,954)
	3,469	25,509	88,800	29%	44,400	(18,891)
<b>Partnerships/Memberships</b>						
Membership & Dues	7,344	13,753	22,600	61%	11,300	2,453
Partnerships	0	7,091	11,500	62%	5,750	1,341
Online System Subscriptions	1,924	29,347	38,400	76%	19,200	10,147
	9,268	50,192	72,500	69%	36,250	13,942
<b>Professional Fees</b>						
Content Providers	2,500	5,000	5,000	100%	2,500	2,500
Photography & Videography	0	13,500	15,000	90%	7,500	6,000
Web & Graphic Design	360	2,874	100,000	3%	50,000	(47,126)
Lead Generation	6,184	33,272	75,000	44%	37,500	(4,228)
	9,044	54,646	195,000	28%	95,000	(45,354)
<b>Publications</b>						
	130	740	3,000	25%	1,500	(760)
<b>Travel</b>						
Business Development	0	230	28,500	1%	14,250	(14,020)
Montana Pulse Committee Funds	0	0	0	0%	0	0
	0	230	28,500	1%	14,250	(14,020)
<i>Business Development Total</i>	21,912	131,318	387,800	34%	191,400	(65,082)

**GFDA INCOME/EXPENSE**  
**December 31, 2020**

	December 2020	FY Total Through 12/31/20	FY 2021 Budget	% of Budget Fiscal Year to Date	FY 2021 Prorated Through 12/30/20	Over (Under) Budget
<b>Lending</b>						
Allowance For Loan Losses	0	207,610	400,000	52%	207,610	0
Loan Capital Interest	2,092	10,306	46,000	22%	23,000	(12,694)
Brownfield Loan Capital Grants	0	112,665	162,868	69%	112,665	0
<b>Professional Fees &amp; Misc.</b>						
Legal	0	4,361	25,000	17%	12,500	(8,139)
Miscellaneous	315	3,696	6,000	62%	3,000	696
Online Loan Application System	0	0	10,000	0%	5,000	(5,000)
Brownfield RLF Engineering	2,134	10,876	18,000	60%	9,000	1,876
CDFI FA Application	5,500	5,500	12,000	46%	6,000	(500)
Update Lending Policies	0	0	15,000	0%	7,500	(7,500)
	7,949	24,433	86,000	28%	43,000	(18,567)
<i>Lending Total</i>	10,041	355,014	694,868	51%	386,275	(31,261)
<b>Projects</b>						
<b>AgriTech Park</b>						
TIF Reimbursement	261,517	261,517	315,000	83%	157,500	104,017
Property Taxes	4,188	23,951	52,358	46%	26,179	(2,228)
Interest on Infrastructure Loans	0	23,043	52,600	44%	26,300	(3,257)
Interest on Powerline Loan	256	1,657	8,100	20%	4,050	(2,393)
Legal	0	120	15,000	1%	7,500	(7,380)
Appraisal	0	0	5,000	0%	2,500	(2,500)
Engineering	0	1,122	10,000	11%	5,000	(3,878)
<i>AgriTech Park Total</i>	265,961	311,410	458,058	68%	229,029	82,381
Brownfield Assessment	0	15,277	98,633	15%	49,317	(34,040)
<b>Talent Attraction</b>						
Marketing Materials	0	0	6,000	0%	3,000	(3,000)
Website	240	4,360	25,000	17%	12,500	(8,140)
Photography & Videography	855	855	18,000	5%	9,000	(8,145)
Social Media Advertising	0	185	24,000	1%	12,000	(11,815)
Livability Ads	0	5,000	10,000	50%	5,000	0
Social Toaster subscription	0	0	0	0%	0	0
Get Back to Great Falls events	0	0	2,000	0%	1,000	(1,000)
Marketing Firm	3,333	16,665	40,000	42%	20,000	(3,335)
Miscellaneous	11	548	3,000	18%	1,500	(952)
<i>Talent Attraction Total</i>	4,440	27,614	128,000	22%	64,000	(36,386)
<i>Projects Total</i>	270,401	354,301	684,691	52%	342,346	11,955
<b>Total Expense</b>	421,926	1,627,669	3,530,729	46%	1,801,706	(179,037)
<b>Net Income</b>	184,522	385,838	3,541,062	11%	80,475	310,364
Less Loan Capital Grants	0	496,189	4,544,175			
<b>Operating Surplus (Deficit)</b>	184,522	(110,351)	(1,003,113)			

**GFDA CASH BALANCES**  
**December 31, 2020**

	12/31/20	6/30/20
<b>Unrestricted Cash</b>		
Bank Accounts		
Operating - First Interstate Bank 8023	102,541.89	149,819.99
AgriTech Park LLC - First Interstate Bank 7780	471.06	591.06
Enterprise - US Bank 4211	549.92	1,036.37
Enterprise - US Bank 6937	2,371,378.03	1,037,341.79
	<u>2,474,940.90</u>	<u>1,188,789.21</u>
Less MBOI Working Capital Loans Escrowed Funds	(540,000.00)	
Less Enterprise Funds CDFI Restricted for Loans	<u>(759,096.00)</u>	
	1,175,844.90	
<b>Days Unrestricted Operating Cash</b>		
Annual Budget Expense	3,530,729.00	
Less Depreciation	(28,000.00)	
Less Allowance for Loan Losses	(400,000.00)	
Less AgriTech Park TIF Reimbursement	(315,000.00)	
Less AgriTech Park Loans Interest	(52,600.00)	
Less Brownfield Loan Capital Grants	<u>(162,868.00)</u>	
Operating Budget	2,572,261.00	
Daily Operating Expense (365 days)	7,047.29	
Days Unrestricted Operating Cash	167	
Days Unrestricted Operating Cash Minimum Target	180	
	1,268,512.27	
Surplus (Deficit) Unrestricted Operating Cash to Target	(92,667.37)	
<b>Restricted Cash</b>		
Programs		
SBDC	9,604.62	
EDA RLF	974,260.28	
EPA Assessment - First Interstate Bank 3008	5,384.22	
EPA RLF	904,902.37	
CDBG - City EDA RLF	38,748.63	
CDBG - Cascade County EDA RLF	58,353.28	
Downtown RLF	146,317.23	
CDBG - City RLF	200,690.81	
MicroBusiness RLF	145,823.38	
IRP RLF	60,659.64	
EDA COVID RLF	59.55	
	<u>2,544,804.01</u>	