

GFDA Financial Report December 2021

1/13/22 (Financials as of December 31, 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

	<i>As of</i> 12/31/21	<i>As of</i> 12/31/20	<i>Difference</i>	<i>Change</i>
Assets	19,347,747	12,256,510	7,091,237	63%
Liabilities	3,746,335	2,188,347	1,557,988	58%
Net Assets	15,601,412	10,068,163	5,533,249	65%
Net Income Fiscal Year to Date	1,934,673	383,838	1,550,835	
Revenue Above (Below) Prorated Budget	187,548	131,327	56,221	
Expenses Above (Below) Prorated Budget	(233,705)	(179,037)	(54,668)	
Days Unrestricted Operating Cash	214	167	47	Minimum Target: 180
Investment Paid Fiscal Year to Date	362,833	261,418	101,415	
Investment Paid % of Budget	85%	62%	23%	

Financial results remained steady during December. Revenue continued to run ahead of budget, improving from \$152,718 above budget at the end of November to \$187,548 above budget at the end of December. Expense margins eroded just a bit, as expected, going from \$244,854 under budget to \$233,705 under budget. We booked \$26,103 in business development expenses, \$12,342 in AgriTech Park expenses, and \$71,250 in strategic planning expenses in December. We booked \$139,128 in brownfield loan capital grant for the Alluvion Rocky Mountain Building redevelopment. These expenses resulted in a loss of \$195,469 for the month.

Days operating cash remained good, changing from 215 days to 214 days. We collected \$30,000 of investor payments during the month. Lending interest and fees jumped ahead of budget for the first time this fiscal year.

GFDA was awarded a fifth consecutive annual Financial Award from the Community Development Financial Institution Fund of the U.S. Treasury. We expect to receive the grant and loan funds from the Fund this quarter, along with a loan match from the Montana Board of Investments. This will increase funds borrowed for loan capital by \$1 million. We anticipate borrowing an additional \$500,000 for loan capital this quarter to keep pace with loan demand. We continue to pursue other opportunities to increase our loan capital base in order to keep filling gaps and providing bridges needed to support businesses and developers in the Great Falls region.

GFDA Balance Sheet
December 31, 2021

	<u>December 31</u> <u>2021</u>	<u>June 30,</u> <u>2021</u>
Current Assets		
Cash and Cash Equivalents	\$ 2,908,042	\$ 1,570,399
Cash Restricted For Loans and Grants	1,422,250	2,116,563
Accounts Receivable	183,174	103,246
Accrued Interest Receivable	158,679	71,595
Due from High Plains Financial	4,060	733
Current Portion of Loans Receivable (Net of Allowance for Doubtful Loans of \$56,538)	<u>3,080,606</u>	<u>2,820,338</u>
Total Current Assets	7,756,810	6,682,874
 AgriTech TIF Receivable - Long-Term Assets	 110,841	 110,841
 Lease Right-of-Use	 893,655	 913,688
 Office Furniture and Equipment - Net	 58,712	 66,104
 Noncurrent Portion of Loans Receivable (Net of Allowance for Doubtful Loans of \$1,052,837)	 <u>10,527,728</u>	 <u>8,648,273</u>
 Total Assets	 \$ 19,347,747	 \$ 16,421,780
 Current Liabilities		
Accounts Payable	\$ 96,535	\$ 12,819
Accrued Liabilities	139,130	119,910
Current Portion of Notes Payable	131,119	146,878
Lease-Portage Building	40,823	40,317
Deferred Grant Revenues	0	0
Funds Held in Trust	<u>14,618</u>	<u>14,140</u>
Total Current Liabilities	422,225	334,064
 Noncurrent Notes Payable		
MDOC - Microloan Note Payable	500,000	500,000
Enterprise Fund - CDFI 2020FA	280,975	280,975
MBOI-IRP-CDFI Match loan	280,975	280,975
USDA-IRP	316,592	344,980
MBOI-IRP	80,856	83,816
Cnote Group, Inc	1,001,276	0
Lease-Portage Building	855,635	876,178
First Interstate Bank Loan-#628	<u>7,800</u>	<u>54,052</u>
Total Noncurrent Liabilities	3,324,110	2,420,977
 Total Liabilities	 3,746,335	 2,755,041
 Net Assets		
Beginning of Year	13,666,739	9,682,329
Increase (Decrease) in Net Assets - Current Year	<u>1,934,673</u>	<u>3,984,410</u>
Total Net Assets	15,601,412	13,666,739
 Total Liabilities and Net Assets	 \$ 19,347,747	 \$ 16,421,780

GFDA INCOME/EXPENSE
December 31, 2021

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	Dec 2021	FY Total Through 12/31/2021	FY 2022 Budget	% of Budget Fiscal Year to Date	FY 2022 Prorated	Over (Under) Budget
REVENUE						
Investment	30,000	362,833	425,000	85%	212,500	150,333
GENERATED REVENUE						
AgriTech Park	0	0	0	#DIV/0!	0	0
AgriTech Park TIF Reimbursement BID	0	0	514,137	0%	0	0
	2,917	17,500	35,000	50%	17,500	(0)
FADC, PTAC & SBDC						
Food & Ag Development Center	5,963	35,776	65,000	55%	32,500	3,276
Procurement Tech Assistance	6,177	36,865	77,000	48%	38,500	(1,635)
Small Business Dev Center	7,934	61,733	129,117	48%	64,559	(2,825)
SBDC COVID	7,609	63,581	35,000	182%	42,000	21,581
SBDC Program Income	840	1,065	5,000	21%	2,500	(1,435)
<i>FADC, PTAC & SBDC Total</i>	<u>28,523</u>	<u>199,020</u>	<u>311,117</u>	64%	<u>180,059</u>	<u>18,961</u>
HPF Management	3,000	15,000	80,000	19%	40,000	(25,000)
Lending Interest & Fees	90,380	409,757	789,000	52%	394,500	15,257
Project Grants						
Brownfield RLF	0	0	0	#DIV/0!	0	0
Brownfield Assess FY21	6,009	50,278	100,000	50%	50,000	278
EDA COVID RLF Admin	21,266	121,671	240,000	51%	120,000	1,671
CDFI Rapid Response	0	192,000	192,000	100%	192,000	0
<i>Project Grants Total</i>	<u>27,275</u>	<u>363,949</u>	<u>532,000</u>	68%	<u>362,000</u>	<u>1,949</u>
Client Grant Management	0	0	0	#DIV/0!	0	0
Events and Miscellaneous	7,244	23,548	0	#DIV/0!	0	23,548
Sponsorship	0	5,000	5,000	100%	2,500	2,500
<i>Generated Revenue Total</i>	<u>159,339</u>	<u>1,033,774</u>	<u>2,266,254</u>	46%	<u>996,559</u>	<u>37,215</u>
Loan Capital Grants						
EDA COVID RLF	0	902,460	902,550	100%	902,460	0
Brownfield RLF	0	0	0	#DIV/0!	0	0
CDFI Rapid Response	0	1,088,000	1,088,000	100%	1,088,000	0
<i>Loan Capital Grants Total</i>	<u>0</u>	<u>1,990,460</u>	<u>1,990,550</u>	100%	<u>1,990,460</u>	<u>0</u>
Total Revenue	189,339	3,387,067	4,681,804	72%	3,199,519	187,548
EXPENSE						
Staff						
Salaries and Wages	88,789	538,681	1,213,758	44%	606,879	(68,198)
Payroll Expenses & Benefits	21,969	147,342	355,288	41%	177,644	(30,302)
Professional Development	9,990	33,497	49,350	68%	24,675	8,822
	<u>120,748</u>	<u>719,520</u>	<u>1,618,396</u>	<u>44%</u>	<u>809,198</u>	<u>(89,678)</u>

GFDA INCOME/EXPENSE
December 31, 2021

	Dec 2021	FY Total Through 12/31/2021	FY 2022 Budget	% of Budget Fiscal Year to Date	FY 2022 Prorated	Over (Under) Budget
Operations						
Auto	899	5,395	11,124	48%	5,562	(167)
Communication	1,521	9,936	22,000	45%	11,000	(1,064)
Depreciation	2,573	15,624	28,840	54%	14,420	1,204
Fundraising	49	232	3,605	6%	1,803	(1,570)
Insurance	0	18,619	19,570	95%	9,785	8,834
Meetings & Events	0	4,671	15,965	29%	7,983	(3,312)
Office	4,104	24,030	75,190	32%	37,595	(13,565)
Operating Debt Interest & Fees	2,390	14,784	18,540	80%	9,270	5,514
Professional Fees	0	28,347	71,200	40%	35,600	(7,253)
Supplies, Computing & Copying	3,150	12,972	35,200	37%	17,600	(4,628)
Miscellaneous	1,414	12,135	17,500	69%	8,750	3,385
	16,101	146,746	318,734	46%	159,367	(12,621)
Business Development						
Marketing						
GFDA Events	0	600	18,000	3%	9,000	(8,400)
Conf & Trade Show Registrations	0	2,415	25,000	10%	12,500	(10,085)
Advertising	79	2,220	12,000	19%	6,000	(3,780)
Marketing Materials	0	2,870	25,000	11%	12,500	(9,630)
	79	8,105	80,000	10%	40,000	(31,895)
Partnerships/Memberships						
Membership & Dues	13,263	18,557	24,000	77%	12,000	6,557
Partnerships	0	7,500	9,500	79%	4,750	2,750
Women's Business Center	0	0	13,552	0%	6,776	(6,776)
Entrepreneur Mentor Network	0	0	5,000	0%	2,500	(2,500)
Online System Subscriptions	5,010	31,114	45,000	69%	22,500	8,614
	18,274	57,172	97,052	59%	48,526	8,646
Professional Fees						
Content Providers	0	0	20,000	0%	10,000	(10,000)
Client Sevices	0	3,720	0	#DIV/0!	0	0
Photography & Videography	0	17,051	25,000	68%	12,500	4,551
Web & Graphic Design	1,914	8,054	40,000	20%	20,000	(11,946)
Lead Generation	1,850	41,503	110,000	38%	55,000	(13,497)
	3,764	70,328	195,000	36%	97,500	(30,892)
Publications						
Publications	52	884	3,000	29%	1,500	(616)
Travel	3,680	16,947	50,000	34%	25,000	(8,053)
<i>Business Development Total</i>	25,848	153,435	425,052	36%	212,526	(62,811)

GFDA INCOME/EXPENSE
December 31, 2021

	Dec 2021	FY Total Through 12/31/2021	FY 2022 Budget	% of Budget Fiscal Year to Date	FY 2022 Prorated	Over (Under) Budget
Lending						
Allowance For Loan Losses	0	0	200,000	0%	0	0
Loan Capital Interest	3,288	18,630	35,000	53%	17,500	1,130
Brownfield Loan Capital Grants	139,128	147,855	188,000	79%	147,855	0
Professional Fees & Misc.						
Legal	0	1,360	12,000	11%	6,000	(4,640)
Miscellaneous	355	2,981	6,000	50%	3,000	(19)
Online Loan Application System	0	0	7,000	0%	3,500	(3,500)
Brownfield RLF Engineering	0	0	0	#DIV/0!	0	0
CDFI FA Application	0	0	12,000	0%	6,000	(6,000)
Update Lending Policies	0	0	15,000	0%	7,500	(7,500)
	355	4,341	52,000	8%	26,000	(21,659)
<i>Lending Total</i>	142,771	170,826	475,000	36%	191,355	(20,529)
Projects						
AgriTech Park						
TIF Reimbursement	0	0	514,137	0%	0	0
Property Taxes	12,301	34,091	55,165	62%	27,583	6,509
Interest on Powerline Loan	40	456	1,700	27%	850	(394)
Legal	0	12,011	15,000	80%	7,500	4,511
Appraisal	0	22,500	21,000	107%	10,500	12,000
Engineering	0	22,627	10,000	226%	5,000	17,627
<i>AgriTech Park Total</i>	12,342	91,686	617,002	15%	51,433	40,253
Brownfield Assessment						
2020 Grant Engineering	4,919	44,287	95,000	47%	47,500	(3,213)
Grant Writing Consultant	0	0	6,000	0%	3,000	(3,000)
	4,919	44,287	101,000	0	50,500	(6,213)
Strategic Planning						
Housing Market Assessment	26,250	35,000	40,000	88%	20,000	15,000
Childcare Market Assessment	0	7,800	10,000	78%	5,000	2,800
Health/BioScience Strategy	0	25,000	0	#DIV/0!	0	0
Strategic Planning	30,000	30,000	125,000	24%	62,500	(32,500)
	56,250	97,800	175,000	56%	87,500	(14,700)
Talent Attraction						
Marketing Materials	404	808	15,000	5%	7,500	(6,692)
Website	0	800	15,000	5%	7,500	(6,700)
Photography & Videography	0	0	20,000	0%	10,000	(10,000)
Social Media Advertising	2,425	14,734	36,000	41%	18,000	(3,266)
Livability Ads	0	5,000	10,000	50%	5,000	0
Marketing/Social Media Firms	3,000	6,400	55,000	12%	27,500	(21,100)
Miscellaneous	0	351	40,000	1%	20,000	(19,649)
<i>Talent Attraction Total</i>	5,829	28,094	191,000	15%	95,500	(67,406)
<i>Projects Total</i>	79,340	261,867	1,084,002	24%	284,933	(48,066)
Total Expense	384,808	1,452,394	3,921,184	37%	1,657,379	(233,705)
Net Income	(195,469)	1,934,673	760,620	254%	1,542,140	421,253
Less Loan Capital Grants	0	1,990,460	1,990,550			
Operating Surplus (Deficit)	(195,469)	(55,787)	(1,229,930)			

GFDA CASH BALANCES
December 31, 2021

	12/31/21	6/30/21
Unrestricted Cash		
Bank Accounts		
Operating - First Interstate Bank 8023	66,040.82	18,605.78
AgriTech Park LLC - First Interstate Bank 7780	266.13	266.13
EDA RLF (defederalized)	18,775.97	1,967.73
Enterprise - US Bank 4211	1,532.79	1,520.67
Enterprise - US Bank 6937	<u>2,821,425.93</u>	<u>1,548,038.51</u>
	2,908,041.64	1,570,398.82
 Less Enterprise Funds CDFI Restricted for Loans	 <u>(1,154,276.00)</u>	
	1,753,765.64	
 Days Unrestricted Operating Cash		
Annual Budget Expense	3,921,184.00	
Less Depreciation	(28,840.00)	
Less Allowance for Loan Losses	(200,000.00)	
Less AgriTech Park TIF Reimbursement	(514,137.00)	
Less Brownfield Loan Capital Grants	<u>(188,000.00)</u>	
 Operating Budget	2,990,207.00	
 Daily Operating Expense (365 days)	8,192.35	
 Days Unrestricted Operating Cash	214	
 Days Unrestricted Operating Cash Minimum Target	180	
	1,474,622.63	
 Surplus (Deficit) Unrestricted Operating Cash to Target	279,143.01	
 Restricted Cash		
Programs		
SBDC	7,398.13	8,753.41
EPA Assessment - First Interstate Bank 3008	283.81	780.68
EPA RLF	816,137.87	931,526.99
CDBG - Cascade County EDA RLF	68,770.99	63,668.37
Downtown RLF	5,831.64	1,798.11
CDBG - City RLF	104,233.62	84,322.55
MicroBusiness RLF	92,453.30	167,911.92
IRP RLF	305,935.35	288,978.41
EDA COVID RLF	21,205.12	568,822.09
	<u>1,422,249.83</u>	<u>2,116,562.53</u>