

GFDA Financial Report November 2021

12/10/21 (Financials as of November 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

| | <i>As of</i> 11/30/21 | <i>As of</i> 11/30/20 | <i>Difference</i> | <i>Change</i> |
|--|--------------------------|--------------------------|-------------------|---------------------|
| Assets | 19,495,841 | 11,739,296 | 7,756,545 | 60% |
| Liabilities | 3,696,904 | 1,855,230 | 1,841,674 | 50% |
| Net Assets | 15,798,937 | 9,884,066 | 5,914,871 | 63% |
| Net Income Fiscal Year to Date | 2,132,198 | 201,741 | 1,930,457 | |
| Revenue Above (Below) Prorated Budget | 152,718 | 12,508 | 140,210 | |
| Expenses Above (Below) Prorated Budget | (244,854) | (220,733) | (24,121) | |
| Days Unrestricted Operating Cash | 215 | 171 | 44 | Minimum Target: 180 |
| Investment Paid Fiscal Year to Date | 332,833 | 211,243 | 121,590 | |
| Investment Paid % of Budget | 78% | 50% | 28% | |

Fairly small changes during the month of November. Revenue continued to run above prorated budget and expenses substantially below. Our salary, benefits and professional development was over \$76,000 under prorated budget after five months in the fiscal year. We expect revenue and expenses to track more closely to budget in the coming months.

In December, we have closed \$1,300,000 in gap loan(s). GFDA was just awarded a CDFI Fund Financial Award comprised of \$266,530 in grant funds and a \$500,000 loan (0.66% fixed interest rate; 13 year term; interest only for the first ten years). This will leverage an additional \$500,000 low interest loan from the Montana Board of Investments.

With several significant changes in revenue and expenses that have not been included in the budget, we anticipate proposed budget updates next quarter.

Operating cash remains above our minimum target, however, management would like to soon increase the minimum target to 365 days.

GFDA Balance Sheet
November 30, 2021

| | <u>November 30,</u> <u>2021</u> | <u>June 30,</u> <u>2021</u> |
|--|------------------------------------|--------------------------------|
| Current Assets | | |
| Cash and Cash Equivalents | \$ 2,913,799 | \$ 1,570,399 |
| Cash Restricted For Loans and Grants | 2,841,522 | 2,116,563 |
| Accounts Receivable | 188,357 | 103,246 |
| Accrued Interest Receivable | 137,453 | 71,595 |
| Due from High Plains Financial | 3,060 | 733 |
| Current Portion of Loans Receivable (Net of Allowance for Doubtful Loans of \$56,538) | <u>2,859,932</u> | <u>2,820,338</u> |
| Total Current Assets | 8,944,123 | 6,682,874 |
| AgriTech TIF Receivable - Long-Term Assets | 110,841 | 110,841 |
| Lease Right-of-Use | 897,011 | 913,688 |
| Office Furniture and Equipment - Net | 57,237 | 66,104 |
| Noncurrent Portion of Loans Receivable (Net of Allowance for Doubtful Loans of \$1,052,837) | <u>9,486,628</u> | <u>8,648,273</u> |
| Total Assets | \$ 19,495,841 | \$ 16,421,780 |
| Current Liabilities | | |
| Accounts Payable | \$ 31,489 | \$ 12,819 |
| Accrued Liabilities | 139,573 | 119,910 |
| Current Portion of Notes Payable | 134,442 | 146,878 |
| Lease-Portage Building | 40,738 | 40,317 |
| Deferred Grant Revenues | 0 | 0 |
| Funds Held in Trust | <u>13,721</u> | <u>14,140</u> |
| Total Current Liabilities | 359,962 | 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 | 82,340 | 83,816 |
| Cnote Group, Inc | 1,001,276 | 0 |
| Lease-Portage Building | 859,076 | 876,178 |
| First Interstate Bank Loan-#628 | <u>15,707</u> | <u>54,052</u> |
| Total Noncurrent Liabilities | 3,336,942 | 2,420,977 |
| Total Liabilities | 3,696,904 | 2,755,041 |
| Net Assets | | |
| Beginning of Year | 13,666,739 | 9,682,329 |
| Increase (Decrease) in Net Assets - Current Year | <u>2,132,198</u> | <u>3,984,410</u> |
| Total Net Assets | 15,798,937 | 13,666,739 |
| Total Liabilities and Net Assets | \$ 19,495,841 | \$ 16,421,780 |

GFDA INCOME/EXPENSE
November 30, 2021

| | 5 | FY Total | | FY 2022 Budget | % of Budget Fiscal Year to Date | FY 2022 Prorated | Over (Under) Budget |
|------------------------------------|---|----------------|-----------------------|-------------------|--|---------------------|---------------------------|
| | | Nov 2021 | Through 11/30/2021 | | | | |
| REVENUE | | | | | | | |
| Investment | | 29,437 | 332,833 | 425,000 | 78% | 177,083 | 155,749 |
| GENERATED REVENUE | | | | | | | |
| AgriTech Park | | 0 | 0 | 0 | #DIV/0! | 0 | 0 |
| AgriTech Park TIF Reimbursement | | 0 | 0 | 514,137 | 0% | 0 | 0 |
| BID | | 2,917 | 14,583 | 35,000 | 42% | 14,583 | (1) |
| FADC, PTAC & SBDC | | | | | | | |
| Food & Ag Development Center | | 5,963 | 29,813 | 65,000 | 46% | 27,083 | 2,729 |
| Procurement Tech Assistance | | 6,256 | 30,688 | 77,000 | 40% | 32,083 | (1,395) |
| Small Business Dev Center | | 10,760 | 53,799 | 129,117 | 42% | 53,799 | 0 |
| SBDC COVID | | 8,151 | 55,972 | 35,000 | 160% | 35,000 | 20,972 |
| SBDC Program Income | | 80 | 225 | 5,000 | 5% | 2,083 | (1,858) |
| <i>FADC, PTAC & SBDC Total</i> | | 31,209 | 170,496 | 311,117 | 55% | 150,049 | 20,447 |
| HPF Management | | 2,000 | 12,000 | 80,000 | 15% | 33,333 | (21,333) |
| Lending Interest & Fees | | 69,251 | 319,377 | 789,000 | 40% | 328,750 | (9,373) |
| Project Grants | | | | | | | |
| Brownfield RLF | | 0 | 0 | 0 | #DIV/0! | 0 | 0 |
| Brownfield Assess FY21 | | 1,047 | 44,269 | 100,000 | 44% | 41,667 | 2,602 |
| EDA COVID RLF Admin | | 20,983 | 100,405 | 240,000 | 42% | 100,000 | 405 |
| CDFI Rapid Response | | 0 | 192,000 | 192,000 | 100% | 192,000 | 0 |
| <i>Project Grants Total</i> | | 22,030 | 336,674 | 532,000 | 63% | 333,667 | 3,007 |
| Client Grant Management | | 0 | 0 | 0 | #DIV/0! | 0 | 0 |
| Events and Miscellaneous | | 0 | 1,304 | 0 | #DIV/0! | 0 | 1,304 |
| Sponsorship | | 0 | 5,000 | 5,000 | 100% | 2,083 | 2,917 |
| <i>Generated Revenue Total</i> | | 127,406 | 859,434 | 2,266,254 | 38% | 862,465 | (3,032) |
| 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> | | 0 | 1,990,460 | 1,990,550 | 100% | 1,990,460 | 0 |
| Total Revenue | | 156,843 | 3,182,726 | 4,681,804 | 68% | 3,030,009 | 152,718 |
| EXPENSE | | | | | | | |
| Staff | | | | | | | |
| Salaries and Wages | | 80,836 | 449,892 | 1,213,758 | 37% | 505,733 | (55,841) |
| Payroll Expenses & Benefits | | 21,479 | 125,374 | 355,288 | 35% | 148,037 | (22,662) |
| Professional Development | | 6,055 | 22,734 | 49,350 | 46% | 20,563 | 2,171 |
| | | 108,371 | 598,000 | 1,618,396 | 37% | 674,332 | (76,332) |
| Operations | | | | | | | |
| Auto | | 899 | 4,495 | 11,124 | 40% | 4,635 | (140) |
| Communication | | 1,702 | 8,415 | 22,000 | 38% | 9,167 | (752) |

GFDA INCOME/EXPENSE
November 30, 2021

Projects

AgriTech Park

| | | | | | | |
|----------------------------|---------------|---------------|----------------|------|---------------|---------------|
| TIF Reimbursement | 0 | 0 | 514,137 | 0% | 0 | 0 |
| Property Taxes | 4,358 | 21,790 | 55,165 | 39% | 22,985 | (1,195) |
| Interest on Powerline Loan | 58 | 416 | 1,700 | 24% | 708 | (293) |
| Legal | 580 | 12,011 | 15,000 | 80% | 6,250 | 5,761 |
| Appraisal | 0 | 22,500 | 21,000 | 107% | 8,750 | 13,750 |
| Engineering | 20,091 | 22,627 | 10,000 | 226% | 4,167 | 18,461 |
| <i>AgriTech Park Total</i> | <u>25,087</u> | <u>79,344</u> | <u>617,002</u> | 13% | <u>42,860</u> | <u>36,484</u> |

Brownfield Assessment

| | | | | | | |
|--------------------------|----------|---------------|----------------|-----|---------------|----------------|
| 2020 Grant Engineering | 0 | 39,368 | 95,000 | 41% | 39,583 | (215) |
| Grant Writing Consultant | 0 | 0 | 6,000 | 0% | 2,500 | (2,500) |
| | <u>0</u> | <u>39,368</u> | <u>101,000</u> | 0 | <u>42,083</u> | <u>(2,715)</u> |

Strategic Planning

| | | | | | | |
|-----------------------------|---------------|---------------|----------------|---------|---------------|-----------------|
| Housing Market Assessment | 0 | (6,250) | 40,000 | -16% | 16,667 | (22,917) |
| Childcare Market Assessment | 0 | 7,800 | 10,000 | 78% | 4,167 | 3,633 |
| Health/BioScience Strategy | 25,000 | 25,000 | 0 | #DIV/0! | 0 | 0 |
| Strategic Planning | 0 | 0 | 125,000 | 0% | 52,083 | (52,083) |
| | <u>25,000</u> | <u>26,550</u> | <u>175,000</u> | 15% | <u>72,917</u> | <u>(71,367)</u> |

Talent Attraction

| | | | | | | |
|--------------------------------|--------------|---------------|----------------|-----|---------------|-----------------|
| Marketing Materials | 0 | 404 | 15,000 | 3% | 6,250 | (5,846) |
| Website | 200 | 800 | 15,000 | 5% | 6,250 | (5,450) |
| Photography & Videography | 0 | 0 | 20,000 | 0% | 8,333 | (8,333) |
| Social Media Advertising | 4,903 | 12,285 | 36,000 | 34% | 15,000 | (2,715) |
| Livability Ads | 0 | 5,000 | 10,000 | 50% | 4,167 | 833 |
| Marketing/Social Media Firms | 2,800 | 3,400 | 55,000 | 6% | 22,917 | (19,517) |
| Miscellaneous | 0 | 296 | 40,000 | 1% | 16,667 | (16,371) |
| <i>Talent Attraction Total</i> | <u>7,903</u> | <u>22,185</u> | <u>191,000</u> | 12% | <u>79,583</u> | <u>(57,399)</u> |

| | | | | | | |
|-----------------------|---------------|----------------|------------------|-----|----------------|-----------------|
| <i>Projects Total</i> | <u>57,990</u> | <u>167,447</u> | <u>1,084,002</u> | 15% | <u>237,444</u> | <u>(94,997)</u> |
|-----------------------|---------------|----------------|------------------|-----|----------------|-----------------|

| | | | | | | |
|---------------|---------|-----------|-----------|-----|-----------|-----------|
| Total Expense | 204,218 | 1,050,529 | 3,921,184 | 27% | 1,266,663 | (244,854) |
|---------------|---------|-----------|-----------|-----|-----------|-----------|

| | | | | | | |
|------------|-----------------|------------------|----------------|------|------------------|----------------|
| Net Income | <u>(47,375)</u> | <u>2,132,198</u> | <u>760,620</u> | 280% | <u>1,763,346</u> | <u>397,572</u> |
|------------|-----------------|------------------|----------------|------|------------------|----------------|

| | | | | | | |
|-----------------------------|----------|-----------|-------------|--|--|--|
| Less Loan Capital Grants | 0 | 1,990,460 | 1,990,550 | | | |
| Operating Surplus (Deficit) | (47,375) | 141,738 | (1,229,930) | | | |

GFDA CASH BALANCES
November 30, 2021

| | 11/30/21 | 6/30/21 |
|---|---------------------------|---------------------|
| Unrestricted Cash | | |
| Bank Accounts | | |
| Operating - First Interstate Bank 8023 | 101,649.04 | 18,605.78 |
| AgriTech Park LLC - First Interstate Bank 7780 | 266.13 | 266.13 |
| EDA RLF (defederalized) | 17,720.92 | 1,967.73 |
| Enterprise - US Bank 4211 | 1,521.07 | 1,520.67 |
| Enterprise - US Bank 6937 | <u>2,792,642.01</u> | <u>1,548,038.51</u> |
| | 2,913,799.17 | 1,570,398.82 |
| Less Enterprise Funds CDFI Restricted for Loans | <u>(1,154,276.00)</u> | |
| | 1,759,523.17 | |
| 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 | 215 | |
| Days Unrestricted Operating Cash Minimum Target | 180 | |
| | 1,474,622.63 | |
| Surplus (Deficit) Unrestricted Operating Cash to Target | 284,900.54 | |
| Restricted Cash | | |
| Programs | | |
| SBDC | 6,580.16 | 8,753.41 |
| EPA Assessment - First Interstate Bank 3008 | 283.80 | 780.68 |
| EPA RLF | 971,342.24 | 931,526.99 |
| CDBG - Cascade County EDA RLF | 67,920.53 | 63,668.37 |
| Downtown RLF | 3,775.23 | 1,798.11 |
| CDBG - City RLF | 100,848.36 | 84,322.55 |
| MicroBusiness RLF | 85,632.92 | 167,911.92 |
| IRP RLF | 293,520.03 | 288,978.41 |
| EDA COVID RLF | 1,311,618.64 | 568,822.09 |
| | <u>2,841,521.91</u> | <u>2,116,562.53</u> |