

GFDA Financial Report May 2023

6/16/23 (Financials as of May 31, 2023)

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> 5/31/23	<i>As of</i> 5/31/22	<i>Difference</i>	<i>Change</i>
Assets	22,960,465	18,980,529	3,979,936	21%
Liabilities	7,138,370	3,621,727	3,516,643	97%
Net Assets	15,822,095	15,358,802	463,293	3%
Net Income Fiscal Year to Date	574,502	1,692,063	(1,117,561)	
Revenue Above (Below) Prorated Budget	(172,231)	314,875	(487,106)	
Expenses Above (Below) Prorated Budget	(240,110)	(367,630)	127,520	
Days Unrestricted Operating Cash	273	202	71	Minimum Target: 180
Investment Paid Fiscal Year to Date	467,221	521,991	(54,770)	
Investment Paid % of Budget	72%	123%	-51%	

Revenue and expenses continued to run below budget in May with the difference still resulting in better than budgeted net income. Days unrestricted operating cash improved from 144 days to 273 days because we borrowed \$500,000 from First Interstate Bank as a cash flow five-year term loan. Management expects cash flow to become tight over the next few months as we anticipate closing a number of loans that will require us to use some of our operating cash. This will be offset as we draw down the two recent CDFI grant awards, each of which allow 15% to be used for operations.

We won a \$500,000 EPA Brownfield Assessment grant. In June we received the \$1,400,000 loan capital grant from the City of Great Falls that we immediately put to work in a new loan of equal amount. The Montana Department of Commerce approved another SSBCI loan participation in the amount of \$250,000 and a second loan participation in the amount of \$3,000,000. It is uncertain how much of the \$3,000,000 will be in SSBCI funds and how much in other MDOC loan capital.

A large loan packet moved from long-term to current assets in May because they balloon within twelve months. Investment collected in May was a healthy \$43,925.

The GFDA Board approved the FY2024 Budget at its June 1st meeting. FY2023 audit work is scheduled the first two weeks of August with Douglas Wilson & Co.

As usual, we expect to bring a budget revision to the Board during the first quarter of FY 2024 to adjust for grant drawdowns that may move from the current fiscal year to the next.

GFDA Balance Sheet
May 31, 2023

	May 31 2023	June 30, 2022	Change
Current Assets			
Cash and Cash Equivalents	\$ 3,190,489	\$ 2,540,715	\$ 649,774
Cash Restricted For Loans and Grants	1,823,911	1,190,117	633,794
Accounts Receivable	119,978	110,127	9,852
Accrued Interest Receivable	446,607	296,675	149,932
Due from High Plains Financial	4,259	4,476	(217)
Prepaid Insurance	0	21,180	(21,180)
Current Portion of Loans Receivable (Net of Allowance for Doubtful Loans of \$32,563)	<u>8,728,283</u>	<u>2,865,908</u>	<u>5,862,375</u>
Total Current Assets	14,313,527	7,029,198	7,284,329
AgriTech TIF Receivable - Long-Term Assets	92,879	98,264	(5,385)
Held for Sale - Agritech Park Land	2,136,111	0	2,136,111
Lease Portage Building Right-of-Use - Office Space	835,519	873,371	(37,852)
Office Furniture and Equipment - Net	25,020	46,004	(20,984)
Noncurrent Portion of Loans Receivable (Net of Allowance for Doubtful Loans of \$1,207,062)	<u>5,557,409</u>	<u>11,386,699</u>	<u>(5,829,290)</u>
Total Assets	\$ 22,960,465	\$ 19,433,536	\$ 3,526,929
Current Liabilities			
Accounts Payable	\$ 48,414	\$ 94,115	\$ (45,701)
Accrued Liabilities	142,950	157,508	(14,558)
Current Portion of Notes Payable	76,090	88,374	(12,284)
Lease-Portage Building	42,293	41,336	957
Deferred Grant Revenues	0	0	0
Funds Held in Trust	<u>12,435</u>	<u>12,097</u>	<u>338</u>
Total Current Liabilities	322,182	393,430	(71,248)
Noncurrent Liabilities			
FIB AgriTech Land Acquisition Loan #2876	690,960	0	690,960
FIB AgriTech Land Acquisition Loan #7434	343,747	0	343,747
FIB Operating Loan #9287	500,000	0	0
MDOC - Microloan RLF Loan	500,000	500,000	0
CDFI Fund 2020FA Loan - Loan Capital	280,975	280,975	0
CDFI Fund 2021FA Loan - Loan Capital	500,000	500,000	0
MBOI - CDFI FA2020 Match Loan - Loan Capital	280,975	280,975	0
MBOI - CDFI FA2021 Match Loan - Loan Capital	295,000	0	295,000
USDA - IRP RLF Loan - Loan Capital	287,920	316,592	(28,672)
MBOI - USDA IRP RLF Match Loan - Loan Capital	73,306	77,852	(4,546)
CNote Group Loan - Loan Capital	1,001,276	1,001,276	0
US Bank - CRA Investment for Loan Capital	1,000,000	0	1,000,000
SSBCI MDOC Required RLF Assets 50% Return	265,999	0	265,999
Lease - Portage Building - Office Space	<u>796,029</u>	<u>834,843</u>	<u>(38,814)</u>
Total Noncurrent Liabilities	6,816,188	3,792,513	3,023,675
Total Liabilities	7,138,370	4,185,943	2,952,427
Net Assets			
Beginning of Year	15,247,593	13,666,739	1,580,854
Increase (Decrease) in Net Assets - Current Year	<u>574,502</u>	<u>1,580,854</u>	<u>(1,006,352)</u>
Total Net Assets	15,822,095	15,247,593	574,502
Total Liabilities and Net Assets	\$ 22,960,465	\$ 19,433,536	\$ 3,526,929

GFDA INCOME/EXPENSE
May 31, 2023

11	May 2023	FY Total Through 5/31/23	FY 2023 Budget	% of Budget Fiscal Year to Date	FY 2023 Prorated	Over (Under) Budget
REVENUE						
Investment	43,925	467,221	650,000	72%	595,833	(128,612)
GENERATED REVENUE						
AgriTech Park	0	0	0	#DIV/0!	0	0
AgriTech Park TIF Reimbursement	0	134,493	300,000	45%	134,493	0
Downtown BDO	3,803	68,598	43,234	159%	39,631	28,967
FADC, PTAC & SBDC						
Food & Ag Development Center	5,963	65,590	65,000	101%	59,583	6,006
Specialty Crop Block Grant	5,476	60,231	70,400	86%	64,533	(4,303)
Procurement Tech Assistance	6,146	71,304	74,000	96%	67,833	3,471
Small Business Dev Center	10,860	125,562	130,000	97%	119,167	6,395
SBDC COVID	0	24,183	25,000	97%	25,000	(817)
SBDC Program Income	1	1,889	5,000	38%	4,583	(2,694)
<i>FADC, PTAC & SBDC Total</i>	<u>28,445</u>	<u>348,758</u>	<u>369,400</u>	<u>94%</u>	<u>340,700</u>	<u>8,058</u>
HPF Management	0	14,000	91,000	15%	83,417	(69,417)
Lending Interest & Fees	94,778	992,001	1,115,000	89%	1,022,083	(30,082)
Project Grants						
AgriTech Park Cascade County	0	1,000,000	1,000,000	100%	1,000,000	0
USDA MPILP	0	0	25,000	0%	0	0
Brownfield RLF #2	8,492	35,992	60,000	60%	35,992	0
Brownfield Assess FY21	13,403	99,008	100,000	99%	91,667	7,342
New Grants	0	50,000	100,000	50%	50,000	0
<i>Project Grants Total</i>	<u>21,895</u>	<u>1,185,000</u>	<u>1,285,000</u>	<u>92%</u>	<u>1,177,658</u>	<u>7,342</u>
Client Grant Management	0	0	0	#DIV/0!	0	0
Events and Miscellaneous	0	14,430	0	#DIV/0!	0	14,430
Sponsorship	0	20,000	25,000	80%	22,917	(2,917)
<i>Generated Revenue Total</i>	<u>148,921</u>	<u>2,777,280</u>	<u>3,228,634</u>	<u>86%</u>	<u>2,820,899</u>	<u>(43,619)</u>
Loan Capital Grants						
SSBCI	0	265,999	265,999	100%	265,999	0
City of Great Falls	0	0	1,400,000	0%	0	0
USDA MPILP	0	0	600,000	0%	0	0
Brownfield RLF #2	0	0	712,000	0%	0	0
<i>Loan Capital Grants Total</i>	<u>0</u>	<u>265,999</u>	<u>2,977,999</u>	<u>9%</u>	<u>265,999</u>	<u>0</u>
Total Revenue	192,846	3,510,500	6,856,633	51%	3,682,731	(172,231)
EXPENSE						
Staff						
Salaries and Wages	102,835	1,144,311	1,324,000	86%	1,213,667	(69,356)
Payroll Expenses & Benefits	30,792	326,074	370,720	88%	339,827	(13,752)
Professional Development	4,146	64,227	95,000	68%	87,083	(22,856)
	<u>137,773</u>	<u>1,534,612</u>	<u>1,789,720</u>	<u>86%</u>	<u>1,640,577</u>	<u>(105,964)</u>

GFDA INCOME/EXPENSE
May 31, 2023

	May 2023	FY Total Through 5/31/23	FY 2023 Budget	% of Budget Fiscal Year to Date	FY 2023 Prorated	Over (Under) Budget
Operations						
Auto	960	10,195	12,000	85%	11,000	(805)
Communication	1,675	21,602	28,000	77%	25,667	(4,065)
Depreciation	1,040	24,734	32,400	76%	29,700	(4,966)
Fundraising	39	2,821	10,000	28%	9,167	(6,345)
Insurance	0	30,130	23,000	131%	23,000	7,130
Meetings & Events	485	2,525	16,000	16%	14,667	(12,141)
Office	4,127	45,100	47,000	96%	43,083	2,017
Operating Debt Interest & Fees	1,754	21,081	27,600	76%	25,300	(4,219)
Professional Fees	293	53,068	60,000	88%	55,000	(1,933)
Supplies, Computing & Copying	3,495	31,221	38,000	82%	34,833	(3,613)
Miscellaneous	2,824	13,027	25,000	52%	22,917	(9,889)
	<u>16,692</u>	<u>255,503</u>	<u>319,000</u>	<u>80%</u>	<u>294,333</u>	<u>(38,830)</u>
Business Development						
Marketing						
GFDA Events	3,890	19,889	20,000	99%	18,333	1,555
Conf & Trade Show Registrations	1,451	21,840	30,000	73%	27,500	(5,660)
Advertising	389	6,543	18,000	36%	16,500	(9,957)
Marketing Materials	0	4,678	18,000	26%	16,500	(11,822)
	<u>5,729</u>	<u>52,949</u>	<u>86,000</u>	<u>62%</u>	<u>78,833</u>	<u>(25,884)</u>
Partnerships/Memberships						
Membership & Dues	1,582	29,046	30,000	97%	27,500	1,546
Partnerships	0	5,000	15,000	33%	13,750	(8,750)
Entrepreneur Mentor Network	0	0	5,000	0%	4,583	(4,583)
Online System Subscriptions	7,603	50,273	50,000	101%	45,833	4,440
	<u>9,185</u>	<u>84,319</u>	<u>100,000</u>	<u>84%</u>	<u>91,667</u>	<u>(7,348)</u>
Professional Fees						
Content Providers	0	0	12,000	0%	11,000	(11,000)
Photography & Videography	0	5,000	15,000	33%	13,750	(8,750)
Web & Graphic Design	318	6,049	20,000	30%	18,333	(12,284)
	<u>318</u>	<u>11,049</u>	<u>47,000</u>	<u>24%</u>	<u>43,083</u>	<u>(32,034)</u>
Publications						
		1,225	3,000	41%	2,750	(1,525)
Travel	11,476	78,055	75,000	104%	68,750	9,305
<i>Business Development Total</i>	<u>26,709</u>	<u>227,598</u>	<u>311,000</u>	<u>73%</u>	<u>285,083</u>	<u>(57,485)</u>

GFDA INCOME/EXPENSE
May 31, 2023

	May 2023	FY Total Through 5/31/23	FY 2023 Budget	% of Budget Fiscal Year to Date	FY 2023 Prorated	Over (Under) Budget
Lending						
Allowance For Loan Losses	0	0	700,000	0%	0	0
Loan Capital Interest	6,306	62,952	77,730	81%	71,253	(8,301)
Brownfield Loan Capital Grants	4,500	111,886	107,386	104%	107,386	4,500
Professional Fees & Misc.						
Legal	2,115	13,333	12,000	111%	11,000	2,333
Miscellaneous	904	14,624	6,500	225%	5,958	8,665
Grant Refunds (City CDBG)	0	218,017	373,017	58%	218,017	0
Portfolio Mgmt Systems	0	0	8,100	0%	7,425	(7,425)
Brownfield RLF Engineering	0	0	25,000	0%	22,917	(22,917)
CDFI Application Consultants	0	25,000	13,000	192%	13,000	12,000
Lending Consultants	8,693	16,193	7,000	231%	6,417	9,776
	<u>11,711</u>	<u>287,166</u>	<u>444,617</u>	<u>65%</u>	<u>284,734</u>	<u>2,432</u>
<i>Lending Total</i>	22,517	462,004	1,329,733	35%	463,372	(1,368)
Projects						
AgriTech Park						
TIF Reimbursement	0	134,493	300,000	45%	134,493	0
Property Taxes	2,599	18,964	36,000	53%	18,000	964
Legal	428	22,039	15,000	147%	13,750	8,289
Interest AgriTech Land Acq Loan	4,604	31,363	70,000	45%	64,167	(32,803)
Professional Fees	0	5,521	10,000	55%	9,167	(3,646)
Miscellaneous	0	4,107	5,000	82%	4,583	(476)
<i>AgriTech Park Total</i>	<u>7,631</u>	<u>216,487</u>	<u>436,000</u>	<u>50%</u>	<u>244,160</u>	<u>(27,673)</u>
Brownfield Assessment						
2020 Grant Engineering	11,899	86,853	98,000	89%	89,833	(2,980)
Grant Writing Consultant	3,041	10,063	7,500	134%	7,500	2,563
	<u>14,940</u>	<u>96,916</u>	<u>105,500</u>	<u>2</u>	<u>97,333</u>	<u>(417)</u>
Strategic Planning						
	0	55,000	60,000	92%	55,000	0
Talent Attraction						
Marketing Materials	80	7,689	10,000	77%	9,167	(1,478)
Website	0	2,555	10,000	26%	9,167	(6,612)
Photography & Videography	5,000	11,650	15,000	78%	13,750	(2,100)
Marketing & Advertising	8,960	65,870	65,000	101%	59,583	6,287
Miscellaneous	115	115	5,000	2%	4,583	(4,469)
<i>Talent Attraction Total</i>	<u>14,154</u>	<u>87,878</u>	<u>105,000</u>	<u>84%</u>	<u>96,250</u>	<u>(8,372)</u>
<i>Projects Total</i>	36,725	456,281	706,500	65%	492,743	(36,462)
Total Expense	240,416	2,935,999	4,455,953	66%	3,176,109	(240,110)
Net Income	<u>(47,569)</u>	<u>574,502</u>	<u>2,400,680</u>	<u>24%</u>	<u>506,623</u>	<u>67,879</u>
Less AgriTech Park Grant	0	1,000,000	1,000,000			
Less Loan Capital Grants	0	265,999	2,977,999			
Plus City CDBG RLF Return	0	218,017	373,017			
Less Brownfield Cleanup Grants	4,500	111,886	107,386			
Operating Surplus (Deficit)	<u>(52,069)</u>	<u>(585,366)</u>	<u>(1,311,688)</u>			

GFDA CASH BALANCES
May 31, 2023

	5/31/23	6/30/22
Unrestricted Cash		
Bank Accounts		
Operating - First Interstate Bank 8023	520,583.58	58,812.84
AgriTech Park LLC - First Interstate Bank 7780	903.39	7,305.97
EDA RLF (defederalized)	217,805.68	124,483.24
Enterprise - US Bank 4211	1,524.91	1,524.77
Enterprise - US Bank 6937	<u>2,449,671.33</u>	<u>2,348,588.02</u>
	3,190,488.89	2,540,714.84
 CDFI Fund Restrictions		
2020 FA Poverty Persistent County	(70,000.00)	
2021 FA Poverty Persistent County	(176,530.00)	
EDA Defederalized RLF (Board designated for lending)	(217,805.68)	
US Bank Loan Proceeds	<u>(525,797.50)</u>	
	(990,133.18)	
	2,200,355.71	
 Days Unrestricted Operating Cash		
Annual Budget Expense	4,455,953.00	
Less Depreciation	(32,400.00)	
Less Allowance for Loan Losses	(700,000.00)	
Less AgriTech Park TIF Reimbursement	(300,000.00)	
Less City CDBG RLF Return	(373,017.00)	
Less Brownfield Loan Capital Grants	<u>(107,386.00)</u>	
	2,943,150.00	
 Operating Budget	2,943,150.00	
 Daily Operating Expense (365 days)	8,063.42	
 Days Unrestricted Operating Cash	273	
 Days Unrestricted Operating Cash Minimum Target	180	
	1,451,416.44	
 Surplus (Deficit) Unrestricted Operating Cash to Target	748,939.27	
 Restricted Cash		
Programs		
SBDC	2,809.23	2,296.18
EPA Assessment - First Interstate Bank 3008	285.12	284.02
EPA RLF	418,381.00	516,470.36
CDBG - Cascade County EDA RLF	14,441.45	73,915.48
Downtown RLF	29,437.26	15,132.91
CDBG - City RLF	4,058.92	173,924.45
MicroBusiness RLF	109,248.39	19,607.83
IRP RLF	80,184.78	313,240.07
EDA COVID RLF	992,781.19	75,247.47
SSBCI 2 Principal	169,386.57	-
SSBCI 2 Interest	2,596.90	-
USDA MPILP	269.78	-
EPA RLF #2	<u>30.75</u>	-
	1,823,911.34	1,190,118.77