

## GFDA Financial Report November 2020

12/10/20 (Financials as of November 30, 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

	As of 11/30/20	As of 11/30/19	Difference		
Net Income Fiscal Year to Date	201,741	162,150	39,591		
Revenue Above (Below) Prorated Budget	12,508	(326,585)	339,093		
Expenses Above (Below) Prorated Budget	(220,733)	(213,792)	(6,941)		
Days Unrestricted Operating Cash	171	200		Minimum Target:	180
Investment Paid Fiscal Year to Date	211,243	253,400	(42,157)		
Investment Paid % of Budget	50%	48%	2%		

The budget amendments approved by the board this month have been plugged into the income/expense statement. Yesterday, we were awarded a \$10,000 Business Adaptation COVID grant from the state to reimburse us for equipment and other COVID-related expenses. We expect to receive the funds this month.

We received \$20,175 of investor payments during November which brought us half way to our budget goal. We need to collect as much investment as possible by the end of January to qualify to apply for more CDFI Fund grant funds.

We received the entire CDFI Fund 2020 financial award in November. We had budgeted to receive only 80% of the award this fiscal year so recommend that be in our next budget amendment. As usual, 85% of the grant funds were booked as loan capital grant revenue and 15% as an operating grant. The entire loan of \$280,975 is held under funds restricted for lending. We expect to close on the matching MBOI \$280,975 loan this month.

GFDA is not charging HPF an administrative fee until HPF's net assets reach \$50,000. HPF ended November with \$44,722 in net assets so it is getting close.

Lending revenue is behind budget by \$64,336. We expect this to improve as we close several large loans in the pipeline.

The sale of Pardue Grain has not yet closed, but the parties today reached agreement and plan to close this month. To facilitate the sale and continued employment of all employees, GFDA agreed to step back on guarantor collateral by an additional \$630,000. This increases the risk that we will not be able to fully recover our loan capital. In an abundance of caution, we booked loan loss allowance in November of \$207,610. Our total loan loss allowance now on our balance sheet is \$1,543,135, which is 10% of our loan portfolio balance and 100% of the Pardue Grain loans.

We ended November with 171 days of unrestricted operating cash, below our target of 180 days. Management plans to hold back unrestricted cash from future loan payments to increase our operating cash balance.

Our downtown loan fund \$300,000 line of credit expires in January. We are working to renew it and to simplify terms. We have \$0 balance on the line.

We are working with CDFI lenders to borrow more loan capital to meet loan demand. We expect to draw significant amount of our EDA COVID loan capital grant by the end of next quarter.

In December, we received \$540,000 from MBOI for three COVID working capital loans in process. The funds will be used to pay down each of the \$500,000 loans by \$175,000, a significant benefit to our borrowers. The remaining funds pay us a \$5,000 fee for each loan, saving the borrowers from having to pay our commitment fee.

**GFDA Balance Sheet**  
**November 30, 2020**

	November 30, 2020	June 30, 2020
<b>Current Assets</b>		
Cash and Cash Equivalents	\$ 1,965,116	\$ 1,188,789
Cash Restricted For Loans and Grants	2,489,774	2,416,984
Accounts Receivable	87,760	191,009
Accrued Interest Receivable	97,730	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)	2,959,295	2,883,220
<b>Total Current Assets</b>	7,602,363	6,792,559
AgriTech TIF Receivable - Long-Term Assets	127,688	127,688
Office Furniture and Equipment - Net	76,056	84,022
Noncurrent Portion of Loans Receivable (Net of Allowance for Doubtful Loans of \$1,491,232)	3,933,190	4,337,597
<b>Total Assets</b>	\$ 11,739,296	\$ 11,341,866
<b>Current Liabilities</b>		
Accounts Payable	\$ 24,084	\$ 18,530
Accrued Liabilities	123,384	144,915
Current Portion of Notes Payable	163,396	160,611
First Interstate Bank PPP Loan #1870-0	126,316	84,178
Deferred Grant Revenues	0	0
Funds Held in Trust	16,284	11,903
<b>Total Current Liabilities</b>	453,464	420,137
<b>Noncurrent Notes Payable</b>		
MDOC - Microloan Note Payable	500,000	500,000
Enterprise Fund - CDFI 201FA	280,975	
USDA-IRP	344,980	373,088
MBOI-IRP	88,215	89,662
First Interstate Bank PPP Loan #1870-0	65,082	107,220
First Interstate Bank Loan-#2372	15,978	26,724
First Interstate Bank Loan-#628	106,535	142,710
<b>Total Noncurrent Liabilities</b>	1,401,766	1,239,403
<b>Total Liabilities</b>	1,855,230	1,659,541
<b>Net Assets</b>		
Beginning of Year	9,682,325	9,440,255
Increase (Decrease) in Net Assets - Current Year	201,741	242,070
<b>Total Net Assets</b>	9,884,066	9,682,325
<b>Total Liabilities and Net Assets</b>	\$ 11,739,296	\$ 11,341,866

**GFDA INCOME/EXPENSE**  
**November 30, 2020**

	5	FY Total	FY 2021	% of	FY 2021	Over
	November	Through	Budget	Budget	Prorated	(Under)
	2020	11-30-20		Fiscal Year	Through	Budget
				to Date	11/30/20	
<b>REVENUE</b>						
Investment	20,175	211,243	425,000	50%	177,083	34,160
<b>GENERATED REVENUE</b>						
AgriTech Park	0	0	0	#DIV/0!	0	0
AgriTech Park TIF Reimbursement	0	0	315,000	0%	0	0
BID	3,855	15,514	38,500	40%	16,042	(528)
<b>FADC, PTAC &amp; SBDC</b>						
Food & Ag Development Center	5,417	27,084	65,000	42%	27,083	0
Procurement Tech Assistance	6,377	29,601	74,000	40%	30,833	(1,232)
Small Business Dev Center	11,209	55,146	129,117	43%	53,799	1,347
SBDC COVID	13,522	42,967	86,882	49%	36,201	6,767
SBDC Program Income	0	480	5,000	10%	2,083	(1,603)
<i>FADC, PTAC &amp; SBDC Total</i>	36,525	155,278	359,999	2	150,000	5,278
HPF Management	0	9,000	66,000	14%	27,500	(18,500)
Lending Interest & Fees	32,537	188,831	607,600	31%	253,167	(64,336)
<b>Project Grants</b>						
State CARES Act Grants	0	168,189	168,189	100%	168,189	0
Brownfield Asses 2018	8,900	21,784	17,267	126%	21,784	0
Brownfield RLF	0	21,564	25,623	84%	21,564	0
Brownfield Assess FY21	491	3,536	80,000	4%	3,536	0
EDA COVID RLF Admin	22,679	59,527	182,917	33%	76,215	(16,689)
Montana Pulse Committee	0	0	0	0%	0	0
CDFI 2020 FA Award	56,404	56,404	45,123	125%	45,123	11,281
<i>Project Grants Total</i>	88,474	331,004	519,119	5	336,411	(5,408)
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%	2,083	(2,083)
<i>Generated Revenue Total</i>	161,391	699,627	1,911,218	37%	785,203	(85,576)
PPP Loan Forgiveness	0	0	191,398	0%	0	0
<b>Loan Capital Grants</b>						
EDA COVID RLF	0	0	4,000,000	0%	0	0
Brownfield RLF	78,743	176,568	288,478	61%	176,568	0
CDFI 201FA Award	319,621	319,621	255,697	125%	255,697	63,924
<i>Loan Capital Grants Total</i>	398,364	496,189	4,544,175	11%	432,265	63,924
<b>Total Revenue</b>	<b>579,930</b>	<b>1,407,059</b>	<b>7,071,791</b>	<b>20%</b>	<b>1,394,551</b>	<b>12,508</b>
<b>EXPENSE</b>						
<b>Staff</b>						
Salaries and Wages	102,623	415,380	1,126,617	37%	469,424	(54,044)
Payroll Expenses & Benefits	26,680	126,400	315,453	40%	131,439	(5,038)
Professional Development	310	5,018	45,000	11%	18,750	(13,732)
	129,613	546,798	1,487,070	37%	619,613	(72,814)

**GFDA INCOME/EXPENSE**  
**November 30, 2020**

	November 2020	FY Total Through 11-30-20	FY 2021 Budget	% of Budget Fiscal Year to Date	FY 2021 Prorated Through 11/30/20	Over (Under) Budget
<b>Operations</b>						
Auto	899	4,495	10,800	42%	4,500	(5)
Communication	1,380	7,224	20,000	36%	8,333	(1,109)
Depreciation	2,170	11,460	28,000	41%	11,667	(206)
Fundraising	0	237	3,500	7%	1,458	(1,221)
Insurance	0	16,522	19,000	87%	7,917	8,605
Meetings & Events	237	2,855	15,500	18%	6,458	(3,603)
Office	5,881	32,733	73,000	45%	30,417	2,316
Operating Debt Interest & Fees	870	4,799	18,000	27%	7,500	(2,701)
Professional Fees	1,757	21,846	40,000	55%	16,667	5,179
Supplies, Computing & Copying	2,937	9,762	32,000	31%	13,333	(3,571)
Miscellaneous	1,450	8,420	16,500	51%	6,875	1,545
	17,581	120,354	276,300	44%	115,125	5,229
<b>Business Development</b>						
<b>Marketing</b>						
GFDA Events	0	0	16,200	0%	6,750	(6,750)
Conf & Trade Show Registrations	0	325	9,500	3%	3,958	(3,633)
Costar/Loopnet AgriTech Park	2,499	14,999	30,000	50%	12,500	2,499
SBDC COVID Marketing	2,314	3,855	5,800	66%	2,417	1,439
Advertising	0	2,165	12,000	18%	5,000	(2,835)
Marketing Materials	0	696	15,300	5%	6,375	(5,679)
	4,813	22,040	88,800	25%	37,000	(14,960)
<b>Partnerships/Memberships</b>						
Membership & Dues	1,236	6,409	22,600	28%	9,417	(3,008)
Partnerships	0	7,091	11,500	62%	4,792	2,299
Online System Subscriptions	10,025	27,309	38,400	71%	16,000	11,309
	11,261	40,809	72,500	56%	30,208	10,601
<b>Professional Fees</b>						
Content Providers	2,500	2,500	5,000	50%	2,083	417
Photography & Videography	0	13,500	15,000	90%	6,250	7,250
Web & Graphic Design	789	2,514	100,000	3%	41,667	(39,152)
Lead Generation	6,488	27,088	75,000	36%	31,250	(4,162)
	9,777	45,602	195,000	23%	79,167	(36,065)
Publications	136	610	3,000	20%	1,250	(640)
<b>Travel</b>						
Business Development	175	230	28,500	1%	11,875	(11,645)
Montana Pulse Committee Funds	0	0	0	0%	0	0
	175	230	28,500	1%	11,875	(11,645)
<i>Business Development Total</i>	26,163	109,292	387,800	28%	159,500	(52,708)

**GFDA INCOME/EXPENSE**  
**November 30, 2020**

	November 2020	FY Total Through 11-30-20	FY 2021 Budget	% of Budget Fiscal Year to Date	FY 2021 Prorated Through 11/30/20	Over (Under) Budget
<b>Lending</b>						
Allowance For Loan Losses	207,610	207,610	400,000	52%	207,610	0
Loan Capital Interest	1,615	8,214	46,000	18%	19,167	(10,953)
Brownfield Loan Capital Grants	46,302	112,665	162,868	69%	112,665	0
<b>Professional Fees &amp; Misc.</b>						
Legal	881	4,361	25,000	17%	10,417	(6,056)
Miscellaneous	275	3,382	6,000	56%	2,500	882
Online Loan Application System	0	0	10,000	0%	4,167	(4,167)
Brownfield RLF Engineering	0	8,742	18,000	49%	7,500	1,242
CDFI FA Application	0	0	12,000	0%	5,000	(5,000)
Update Lending Policies	0	0	15,000	0%	6,250	(6,250)
	1,156	16,485	86,000	19%	35,833	(19,349)
<i>Lending Total</i>	256,682	344,973	694,868	50%	375,275	(30,302)
<b>Projects</b>						
<b>AgriTech Park</b>						
TIF Reimbursement	0	0	315,000	0%	0	0
Property Taxes	4,600	19,763	52,358	38%	21,816	(2,053)
Interest on Infrastructure Loans	0	23,043	52,600	44%	21,917	1,126
Interest on Powerline Loan	243	1,402	8,100	17%	3,375	(1,973)
Legal	120	120	15,000	1%	6,250	(6,130)
Appraisal	0	0	5,000	0%	2,083	(2,083)
Engineering	1,122	1,122	10,000	11%	4,167	(3,045)
<i>AgriTech Park Total</i>	6,084	45,449	458,058	10%	59,608	(14,158)
Brownfield Assessment	4,000	15,277	98,633	15%	41,097	(25,820)
<b>Talent Attraction</b>						
Marketing Materials	0	0	6,000	0%	2,500	(2,500)
Website	4,120	4,120	25,000	16%	10,417	(6,297)
Photography & Videography	0	0	18,000	0%	7,500	(7,500)
Social Media Advertising	0	185	24,000	1%	10,000	(9,815)
Livability Ads	0	5,000	10,000	50%	4,167	833
Social Toaster subscription	0	0	0	0%	0	0
Get Back to Great Falls events	0	0	2,000	0%	833	(833)
Marketing Firm	3,333	13,332	40,000	33%	16,667	(3,335)
Miscellaneous	80	537	3,000	18%	1,250	(713)
<i>Talent Attraction Total</i>	7,533	23,174	128,000	18%	53,333	(30,159)
<i>Projects Total</i>	17,617	83,900	684,691	12%	154,038	(70,138)
<b>Total Expense</b>	447,658	1,205,318	3,530,729	34%	1,423,550	(220,733)
<b>Net Income</b>	132,272	201,741	3,541,062	6%	(28,999)	233,240
Less Loan Capital Grants	398,364	496,189	4,544,175			
Operating Surplus (Deficit)	(266,092)	(294,448)	(1,003,113)			

**GFDA CASH BALANCES**  
**November 30, 2020**

	11/30/20	6/30/20
<b>Unrestricted Cash</b>		
Bank Accounts		
Operating - First Interstate Bank 8023	61,987.71	149,819.99
AgriTech Park LLC - First Interstate Bank 7780	591.06	591.06
Enterprise - US Bank 4211	1,037.58	1,036.37
Enterprise - US Bank 6937	<u>1,901,499.80</u>	<u>1,037,341.79</u>
	1,965,116.15	1,188,789.21
Less Enterprise Funds CDFI Restricted for Loans	<u>(759,096.00)</u>	
	<u>1,206,020.15</u>	
<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>	
	2,572,261.00	
Operating Budget	2,572,261.00	
Daily Operating Expense (365 days)	7,047.29	
Days Unrestricted Operating Cash	171	
Days Unrestricted Operating Cash Minimum Target	180	
	1,268,512.27	
Surplus (Deficit) Unrestricted Operating Cash to Target	(62,492.12)	
<b>Restricted Cash</b>		
Programs		
SBDC	9,604.54	
EDA RLF	963,844.35	
EPA Assessment - First Interstate Bank 3008	10,198.31	
EPA RLF	889,401.11	
CDBG - City EDA RLF	38,748.30	
CDBG - Cascade County EDA RLF	44,208.87	
Downtown RLF	146,207.97	
CDBG - City RLF	189,563.43	
MicroBusiness RLF	142,728.33	
IRP RLF	55,209.34	
EDA COVID RLF	59.55	
	<u>2,489,774.10</u>	