GFDA Financial Report December 2022

1/12/23 (Financials as of December 31, 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 12/31/22	*As of 12/31/21*	*Difference*	*Change*		
Assets	22,163,813	19,347,747	2,816,066	15%		
Liabilities	6,192,666	3,746,335	2,446,331	65%		
Net Assets	15,971,147	15,601,412	369,735	2%		
Net Income Fiscal Year to Date	723,554	1,934,673	(1,211,119)			
Revenue Above (Below) Prorated Budget	(98,537)	187,548	(286,085)			
Expenses Above (Below) Prorated Budget	(88,549)	(233,705)	145,156			
Days Unrestricted Operating Cash	163	214	(51)	Minimum Target:	180	
Investment Paid Fiscal Year to Date	251,546	362,833	(111,287)			
Investment Paid % of Budget	39%	85%	-46%			

Days of unrestricted operating cash imporved from 150 days at the end of November to 163 days at the end of December. We added the EDA defederalized RLF funds that the Board has designated for lending to the deductions from cash available for operations, a correction from earlier reports. This correction lowered operating days cash from 171 to 163 days, but 163 days is a more accurate calculation. We also found a few mis-coded expenses from previous reports and have moved those to the correct expenses lines. These were minor and did not affect the bottom line, but are important from management's perspective to continue to improve budgeting and tracking.

December was a strong investment month with $43,371 paid. Revenue continued to run behind budget, but we improved from being $119,732 behind budget at the end of November to $94,359 behind budget at the end of December. Management expects to meet revenue targets by year-end, except perhaps for investment and drawdowns of loan capital grants.

We borrowed $370,000 in December to purchase additional land for the Great Falls AgriTech Park. The land asset was booked as an asset on the balance sheet at the purchase price of $363,315. After closing we discovered that the 2006 survey we had relied on was inaccurate, resulting in an undercount of acreage by 2-4 acres. We have commissioned a new survey. Our option to purchase was at $15,000/acre. The seller has offered to split the cost for the adjusted acreage so once the new survey is completed we will need to record a new deed and pay $7,500 per additional acre.

In January, as of the 13th, we had received an additional $249,498.50 in SSBCI funds from the state. As approved by the board, we will book half of this as income and adjust the budget in an equal amount. The other half will be reflected on the balance sheet as a noncurrent liability.

One line item on the Income and Expense Statement is highlighted in yellow. In December we finalized and closed out the brownfield cleanup grants to Great Falls Public Schools and to Alluvion Health. These totaled $107,386. Last spring we had budgeted $55,000 for this line item because we did not know how much work would be completed by the end of FY 2022. Both cleanup grants came in under the lkiits approived by the board. Management recommends amending the budget to reflect the full $107,386. If this is done, it would bring expenses through December to $140,935 under budget.

GFDA Balance Sheet
December 31, 2022

	December 31 2022	June 30, 2022
Current Assets		
Cash and Cash Equivalents	$ 3,108,383	$ 2,540,715
Cash Restricted For Loans and Grants	1,031,369	1,190,117
Accounts Receivable	84,696	110,127
Accrued Interest Receivable	389,152	296,675
Due from High Plains Financial	6,324	4,476
Prepaid Insurance	0	21,180
Current Portion of Loans Receivable (Net of Allowance for Doubtful Loans of $32,563)	3,479,709	2,865,908
Total Current Assets	8,099,633	7,029,198
AgriTech TIF Receivable - Long-Term Assets	92,879	98,264
Held for Sale - Agritech Park Land	2,136,111	0
Lease Portage Buiilding Right-of-Use - Office Space	852,832	873,371
Office Furniture and Equipment - Net	29,269	46,004
Noncurrent Portion of Loans Receivable (Net of Allowance for Doubtful Loans of $1,207,062)	10,953,089	11,386,699
Total Assets	$ 22,163,813	$ 19,433,536
Current Liabilities		
Accounts Payable	$ 59,351	$ 94,115
Accrued Liabilities	143,650	157,508
Current Portion of Notes Payable	65,927	88,374
Lease-Portage Building	41,856	41,336
Deferred Grant Revenues	0	0
Funds Held in Trust	11,911	12,097
Total Current Liabilities	322,694	393,430
Noncurrent Liabilities		
FIB AgriTech Land Acquisition Loan #2876	698,700	0
FIB AgriTech Land Acquisition Loan #7434	370,000	0
MDOC - Microloan RLF Loan	500,000	500,000
CDFI Fund 2020FA Loan - Loan Capital	280,975	280,975
CDFI Fund 2021FA Loan - Loan Capital	500,000	500,000
MBOI - CDFI FA2021 Match Loan - Loan Capital	280,975	280,975
USDA - IRP RLF Loan - Loan Capital	287,920	316,592
MBOI - USDA IRP RLF Match Loan - Loan Capital	76,346	77,852
CNote Group Loan - Loan Capital	1,001,276	1,001,276
US Bank - CRA Investment for Loan Capital	1,000,000	0
SSBCI MDOC Required RLF Assets 50% Return	60,000	0
Lease - Portage Building - Office Space	813,780	834,843
Total Noncurrent Liabilities	5,869,972	3,792,513
Total Liabilities	6,192,666	4,185,943
Net Assets		
Beginning of Year	15,247,593	13,666,739
Increase (Decrease) in Net Assets - Current Year	723,554	1,580,854
Total Net Assets	15,971,147	15,247,593
Total Liabilities and Net Assets	$ 22,163,813	$ 19,433,536

GFDA INCOME/EXPENSE
Dec 31, 2022

6	Dec 2022	FY Total Through 12/31/22	FY 2023 Budget	% of Budget Fiscal Year to Date	FY 2023 Prorated	Over (Under) Budget
REVENUE						
Investment	43,371	251,546	650,000	39%	325,000	(73,454)
GENERATED REVENUE						
AgriTech Park	0	0	0	#DIV/0!	0	0
AgriTech Park TIF Reimbursement	134,493	134,493	300,000	45%	134,493	0
Downtown BDO	34,184	55,434	43,234	128%	21,617	33,817
FADC, PTAC & SBDC						
Food & Ag Development Center	5,963	35,776	65,000	55%	32,500	3,276
Specialty Crop Block Grant	5,476	32,854	70,400	47%	35,200	(2,346)
Procurement Tech Assistance	6,278	40,430	74,000	55%	37,000	3,430
Small Business Dev Center	9,740	70,623	130,000	54%	65,000	5,623
SBDC COVID	0	24,183	25,000	97%	25,000	(817)
SBDC Program Income	81	1,884	5,000	38%	2,500	(616)
FADC, PTAC & SBDC Total	27,537	205,749	369,400	56%	197,200	8,549
HPF Management	1,000	7,000	91,000	8%	45,500	(38,500)
Lending Interest & Fees	92,572	532,197	1,115,000	48%	557,500	(25,303)
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	0	0	60,000	0%	0	0
Brownfield Assess FY21	4,054	38,731	100,000	39%	50,000	(11,269)
New Grants	0	50,000	100,000	50%	50,000	0
Project Grants Total	4,054	1,088,731	1,285,000	85%	1,100,000	(11,269)
Client Grant Management	0	0	0	#DIV/0!	0	0
Events and Miscellaneous	9,865	14,123	0	#DIV/0!	0	14,123
Sponsorship	6,000	6,000	25,000	24%	12,500	(6,500)
Generated Revenue Total	309,705	2,043,727	3,228,634	63%	2,068,810	(25,083)
Loan Capital Grants						
SSBCI	0	60,000	60,000	100%	60,000	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
Loan Capital Grants Total	0	60,000	2,772,000	2%	60,000	0
Total Revenue	353,076	2,355,273	6,650,634	35%	2,453,810	(98,537)
EXPENSE						
Staff						
Salaries and Wages	112,466	660,842	1,324,000	50%	662,000	(1,158)
Payroll Expenses & Benefits	27,995	177,799	370,720	48%	185,360	(7,561)
Professional Development	4,407	45,001	95,000	47%	47,500	(2,499)
	144,867	883,642	1,789,720	49%	894,860	(11,218)

GFDA INCOME/EXPENSE
Dec 31, 2022

	Dec 2022	FY Total Through 12/31/22	FY 2023 Budget	% of Budget Fiscal Year to Date	FY 2023 Prorated	Over (Under) Budget
Operations						
Auto	899	5,395	12,000	45%	6,000	(605)
Communication	2,086	11,483	28,000	41%	14,000	(2,517)
Depreciation	3,815	19,533	32,400	60%	16,200	3,333
Fundraising	235	352	10,000	4%	5,000	(4,648)
Insurance	1,009	25,759	23,000	112%	23,000	2,759
Meetings & Events	0	59	16,000	0%	8,000	(7,941)
Office	4,189	24,537	47,000	52%	23,500	1,037
Operating Debt Interest & Fees	1,862	11,769	27,600	43%	13,800	(2,031)
Professional Fees	6,654	31,614	60,000	53%	30,000	1,614
Supplies, Computing & Copying	4,040	18,491	38,000	49%	19,000	(509)
Miscellaneous	536	4,604	25,000	18%	12,500	(7,896)
	25,324	153,595	319,000	48%	171,000	(17,405)
Business Development						
Marketing						
GFDA Events	0	1,955	20,000	10%	10,000	(8,045)
Conf & Trade Show Registrations	0	5,574	30,000	19%	15,000	(9,426)
Advertising	0	4,199	18,000	23%	9,000	(4,801)
Marketing Materials	156	3,452	18,000	19%	9,000	(5,548)
	156	15,180	86,000	18%	43,000	(27,820)
Partnerships/Memberships						
Membership & Dues	3,927	22,654	30,000	76%	15,000	7,654
Partnerships	0	5,000	15,000	33%	7,500	(2,500)
Entrepreneur Mentor Network	0	0	5,000	0%	2,500	(2,500)
Online System Subscriptions	1,385	18,831	50,000	38%	25,000	(6,169)
	5,312	46,485	100,000	46%	50,000	(3,515)
Professional Fees						
Content Providers	0	0	12,000	0%	6,000	(6,000)
Photography & Videography	0	5,000	15,000	33%	7,500	(2,500)
Web & Graphic Design	1,255	3,882	20,000	19%	10,000	(6,119)
	1,255	8,882	47,000	19%	23,500	(14,619)
Publications	107	910	3,000	30%	1,500	(590)
Travel	9,056	38,336	75,000	51%	37,500	836
Business Development Total	15,886	109,793	311,000	35%	155,500	(45,707)

GFDA INCOME/EXPENSE
Dec 31, 2022

	Dec 2022	FY Total Through 12/31/22	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	5,840	31,410	77,730	40%	38,865	(7,455)
Brownfield Loan Capital Grants	107,386	107,386	55,000	195%	55,000	52,386
Professional Fees & Misc.						
Legal	968	(668)	12,000	-6%	6,000	(6,668)
Miscellaneous	2,411	10,268	6,500	158%	3,250	7,018
Portfolio Mgmt Systems	0	0	8,100	0%	4,050	(4,050)
Brownfield RLF Engineering	0	0	25,000	0%	12,500	(12,500)
CDFI Application Consultants	10,000	25,000	13,000	192%	13,000	12,000
Lending Consultants	0	0	7,000	0%	3,500	(3,500)
	13,379	34,601	71,600	48%	42,300	(7,699)
Lending Total	126,604	173,396	904,330	19%	136,165	37,231
Projects						
AgriTech Park						
TIF Reimbursement	134,493	134,493	300,000	45%	134,493	(0)
Property Taxes	2,607	5,937	36,000	16%	18,000	(12,063)
Legal	1,035	13,120	15,000	87%	7,500	5,620
Interest AgriTech Land Acq Loan	2,947	10,848	70,000	15%	35,000	(24,152)
Professional Fees	3,975	4,513	10,000	45%	5,000	(487)
Miscellaneous	2,507	2,927	5,000	59%	2,500	427
AgriTech Park Total	147,564	171,838	436,000	39%	202,493	(30,655)
Brownfield Assessment						
2020 Grant Engineering	4,000	38,609	98,000	39%	49,000	(10,391)
Grant Writing Consultant	7,022	7,022	7,500	94%	3,750	3,272
	11,022	45,631	105,500	1	52,750	(7,119)
Strategic Planning	0	55,000	60,000	92%	55,000	0
Talent Attraction						
Marketing Materials	0	0	10,000	0%	5,000	(5,000)
Website	0	2,405	10,000	24%	5,000	(2,595)
Photography & Videography	0	1,650	15,000	11%	7,500	(5,850)
Marketing & Advertising	5,905	34,770	65,000	53%	32,500	2,270
Miscellaneous	0	0	5,000	0%	2,500	(2,500)
Talent Attraction Total	5,905	38,825	105,000	37%	52,500	(13,675)
Projects Total	164,491	311,294	706,500	44%	362,743	(51,449)
Total Expense	477,173	1,631,719	4,030,550	40%	1,720,268	(88,549)
Net Income	(124,097)	723,554	2,620,084	28%	733,542	(9,988)
Less AgriTech Park Grant	0	1,000,000	1,000,000			
Less Loan Capital Grants	0	60,000	2,772,000			
Less Brownfield Cleanup Grants	107,386	107,386	55,000			
Operating Surplus (Deficit)	(231,483)	(443,832)	(1,206,916)			

GFDA CASH BALANCES
December 31, 2022

	12/31/22	6/30/22
Unrestricted Cash		
Bank Accounts		
Operating - First Interstate Bank 8023	36,573.92	58,812.84
AgriTech Park LLC - First Interstate Bank 7780	802.56	7,305.97
EDA RLF (defederalized)	71,204.35	124,483.24
Enterprise - US Bank 4211	5,563.13	1,524.77
Enterprise - US Bank 6937	2,994,239.10	2,348,588.02
	3,108,383.06	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)	
EDA Defederalized RLF (Board designated for lending)	(71,204.35)	
US Bank Loan Proceeds	(1,000,000.00)	
	(1,798,030.35)	
	1,310,352.71	
Days Unrestricted Operating Cash		
Annual Budget Expense	4,030,550.00	
Less Depreciation	(32,400.00)	
Less Allowance for Loan Losses	(700,000.00)	
Less AgriTech Park TIF Reimbursement	(300,000.00)	
Less Brownfield Loan Capital Grants	(55,000.00)	
Operating Budget	2,943,150.00	
Daily Operating Expense (365 days)	8,063.42	
Days Unrestricted Operating Cash	163	
Days Unrestricted Operating Cash Minimum Target	180	
	1,451,416.44	
Surplus (Deficit) Unrestricted Operating Cash to Target	(141,063.73)	
Restricted Cash		
Programs		
SBDC	3,684.04	2,296.18
EPA Assessment - First Interstate Bank 3008	338.34	284.02
EPA RLF	414,784.87	516,470.36
CDBG - Cascade County EDA RLF	6,595.78	73,915.48
Downtown RLF	24,691.05	15,132.91
CDBG - City RLF	215,062.63	173,924.45
MicroBusiness RLF	183,500.48	19,607.83
IRP RLF	61,379.06	313,240.07
EDA COVID RLF	120,824.75	75,247.47
SSBCI 2 Principal	100.00	-
SSBCI 2 Interest	257.81	-
USDA MPILP	69.87	-
EPA RLF #2	80.01	-
	1,031,368.69	1,190,118.77