

GFDA Financial Report September 2022

10/14/22 (Financials as of September 30, 2022)

*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 9/30/22	As of 9/30/21	Difference	Change
Assets	22,058,549	18,575,199	3,483,350	19%
Liabilities	5,807,893	3,709,993	2,097,900	57%
Net Assets	16,250,656	14,865,206	1,385,450	9%
Net Income Fiscal Year to Date	1,003,063	1,195,660	(192,597)	
Revenue Above (Below) Prorated Budget	1,007,177	21,890	985,287	
Expenses Above (Below) Prorated Budget	(71,115)	(109,991)	38,876	
Days Unrestricted Operating Cash	179	337	(158)	Minimum Target: 180
Investment Paid Fiscal Year to Date	176,575	127,813	48,762	
Investment Paid % of Budget	27%	30%	-3%	

We borrowed \$730,000 and purchased 224 acres of land in the Great Falls AgriTech Park during September. We used the entire \$1,000,000 grant from Cascade County for the purchase and booked the land as an asset at the total purchase price of \$1,772,796.

Days unrestricted operating cash improved from 171 days at the end of August to 179 days at the end of September, but remains below our minimum target of 180 days. Very strong local investment collections allowed us to put over \$42,000 of our unrestricted cash into the land purchase and still improve our days cash. We collected \$116,675 in local investment during September, including \$60,000 from Cascade County.

We expect to need to use about \$130,000 in unrestricted operating cash by the end of the calendar year for the purchase of the next parcel of land for the AgriTech Park, and borrow \$236,155. If we have the opportunity to purchase more land for the Park, we will need to secure additional cash to match additional borrowing. Bank financing is limited to 65% of the purchase price or market value, whichever is lower.

Generated earnings ran ahead of budget during the first quarter of the fiscal year. Expenses ran well below budget. The Small Business Development Lead Center allocated an additional \$11,224.04 to our center this week which will lower our required match through the end of this quarter by an equal amount. We closed out the supplemental SBDC CARES Act funds at the end of September.

During September we put the new USDA meat processing loan fund grant of \$2,000,000 under contract as well as the \$2,650,000 cooperative agreement with the EPA for our second Brownfield loan fund. We expect to draw down most of these grants over the remainder of FY 2023 and FY2024 as deals are put together.

Our first State Small Business Credit Initiative Loan was approved by the state this week. We expect to draw the funds for a loan closing by the end of this quarter. We expect to draw down the \$500,000 loan from the Montana Board of Investments and the \$1,400,000 grant from the City of Great Falls by the end of this quarter for loan closings. We also expect to secure state approval for additional SSBCI loans and draw funds for loan closings this quarter.

We signed an agreement with the Great Falls Business Improvement District for the BID to reimburse us up to \$17,000 this fiscal year for salary and fringe for the Downtown Business Development Officer. The Great Falls City Commission has approved tax increment financing funds for the Downtown Development Partnership of Great Falls that will reimburse GFDA for 50% of the salary and fringe of the Downtown Business Development Officer for FY 2022 and FY 2023. We will reimburse the BID for 25% of the salary and fringe it paid in FY 2022. We expect these agreements to be executed soon.

GFDA Balance Sheet
September 30, 2022

	September 30 2022	June 30, 2022
	<u> </u>	<u> </u>
Current Assets		
Cash and Cash Equivalents	\$ 3,142,225	\$ 2,540,715
Cash Restricted For Loans and Grants	1,067,733	1,190,117
Accounts Receivable	81,040	110,127
Accrued Interest Receivable	345,715	296,675
Due from High Plains Financial	3,249	4,476
Prepaid Insurance	0	21,180
Current Portion of Loans Receivable (Net of Allowance for Doubtful Loans of \$32,563)	<u>3,636,004</u>	<u>2,865,908</u>
Total Current Assets	8,275,967	7,029,198
AgriTech TIF Receivable - Long-Term Assets	98,264	98,264
Held for Sale-ATP lots	1,772,796	0
Lease Right-of-Use	863,134	873,371
Office Furniture and Equipment - Net	38,694	46,004
Noncurrent Portion of Loans Receivable (Net of Allowance for Doubtful Loans of \$1,207,062)	<u>11,009,694</u>	<u>11,386,699</u>
Total Assets	\$ 22,058,549	\$ 19,433,536
	<u><u> </u></u>	<u><u> </u></u>
Current Liabilities		
Accounts Payable	\$ 33,024	\$ 94,115
Accrued Liabilities	145,634	157,508
Current Portion of Notes Payable	88,524	88,374
Lease-Portage Building	41,595	41,336
Deferred Grant Revenues	0	0
Funds Held in Trust	<u>11,661</u>	<u>12,097</u>
Total Current Liabilities	320,439	393,430
Noncurrent Notes Payable		
FIB AgriTech #2876	706,943	0
MDOC - Microloan Note Payable	500,000	500,000
Enterprise Fund - CDFI 2020FA	280,975	280,975
Enterprise Fund - CDFI 211FA	500,000	500,000
MBOI-IRP-CDFI Match loan	280,975	280,975
USDA-IRP	316,592	316,592
MBOI-IRP	76,346	77,852
Cnote Group, Inc	1,001,276	1,001,276
US Bank-CRA Investment Funding	1,000,000	0
Lease-Portage Building	<u>824,347</u>	<u>834,843</u>
Total Noncurrent Liabilities	5,487,454	3,792,513
Total Liabilities	5,807,893	4,185,943
Net Assets		
Beginning of Year	15,247,593	13,666,739
Increase (Decrease) in Net Assets - Current Year	<u>1,003,063</u>	<u>1,580,854</u>
Total Net Assets	16,250,656	15,247,593
	<u> </u>	<u> </u>
Total Liabilities and Net Assets	\$ 22,058,549	\$ 19,433,536
	<u><u> </u></u>	<u><u> </u></u>

GFDA INCOME/EXPENSE
Sept 30, 2022

	3	FY Total	FY 2023	% of	FY 2023	Over
	Sept	Through	Budget	Budget	Prorated	(Under)
	2022	9/30/22		Fiscal Year		Budget
				to Date		
REVENUE						
Investment	116,675	176,575	650,000	27%	162,500	14,075
GENERATED REVENUE						
AgriTech Park	0	0	0	#DIV/0!	0	0
AgriTech Park TIF Reimbursement	0	0	300,000	0%	0	0
Downtown BDO	4,250	12,750	43,234	29%	10,809	1,942
FADC, PTAC & SBDC						
Food & Ag Development Center	5,963	17,888	65,000	28%	16,250	1,638
Specialty Crop Block Grant	5,476	16,427	70,400	23%	17,600	(1,173)
Procurement Tech Assistance	8,090	22,065	74,000	30%	18,500	3,565
Small Business Dev Center	12,447	41,055	130,000	32%	32,500	8,555
SBDC COVID	7,717	24,183	25,000	97%	25,000	(817)
SBDC Program Income	1	437	5,000	9%	1,250	(813)
<i>FADC, PTAC & SBDC Total</i>	<u>39,693</u>	<u>122,054</u>	<u>369,400</u>	<u>33%</u>	<u>111,100</u>	<u>10,954</u>
HPF Management	0	4,000	91,000	4%	22,750	(18,750)
Lending Interest & Fees	85,550	265,930	1,025,000	26%	256,250	9,680
Project Grants						
AgriTech Park	0	1,000,000	0	#DIV/0!	0	1,000,000
Brownfield RLF	0	0	60,000	0%	15,000	(15,000)
Brownfield Assess FY21	29,385	34,677	100,000	35%	25,000	9,677
New Grants	0	50,000	100,000	50%	50,000	0
<i>Project Grants Total</i>	<u>29,385</u>	<u>1,084,677</u>	<u>260,000</u>	<u>417%</u>	<u>90,000</u>	<u>994,677</u>
Client Grant Management	0	0	0	#DIV/0!	0	0
Events and Miscellaneous	775	850	0	#DIV/0!	0	850
Sponsorship	0	0	25,000	0%	6,250	(6,250)
<i>Generated Revenue Total</i>	<u>159,653</u>	<u>1,490,261</u>	<u>2,113,634</u>	<u>71%</u>	<u>497,159</u>	<u>993,102</u>
Loan Capital Grants						
Brownfield RLF	0	0	712,000	0%	0	0
<i>Loan Capital Grants Total</i>	<u>0</u>	<u>0</u>	<u>712,000</u>	<u>0%</u>	<u>0</u>	<u>0</u>
Total Revenue	<u>276,328</u>	<u>1,666,836</u>	<u>3,475,634</u>	<u>48%</u>	<u>659,659</u>	<u>1,007,177</u>
EXPENSE						
Staff						
Salaries and Wages	106,328	343,464	1,324,000	26%	331,000	12,464
Payroll Expenses & Benefits	28,988	94,116	370,720	25%	92,680	1,436
Professional Development	16,437	31,996	95,000	34%	23,750	8,246
	<u>151,753</u>	<u>469,576</u>	<u>1,789,720</u>	<u>26%</u>	<u>447,430</u>	<u>22,146</u>

GFDA INCOME/EXPENSE
Sept 30, 2022

	Sept 2022	FY Total Through 9/30/22	FY 2023 Budget	% of Budget Fiscal Year to Date	FY 2023 Prorated	Over (Under) Budget
Operations						
Auto	899	2,697	12,000	22%	3,000	(303)
Communication	1,801	5,533	28,000	20%	7,000	(1,467)
Depreciation	2,709	8,110	32,400	25%	8,100	10
Fundraising	2	60	10,000	1%	2,500	(2,440)
Insurance	2,729	3,414	23,000	15%	5,750	(2,336)
Meetings & Events	0	59	16,000	0%	4,000	(3,941)
Office	4,070	12,187	47,000	26%	11,750	437
Operating Debt Interest & Fees	1,971	6,061	27,600	22%	6,900	(839)
Professional Fees	22,613	24,960	60,000	42%	15,000	9,960
Supplies, Computing & Copying	1,647	9,654	38,000	25%	9,500	154
Miscellaneous	1,339	3,847	25,000	15%	6,250	(2,403)
	<u>39,781</u>	<u>76,582</u>	<u>319,000</u>	<u>24%</u>	<u>79,750</u>	<u>(3,168)</u>
Business Development						
Marketing						
GFDA Events	0	1,955	20,000	10%	5,000	(3,045)
Conf & Trade Show Registrations	0	0	30,000	0%	7,500	(7,500)
Advertising	300	963	18,000	5%	4,500	(3,537)
Marketing Materials	713	787	18,000	4%	4,500	(3,713)
	<u>1,013</u>	<u>3,705</u>	<u>86,000</u>	<u>4%</u>	<u>21,500</u>	<u>(17,795)</u>
Partnerships/Memberships						
Membership & Dues	869	11,182	30,000	37%	7,500	3,682
Partnerships	0	0	15,000	0%	3,750	(3,750)
Women's Business Center	0	0	35,000	0%	8,750	(8,750)
Entrepreneur Mentor Network	0	0	5,000	0%	1,250	(1,250)
Online System Subscriptions	2,618	12,378	50,000	25%	12,500	(122)
	<u>3,487</u>	<u>23,560</u>	<u>135,000</u>	<u>17%</u>	<u>33,750</u>	<u>(10,190)</u>
Professional Fees						
Content Providers	0	0	12,000	0%	3,000	(3,000)
Photography & Videography	0	5,000	15,000	33%	3,750	1,250
Web & Graphic Design	476	1,860	20,000	9%	5,000	(3,140)
	<u>476</u>	<u>6,860</u>	<u>47,000</u>	<u>15%</u>	<u>11,750</u>	<u>(4,890)</u>
Publications	569	686	3,000	23%	750	(64)
Travel	2,027	4,432	75,000	6%	18,750	(14,318)
<i>Business Development Total</i>	<u>7,572</u>	<u>39,244</u>	<u>346,000</u>	<u>11%</u>	<u>86,500</u>	<u>(47,256)</u>

GFDA INCOME/EXPENSE
Sept 30, 2022

	Sept 2022	FY Total Through 9/30/22	FY 2023 Budget	% of Budget Fiscal Year to Date	FY 2023 Prorated	Over (Under) Budget
Lending						
Allowance For Loan Losses	0	0	200,000	0%	0	0
Loan Capital Interest	5,834	13,048	52,730	25%	13,183	(135)
Brownfield Loan Capital Grants	0	0	55,000	0%	0	0
Professional Fees & Misc.						
Legal	(4,144)	(4,144)	12,000	-35%	3,000	(7,144)
Miscellaneous	365	1,460	6,500	22%	1,625	(165)
Portfolio Mgmt Systems	0	0	8,100	0%	2,025	(2,025)
Brownfield RLF Engineering	0	0	25,000	0%	6,250	(6,250)
CDFI FA Application	7,500	15,000	13,000	115%	3,250	11,750
Lending Consultants	0	0	7,000	0%	1,750	(1,750)
	<u>3,721</u>	<u>12,316</u>	<u>71,600</u>	<u>17%</u>	<u>17,900</u>	<u>(5,584)</u>
<i>Lending Total</i>	9,555	25,364	379,330	7%	31,083	(5,719)
Projects						
AgriTech Park						
TIF Reimbursement	0	0	300,000	0%	0	0
Property Taxes	605	1,815	36,000	5%	0	1,815
Legal	7,695	12,085	15,000	81%	3,750	8,335
Professional Fees	0	538	10,000	5%	2,500	(1,962)
Miscellaneous	50	50	5,000	1%	1,250	(1,200)
<i>AgriTech Park Total</i>	<u>8,350</u>	<u>14,488</u>	<u>366,000</u>	<u>4%</u>	<u>7,500</u>	<u>6,988</u>
Brownfield Assessment						
2020 Grant Engineering	15,294	20,464	98,000	21%	24,500	(4,036)
Grant Writing Consultant	0	0	7,500	0%	1,875	(1,875)
	<u>15,294</u>	<u>20,464</u>	<u>105,500</u>	<u>0</u>	<u>26,375</u>	<u>(5,911)</u>
Strategic Planning	0	0	60,000	0%	30,000	(30,000)
Talent Attraction						
Marketing Materials	0	0	10,000	0%	2,500	(2,500)
Website	0	2,405	10,000	24%	2,500	(95)
Photography & Videography	350	1,650	15,000	11%	3,750	(2,100)
Marketing & Advertising	0	14,000	65,000	22%	16,250	(2,250)
Miscellaneous	0	0	5,000	0%	1,250	(1,250)
<i>Talent Attraction Total</i>	<u>350</u>	<u>18,055</u>	<u>105,000</u>	<u>17%</u>	<u>26,250</u>	<u>(8,195)</u>
<i>Projects Total</i>	23,994	53,007	636,500	8%	90,125	(37,118)
Total Expense	232,656	663,773	3,470,550	19%	734,888	(71,115)
Net Income	<u>43,672</u>	<u>1,003,063</u>	<u>5,084</u>	<u>19730%</u>	<u>(75,229)</u>	<u>1,078,292</u>
Less AgriTech Park Grant	1,000,000	1,000,000	0			
Less Loan Capital Grants	0	0	712,000			
Less Brownfield Cleanup Grants	0	0	55,000			
Operating Surplus (Deficit)	<u>(956,328)</u>	<u>3,063</u>	<u>(761,916)</u>			

GFDA CASH BALANCES
September 30, 2022

	9/30/22	6/30/22
Unrestricted Cash		
Bank Accounts		
Operating - First Interstate Bank 8023	61,005.68	58,812.84
AgriTech Park LLC - First Interstate Bank 7780	5,857.94	7,305.97
EDA RLF (defederalized)	29,292.29	124,483.24
Enterprise - US Bank 4211	1,524.80	1,524.77
Enterprise - US Bank 6937	<u>3,044,544.26</u>	<u>2,348,588.02</u>
	3,142,224.97	2,540,714.84
CDFI Fund Restrictions		
2020 FA Poverty Persistent County	(70,000.00)	
2021 FA Poverty Persistent County	(176,530.00)	
2021 FA General Loans	(480,296.00)	
US Bank Loan Proceeds	<u>(1,000,000.00)</u>	
	(1,726,826.00)	
	1,415,398.97	
Days Unrestricted Operating Cash		
Annual Budget Expense	3,470,550.00	
Less Depreciation	(32,400.00)	
Less Allowance for Loan Losses	(200,000.00)	
Less AgriTech Park TIF Reimbursement	(300,000.00)	
Less Brownfield Loan Capital Grants	<u>(55,000.00)</u>	
Operating Budget	2,883,150.00	
Daily Operating Expense (365 days)	7,899.04	
Days Unrestricted Operating Cash	179	
Days Unrestricted Operating Cash Minimum Target	180	
	1,421,827.40	
Surplus (Deficit) Unrestricted Operating Cash to Target	(6,428.43)	
Restricted Cash		
Programs		
SBDC	2,446.95	2,296.18
EPA Assessment - First Interstate Bank 3008	14,374.67	284.02
EPA RLF	519,739.42	516,470.36
CDBG - Cascade County EDA RLF	2,523.80	73,915.48
Downtown RLF	20,009.69	15,132.91
CDBG - City RLF	211,542.28	173,924.45
MicroBusiness RLF	130,030.89	19,607.83
IRP RLF	69,876.02	313,240.07
EDA COVID RLF	96,889.40	75,247.47
SSBCI 2 Principal	100.00	-
SSBCI 2 Interest	100.00	-
USDA MPILP	<u>100.00</u>	
	1,067,733.12	1,190,118.77