

GFDA Financial Report April 2021

5/12/21 (Financials as of April 30, 2021)

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 4/30/21 | As of 4/30/20 | Difference | |
|--|------------------|------------------|------------|---------------------|
| Net Income Fiscal Year to Date | 3,622,878 | 393,655 | 3,229,223 | |
| Revenue Above (Below) Prorated Budget | (200,973) | (9,589) | (191,384) | |
| Expenses Above (Below) Prorated Budget | (428,702) | (155,162) | (273,540) | |
| Days Unrestricted Operating Cash | 196 | 238 | (42) | Minimum Target: 180 |
| Investment Paid Fiscal Year to Date | 365,535 | 382,460 | (16,925) | |
| Investment Paid % of Budget | 86% | 73% | 13% | |

Two large cash events occurred during April. We received payoff of 100% of the principal of the Pardue Grain loans totaling \$850,000 and we drew down \$1,987,450 from EDA in preparation of a loan closing that is happening in May. This led to an increase in restricted cash of \$2,360,157 and an increase in unrestricted cash of \$410,909 in April.

For the first 10 months of the fiscal year, revenue ran \$200,973 under budget, due entirely to lending. Large loan deals are closing later in the fiscal year than we had anticipated last spring. Lending is under budget \$188,373. High Plains Financial management is \$39,000 under budget, due to management decision to build HPF's net assets to above \$50,000 to strengthen its balance sheet.

Expenses have been kept under budget by \$428,702. Personnel was \$175,176 under budget, operations \$9,188 under, business development \$43,658 under, lending \$43,658 under, and projects \$143,481 under. This resulted in net income running \$227,729 better than pro-rated budget.

Unrestricted days operating cash improved from 138 days at the end of March to 196 days at the end of April. Operating deficit fiscal year to date was \$454,304.

Today, we received official notice from EDA of the defederalization of our old EDA revolving loan fund. This will be reflected on the May financial report. The total loan fund held \$4,318,169 in assets at the end of February. This included \$38,749 in City CDBG funds and \$88,785 in County CDBG funds that will continue to be restricted funds. The balance of \$4,190,635 is now unrestricted, however, \$2,849,991 of this can only be used for purposes that would be eligible for EDA funding. We anticipate keeping this amount in revolving loan funds for the foreseeable future.

Substantial loan packages expected to close during May will boost lending earnings before the end of the fiscal year and result in a substantially larger outstanding loan portfolio at the start of FY2022 than at the start of FY2021.

GFDA Balance Sheet
April 30, 2021

| | April 30, 2021 | June 30, 2020 |
|--|-------------------|------------------|
| Current Assets | | |
| Cash and Cash Equivalents | \$ 2,143,984 | \$ 1,188,789 |
| Cash Restricted For Loans and Grants | 5,682,169 | 2,416,984 |
| Accounts Receivable | 137,532 | 191,009 |
| Accrued Interest Receivable | 137,544 | 102,012 |
| Due from High Plains Financial | 9,946 | 10,544 |
| Current Portion of Loans Receivable (Net of Allowance for Doubtful Loans of \$51,903) | 2,947,193 | 2,883,220 |
| Total Current Assets | 11,058,368 | 6,792,559 |
| AgriTech TIF Receivable - Long-Term Assets | 117,216 | 127,688 |
| Office Furniture and Equipment - Net | 69,180 | 84,022 |
| Noncurrent Portion of Loans Receivable (Net of Allowance for Doubtful Loans of \$1,491,232) | 3,702,223 | 4,337,597 |
| Total Assets | \$ 14,946,986 | \$ 11,341,866 |
| Current Liabilities | | |
| Accounts Payable | \$ 28,675 | \$ 18,530 |
| Accrued Liabilities | 151,004 | 144,915 |
| Current Portion of Notes Payable | 162,903 | 160,611 |
| First Interstate Bank PPP Loan #1870-0 | 0 | 84,178 |
| Deferred Grant Revenues | 0 | 0 |
| Funds Held in Trust | 11,317 | 11,903 |
| Total Current Liabilities | 353,900 | 420,137 |
| Noncurrent Notes Payable | | |
| MDOC - Microloan Note Payable | 500,000 | 500,000 |
| Enterprise Fund - CDFI 2020FA | 280,975 | 0 |
| USDA-IRP | 344,980 | 373,088 |
| MBOI-IRP | 85,290 | 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 | 76,638 | 142,710 |
| Total Noncurrent Liabilities | 1,287,883 | 1,239,403 |
| Total Liabilities | 1,641,783 | 1,659,541 |
| Net Assets | | |
| Beginning of Year | 9,682,325 | 9,440,255 |
| Increase (Decrease) in Net Assets - Current Year | 3,622,878 | 242,070 |
| Total Net Assets | 13,305,203 | 9,682,325 |
| Total Liabilities and Net Assets | \$ 14,946,986 | \$ 11,341,866 |

GFDA INCOME/EXPENSE

April 30, 2021

| 10 | April 2021 | FY Total Through 04/30/21 | FY 2021 Budget | % of Budget Fiscal Year to Date | FY 2021 Prorated Through 4/30/21 | Over (Under) Budget |
|------------------------------------|------------------|---------------------------------|-------------------|--|---|---------------------------|
| REVENUE | | | | | | |
| Investment | 37,575 | 365,535 | 425,000 | 86% | 354,167 | 11,368 |
| GENERATED REVENUE | | | | | | |
| AgriTech Park | 0 | 0 | 0 | #DIV/0! | 0 | 0 |
| AgriTech Park TIF Reimbursement | 0 | 261,517 | 514,137 | 51% | 261,517 | 0 |
| BID | 3,262 | 31,548 | 38,500 | 82% | 32,083 | (535) |
| FADC, PTAC & SBDC | | | | | | |
| Food & Ag Development Center | 5,417 | 54,167 | 65,000 | 83% | 54,167 | 0 |
| Procurement Tech Assistance | 5,113 | 56,852 | 74,000 | 77% | 61,667 | (4,815) |
| Small Business Dev Center | 10,760 | 108,945 | 129,117 | 84% | 107,598 | 1,347 |
| SBDC COVID | 15,091 | 107,258 | 121,882 | 88% | 101,568 | 5,689 |
| SBDC Program Income | 527 | 1,601 | 5,000 | 32% | 4,167 | (2,566) |
| <i>FADC, PTAC & SBDC Total</i> | 36,907 | 328,822 | 394,999 | 4 | 329,166 | (344) |
| HPF Management | 7,000 | 16,000 | 66,000 | 24% | 55,000 | (39,000) |
| Lending Interest & Fees | 23,944 | 317,961 | 607,600 | 52% | 506,333 | (188,373) |
| Project Grants | | | | | | |
| State CARES Act Grants | 0 | 178,189 | 168,189 | 106% | 168,189 | 10,000 |
| Brownfield Asses 2018 | 0 | 21,783 | 27,066 | 80% | 27,066 | (5,283) |
| Brownfield RLF | 0 | 21,604 | 25,623 | 84% | 21,604 | 0 |
| Brownfield Assess FY21 | 14,427 | 20,764 | 80,000 | 26% | 20,764 | 0 |
| EDA COVID RLF Admin | 20,427 | 160,541 | 182,917 | 88% | 152,431 | 8,110 |
| Montana Pulse Committee | 0 | 0 | 0 | 0% | 0 | 0 |
| CDFI 2020 FA Award | 0 | 56,404 | 56,404 | 100% | 56,404 | 0 |
| <i>Project Grants Total</i> | 34,854 | 459,285 | 540,199 | 5 | 446,458 | 12,827 |
| Client Grant Management | 0 | 2,250 | 0 | #DIV/0! | 0 | 2,250 |
| Events and Miscellaneous | 0 | 0 | 0 | #DIV/0! | 0 | 0 |
| Sponsorship | 0 | 5,000 | 5,000 | 100% | 4,167 | 833 |
| <i>Generated Revenue Total</i> | 105,967 | 1,422,383 | 2,166,435 | 66% | 1,634,724 | (212,341) |
| PPP Loan Forgiveness | 0 | 191,398 | 191,398 | 100% | 191,398 | 0 |
| Loan Capital Grants | | | | | | |
| EDA COVID RLF | 1,987,540 | 3,487,540 | 4,000,000 | 87% | 3,487,540 | 0 |
| Brownfield RLF | 16,882 | 270,021 | 288,478 | 94% | 270,021 | 0 |
| CDFI 201FA Award | 0 | 319,621 | 319,621 | 100% | 319,621 | 0 |
| <i>Loan Capital Grants Total</i> | 2,004,422 | 4,077,182 | 4,608,099 | 88% | 4,077,182 | 0 |
| Total Revenue | 2,147,964 | 6,056,498 | 7,390,932 | 82% | 6,257,471 | (200,973) |
| EXPENSE | | | | | | |
| Staff | | | | | | |
| Salaries and Wages | 94,522 | 839,360 | 1,155,417 | 73% | 962,848 | (123,487) |
| Payroll Expenses & Benefits | 27,520 | 246,724 | 326,653 | 76% | 272,211 | (25,487) |
| Professional Development | 600 | 11,298 | 45,000 | 25% | 37,500 | (26,202) |
| | 122,642 | 1,097,382 | 1,527,070 | 72% | 1,272,558 | (175,176) |

GFDA INCOME/EXPENSE

April 30, 2021

| | April 2021 | FY Total Through 04/30/21 | FY 2021 Budget | % of Budget Fiscal Year to Date | FY 2021 Prorated Through 4/30/21 | Over (Under) Budget |
|-----------------------------------|---------------|---------------------------------|-------------------|---------------------------------------|---|---------------------------|
| Operations | | | | | | |
| Auto | 899 | 8,991 | 10,800 | 83% | 9,000 | (9) |
| Communication | 1,542 | 15,779 | 20,000 | 79% | 16,667 | (888) |
| Depreciation | 2,556 | 23,581 | 28,000 | 84% | 23,333 | 247 |
| Fundraising | 0 | 459 | 3,500 | 13% | 2,917 | (2,458) |
| Insurance | 686 | 17,894 | 19,000 | 94% | 15,833 | 2,060 |
| Meetings & Events | 0 | 6,996 | 15,500 | 45% | 12,917 | (5,921) |
| Office | 5,881 | 62,235 | 73,000 | 85% | 60,833 | 1,401 |
| Operating Debt Interest & Fees | 791 | 8,874 | 18,000 | 49% | 15,000 | (6,126) |
| Professional Fees | 7,726 | 30,034 | 40,000 | 75% | 33,333 | (3,300) |
| Supplies, Computing & Copying | 1,099 | 20,603 | 32,000 | 64% | 26,667 | (6,064) |
| Miscellaneous | 2,433 | 25,617 | 16,500 | 155% | 13,750 | 11,867 |
| | 23,612 | 221,062 | 276,300 | 80% | 230,250 | (9,188) |
| Business Development | | | | | | |
| Marketing | | | | | | |
| GFDA Events | 0 | 0 | 16,200 | 0% | 13,500 | (13,500) |
| Conf & Trade Show Registrations | 0 | 325 | 9,500 | 3% | 7,917 | (7,592) |
| Costar/Loopnet AgriTech Park | 2,499 | 24,995 | 15,000 | 167% | 12,500 | 12,495 |
| SBDC COVID Marketing | 808 | 9,154 | 5,800 | 158% | 4,833 | 4,321 |
| Advertising | 150 | 3,165 | 12,000 | 26% | 10,000 | (6,835) |
| Marketing Materials | 250 | 1,214 | 15,300 | 8% | 12,750 | (11,536) |
| | 3,707 | 38,853 | 73,800 | 53% | 61,500 | (22,647) |
| Partnerships/Memberships | | | | | | |
| Membership & Dues | 1,690 | 20,661 | 22,600 | 91% | 18,833 | 1,828 |
| Partnerships | 1,000 | 11,591 | 11,500 | 101% | 9,583 | 2,008 |
| Online System Subscriptions | 4,662 | 46,733 | 38,400 | 122% | 32,000 | 14,733 |
| | 7,352 | 78,985 | 72,500 | 109% | 60,417 | 18,568 |
| Professional Fees | | | | | | |
| Content Providers | 1,440 | 8,940 | 15,000 | 60% | 12,500 | (3,560) |
| Photography & Videography | 0 | 23,150 | 35,000 | 66% | 29,167 | (6,017) |
| Web & Graphic Design | 608 | 5,224 | 25,000 | 21% | 20,833 | (15,609) |
| Lead Generation | 6,677 | 64,971 | 95,000 | 68% | 79,167 | (14,196) |
| | 8,725 | 102,285 | 170,000 | 60% | 129,167 | (35,822) |
| Publications | 151 | 1,507 | 3,000 | 50% | 2,500 | (993) |
| Travel | | | | | | |
| Business Development | 241 | 1,402 | 5,000 | 28% | 4,167 | (2,765) |
| Montana Pulse Committee Funds | 0 | 0 | 0 | 0% | 0 | 0 |
| | 241 | 1,402 | 5,000 | 28% | 4,167 | (2,765) |
| <i>Business Development Total</i> | 20,176 | 223,032 | 324,300 | 69% | 257,750 | (43,658) |

GFDA INCOME/EXPENSE
April 30, 2021

| | April 2021 | FY Total Through 04/30/21 | FY 2021 Budget | % of Budget Fiscal Year to Date | FY 2021 Prorated Through 4/30/21 | Over (Under) Budget |
|----------------------------------|------------------|---------------------------------|-------------------|---------------------------------------|---|---------------------------|
| Lending | | | | | | |
| Allowance For Loan Losses | 0 | 207,610 | 400,000 | 52% | 207,610 | 0 |
| Loan Capital Interest | 1,608 | 16,741 | 46,000 | 36% | 38,333 | (21,592) |
| Brownfield Loan Capital Grants | 0 | 189,236 | 162,868 | 116% | 189,236 | 0 |
| Professional Fees & Misc. | | | | | | |
| Legal | 3,351 | 22,007 | 35,000 | 63% | 29,167 | (7,160) |
| Miscellaneous | 1,091 | 5,957 | 6,000 | 99% | 5,000 | 957 |
| Online Loan Application System | 0 | 0 | 10,000 | 0% | 8,333 | (8,333) |
| Brownfield RLF Engineering | 2,187 | 10,929 | 18,000 | 61% | 15,000 | (4,071) |
| CDFI FA Application | 0 | 5,500 | 12,000 | 46% | 10,000 | (4,500) |
| Update Lending Policies | 0 | 0 | 15,000 | 0% | 12,500 | (12,500) |
| | <u>6,629</u> | <u>44,393</u> | <u>96,000</u> | <u>46%</u> | <u>80,000</u> | <u>(35,607)</u> |
| <i>Lending Total</i> | 8,237 | 457,980 | 704,868 | 65% | 515,179 | (57,199) |
| Projects | | | | | | |
| AgriTech Park | | | | | | |
| TIF Reimbursement | 0 | 261,517 | 514,137 | 51% | 257,069 | 4,449 |
| Property Taxes | 3,351 | 38,192 | 52,358 | 73% | 43,632 | (5,440) |
| Interest on Infrastructure Loans | 0 | 23,043 | 52,600 | 44% | 43,833 | (20,790) |
| Interest on Powerline Loan | 185 | 2,350 | 8,100 | 29% | 6,750 | (4,400) |
| Legal | 0 | 380 | 15,000 | 3% | 12,500 | (12,120) |
| Appraisal | 0 | 0 | 5,000 | 0% | 4,167 | (4,167) |
| Engineering | 0 | 1,122 | 10,000 | 11% | 8,333 | (7,211) |
| <i>AgriTech Park Total</i> | <u>3,536</u> | <u>326,604</u> | <u>657,195</u> | <u>50%</u> | <u>376,284</u> | <u>(49,680)</u> |
| Brownfield Assessment | 18,239 | 33,515 | 98,633 | 34% | 82,194 | (48,679) |
| Talent Attraction | | | | | | |
| Marketing Materials | 210 | 384 | 6,000 | 6% | 5,000 | (4,616) |
| Website | 4,120 | 16,720 | 25,000 | 67% | 20,833 | (4,113) |
| Photography & Videography | 370 | 1,225 | 18,000 | 7% | 15,000 | (13,775) |
| Social Media Advertising | 3,150 | 3,485 | 24,000 | 15% | 20,000 | (16,515) |
| Livability Ads | 0 | 10,000 | 10,000 | 100% | 8,333 | 1,667 |
| Social Toaster subscription | 0 | 0 | 0 | 0% | 0 | 0 |
| Get Back to Great Falls events | 0 | 0 | 0 | #DIV/0! | 0 | 0 |
| Marketing Firm | 6,667 | 33,334 | 40,000 | 83% | 33,333 | 0 |
| Miscellaneous | 8,050 | 8,897 | 20,000 | 44% | 16,667 | (7,770) |
| <i>Talent Attraction Total</i> | <u>22,567</u> | <u>74,045</u> | <u>143,000</u> | <u>52%</u> | <u>119,167</u> | <u>(45,122)</u> |
| <i>Projects Total</i> | 44,342 | 434,164 | 898,828 | 48% | 577,644 | (143,481) |
| Total Expense | 219,008 | 2,433,620 | 3,731,366 | 65% | 2,853,382 | (428,702) |
| Net Income | <u>1,928,956</u> | <u>3,622,878</u> | <u>3,659,566</u> | <u>99%</u> | <u>3,404,089</u> | <u>227,729</u> |
| Less Loan Capital Grants | 2,004,422 | 4,077,182 | 4,608,099 | | | |
| Operating Surplus (Deficit) | (75,466) | (454,304) | (948,533) | | | |

GFDA CASH BALANCES
April 30, 2021

| | 4/30/21 | 6/30/20 |
|---|---------------------|---------------------|
| Unrestricted Cash | | |
| Bank Accounts | | |
| Operating - First Interstate Bank 8023 | 39,744.93 | 149,819.99 |
| AgriTech Park LLC - First Interstate Bank 7780 | 266.13 | 591.06 |
| Enterprise - US Bank 4211 | 1,519.93 | 1,036.37 |
| Enterprise - US Bank 6937 | <u>2,102,452.77</u> | <u>1,037,341.79</u> |
| | 2,143,983.76 | 1,188,789.21 |
| Less MBOI Working Capital Loans Escrowed Funds | - | |
| Less Enterprise Funds CDFI Restricted for Loans | <u>(759,096.00)</u> | |
| | <u>1,384,887.76</u> | |
| Days Unrestricted Operating Cash | | |
| Annual Budget Expense | 3,731,366.00 | |
| Less Depreciation | (28,000.00) | |
| Less Allowance for Loan Losses | (400,000.00) | |
| Less AgriTech Park TIF Reimbursement | (514,137.00) | |
| Less AgriTech Park Loans Interest | (52,600.00) | |
| Less Brownfield Loan Capital Grants | <u>(162,868.00)</u> | |
| Operating Budget | 2,573,761.00 | |
| Daily Operating Expense (365 days) | 7,051.40 | |
| Days Unrestricted Operating Cash | 196 | |
| Days Unrestricted Operating Cash Minimum Target | 180 | |
| | 1,269,252.00 | |
| Surplus (Deficit) Unrestricted Operating Cash to Target | 115,635.76 | |
| Restricted Cash | | |
| Programs | | |
| SBDC | 10,579.74 | |
| EDA RLF | 1,170,807.85 | |
| EPA Assessment - First Interstate Bank 3008 | 419.50 | |
| EPA RLF | 933,890.37 | |
| CDBG - City EDA RLF | 38,749.91 | |
| CDBG - Cascade County EDA RLF | 61,967.56 | |
| Downtown RLF | 146,954.09 | |
| CDBG - City RLF | 208,225.64 | |
| MicroBusiness RLF | 253,642.33 | |
| IRP RLF | 319,030.04 | |
| EDA COVID RLF | 2,537,901.85 | |
| | <u>5,682,168.88</u> | |