

GFDA Financial Report February 2023

3/15/23 (Financials as of February 28, 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

	As of 2/28/23	As of 2/28/22	Difference	Change
Assets	22,824,704	19,132,183	3,692,521	19%
Liabilities	6,675,206	3,683,749	2,991,457	81%
Net Assets	16,149,498	15,448,434	701,064	5%
Net Income Fiscal Year to Date	901,905	1,781,695	(879,790)	
Revenue Above (Below) Prorated Budget	(93,689)	192,244	(285,933)	
Expenses Above (Below) Prorated Budget	(182,237)	(306,535)	124,298	
Days Unrestricted Operating Cash	159	215	(56)	Minimum Target: 180
Investment Paid Fiscal Year to Date	365,496	430,616	(65,120)	
Investment Paid % of Budget	56%	101%	-45%	

Both revenue and expenses continued to run slightly under budget. For generated revenue, loan interest and fees revenue were \$28,826 under budget 8 months into the fiscal year, which is about 2.6% of budget. HPF management continues to run substantially behind budget at \$51,667 under pro-rated. We were overly optimistic in our budgeting last spring on how quickly SBA 504 loans would close. Offsetting this is management of expenses which ran \$182,237 under budget. Staff expenses were \$42,958 under budget, operations \$20,036 under, and business development \$48,027 under.

Net income in February was a healthy \$59,142 with a strong investment month of \$54,425. Net income FYTD was a healthy \$901,905. Our operating deficit was \$471,480 through February. Management expects earnings to continue rise as new loan capital is put to work.

On the balance sheet, outstanding loans, net of allowance for loan loss, dropped \$1,360,316 due mostly to the pay-off of one bridge \$1,300,000 bridge loan.

Unrestricted operating cash remained steady at 159 days, slightly up from 157 days at the end of January.

Over the twelve month period ending February 28th, assets grew 19% and liabilities 81% driven by borrowing to acquire land in the AgriTech Park and borrowing for more loan capital. The balance sheet does not yet reflect substantial loan capital grants awarded in the last 12 months. These will be reflected on the financials once the funds are drawn down. Since the January Financial Report, GFDA won a second \$2 million loan capital grant from USDA and a \$740,000 Financial Award from the CDFI Fund comprised of a \$502,370 grant and a \$237,630 loan. The loan is matched by an equal amount loan commitment from the Montana Board of Investments.

GFDA Balance Sheet
February 28, 2023

	February 28 2023	June 30, 2022
Current Assets		
Cash and Cash Equivalents	\$ 2,370,379	\$ 2,540,715
Cash Restricted For Loans and Grants	2,795,099	1,190,117
Accounts Receivable	109,965	110,127
Accrued Interest Receivable	396,830	296,675
Due from High Plains Financial	8,065	4,476
Prepaid Insurance	0	21,180
Current Portion of Loans Receivable (Net of Allowance for Doubtful Loans of \$32,563)	4,057,664	2,865,908
Total Current Assets	9,738,002	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 Building Right-of-Use - Office Space	845,928	873,371
Office Furniture and Equipment - Net	25,324	46,004
Noncurrent Portion of Loans Receivable (Net of Allowance for Doubtful Loans of \$1,207,062)	9,986,459	11,386,699
Total Assets	\$ 22,824,704	\$ 19,433,536
Current Liabilities		
Accounts Payable	\$ 61,830	\$ 94,115
Accrued Liabilities	142,088	157,508
Current Portion of Notes Payable	77,135	88,374
Lease-Portage Building	42,030	41,336
Deferred Grant Revenues	0	0
Funds Held in Trust	11,940	12,097
Total Current Liabilities	335,024	393,430
Noncurrent Liabilities		
FIB AgriTech Land Acquisition Loan #2876	697,107	0
FIB AgriTech Land Acquisition Loan #7434	349,397	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 FA2020 Match Loan - Loan Capital	280,975	280,975
MBOI - CDFI FA2021 Match Loan - Loan Capital	295,000	0
USDA - IRP RLF Loan - Loan Capital	287,920	316,592
MBOI - USDA IRP RLF Match Loan - Loan Capital	74,832	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	265,999	0
Lease - Portage Building - Office Space	806,702	834,843
Total Noncurrent Liabilities	6,340,183	3,792,513
Total Liabilities	6,675,206	4,185,943
Net Assets		
Beginning of Year	15,247,593	13,666,739
Increase (Decrease) in Net Assets - Current Year	901,905	1,580,854
Total Net Assets	16,149,498	15,247,593
Total Liabilities and Net Assets	\$ 22,824,704	\$ 19,433,536

GFDA INCOME/EXPENSE
February 28, 2023

8	Feb 2023	FY Total Through 2/28/23	FY 2023 Budget	% of Budget Fiscal Year to Date	FY 2023 Prorated	Over (Under) Budget
REVENUE						
Investment	54,425	365,496	650,000	56%	433,333	(67,837)
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	1,618	61,302	43,234	142%	28,823	32,479
FADC, PTAC & SBDC						
Food & Ag Development Center	5,963	47,702	65,000	73%	43,333	4,368
Specialty Crop Block Grant	5,476	43,805	70,400	62%	46,933	(3,129)
Procurement Tech Assistance	5,433	52,373	74,000	71%	49,333	3,040
Small Business Dev Center	10,095	93,939	130,000	72%	86,667	7,272
SBDC COVID	0	24,183	25,000	97%	25,000	(817)
SBDC Program Income	1	1,886	5,000	38%	3,333	(1,447)
<i>FADC, PTAC & SBDC Total</i>	26,967	263,887	369,400	71%	254,600	9,287
HPF Management	1,000	9,000	91,000	10%	60,667	(51,667)
Lending Interest & Fees	78,815	714,507	1,115,000	64%	743,333	(28,826)
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%	4,000	(4,000)
Brownfield RLF #2	7,787	11,642	60,000	19%	3,855	7,787
Brownfield Assess FY21	5,719	57,991	100,000	58%	66,667	(8,676)
New Grants	0	50,000	100,000	50%	50,000	0
<i>Project Grants Total</i>	13,506	1,119,633	1,285,000	87%	1,124,522	(4,889)
Client Grant Management	0	0	0	#DIV/0!	0	0
Events and Miscellaneous	0	14,430	0	#DIV/0!	0	14,430
Sponsorship	10,000	20,000	25,000	80%	16,667	3,333
<i>Generated Revenue Total</i>	131,906	2,337,252	3,228,634	72%	2,363,104	(25,852)
Loan Capital Grants						
SSBCI	81,250	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>	81,250	265,999	2,977,999	9%	265,999	0
Total Revenue	267,581	2,968,747	6,856,633	43%	3,062,436	(93,689)
EXPENSE						
Staff						
Salaries and Wages	95,677	857,018	1,324,000	65%	882,667	(25,649)
Payroll Expenses & Benefits	29,075	238,775	370,720	64%	247,147	(8,371)
Professional Development	4,854	54,395	95,000	57%	63,333	(8,938)
	129,606	1,150,188	1,789,720	64%	1,193,147	(42,958)

GFDA INCOME/EXPENSE
February 28, 2023

	Feb 2023	FY Total Through 2/28/23	FY 2023 Budget	% of Budget Fiscal Year to Date	FY 2023 Prorated	Over (Under) Budget
Operations						
Auto	960	7,315	12,000	61%	8,000	(685)
Communication	2,262	16,065	28,000	57%	18,667	(2,602)
Depreciation	3,855	24,429	32,400	75%	21,600	2,829
Fundraising	18	375	10,000	4%	6,667	(6,292)
Insurance	871	30,131	23,000	131%	23,000	7,131
Meetings & Events	102	648	16,000	4%	10,667	(10,019)
Office	4,105	32,740	47,000	70%	31,333	1,407
Operating Debt Interest & Fees	1,775	15,797	27,600	57%	18,400	(2,603)
Professional Fees	11,636	43,250	60,000	72%	40,000	3,250
Supplies, Computing & Copying	1,834	23,765	38,000	63%	25,333	(1,568)
Miscellaneous	63	5,782	25,000	23%	16,667	(10,884)
	<u>27,480</u>	<u>200,297</u>	<u>319,000</u>	<u>63%</u>	<u>220,333</u>	<u>(20,036)</u>
Business Development						
Marketing						
GFDA Events	0	7,323	20,000	37%	13,333	(6,010)
Conf & Trade Show Registrations	875	12,774	30,000	43%	20,000	(7,226)
Advertising	239	4,839	18,000	27%	12,000	(7,161)
Marketing Materials	272	4,485	18,000	25%	12,000	(7,515)
	<u>1,386</u>	<u>29,421</u>	<u>86,000</u>	<u>34%</u>	<u>57,333</u>	<u>(27,913)</u>
Partnerships/Memberships						
Membership & Dues	1,165	24,555	30,000	82%	20,000	4,555
Partnerships	0	5,000	15,000	33%	10,000	(5,000)
Entrepreneur Mentor Network	0	0	5,000	0%	3,333	(3,333)
Online System Subscriptions	10,760	40,759	50,000	82%	33,333	7,426
	<u>11,925</u>	<u>70,314</u>	<u>100,000</u>	<u>70%</u>	<u>66,667</u>	<u>3,648</u>
Professional Fees						
Content Providers	0	0	12,000	0%	8,000	(8,000)
Photography & Videography	0	5,000	15,000	33%	10,000	(5,000)
Web & Graphic Design	691	5,316	20,000	27%	13,333	(8,018)
	<u>691</u>	<u>10,316</u>	<u>47,000</u>	<u>22%</u>	<u>31,333</u>	<u>(21,018)</u>
Publications						
Publications	0	1,108	3,000	37%	2,000	(892)
Travel	3,325	48,147	75,000	64%	50,000	(1,853)
	<u>3,325</u>	<u>49,255</u>	<u>78,000</u>	<u>64%</u>	<u>52,000</u>	<u>(1,745)</u>
<i>Business Development Total</i>	<u>17,326</u>	<u>159,306</u>	<u>311,000</u>	<u>51%</u>	<u>207,333</u>	<u>(48,027)</u>

GFDA INCOME/EXPENSE
February 28, 2023

	Feb 2023	FY Total Through 2/28/23	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	6,378	43,664	77,730	56%	51,820	(8,156)
Brownfield Loan Capital Grants	0	107,386	107,386	100%	107,386	0
Professional Fees & Misc.						
Legal	2,655	1,987	12,000	17%	8,000	(6,013)
Miscellaneous	480	11,237	6,500	173%	4,333	6,904
Portfolio Mgmt Systems	0	0	8,100	0%	5,400	(5,400)
Brownfield RLF Engineering	0	0	25,000	0%	16,667	(16,667)
CDFI Application Consultants	0	25,000	13,000	192%	13,000	12,000
Lending Consultants	7,500	7,500	7,000	107%	4,667	2,833
	10,635	45,724	71,600	64%	52,067	(6,343)
<i>Lending Total</i>	17,013	196,774	956,716	21%	211,273	(14,499)
Projects						
AgriTech Park						
TIF Reimbursement	0	134,493	300,000	45%	134,493	0
Property Taxes	2,607	11,151	36,000	31%	18,000	(6,849)
Legal	2,250	18,592	15,000	124%	10,000	8,592
Interest AgriTech Land Acq Loan	4,211	17,641	70,000	25%	46,667	(29,025)
Professional Fees	0	4,513	10,000	45%	6,667	(2,154)
Miscellaneous	965	3,892	5,000	78%	3,333	559
<i>AgriTech Park Total</i>	10,033	190,282	436,000	44%	219,160	(28,877)
Brownfield Assessment						
2020 Grant Engineering	2,500	52,612	98,000	54%	65,333	(12,721)
Grant Writing Consultant	0	7,022	7,500	94%	7,500	(478)
	2,500	59,634	105,500	1	72,833	(13,199)
Strategic Planning						
	0	55,000	60,000	92%	55,000	0
Talent Attraction						
Marketing Materials	0	7,500	10,000	75%	6,667	833
Website	0	2,480	10,000	25%	6,667	(4,187)
Photography & Videography	0	1,650	15,000	11%	10,000	(8,350)
Marketing & Advertising	4,480	43,730	65,000	67%	43,333	397
Miscellaneous	0	0	5,000	0%	3,333	(3,333)
<i>Talent Attraction Total</i>	4,480	55,360	105,000	53%	70,000	(14,640)
<i>Projects Total</i>	17,013	360,276	706,500	51%	416,993	(56,717)
Total Expense	208,440	2,066,842	4,082,936	51%	2,249,079	(182,237)
Net Income	59,142	901,905	2,773,697	33%	813,357	88,548
Less AgriTech Park Grant	0	1,000,000	1,000,000			
Less Loan Capital Grants	81,250	265,999	2,977,999			
Less Brownfield Cleanup Grants	0	107,386	107,386			
Operating Surplus (Deficit)	(22,108)	(471,480)	(1,311,688)			

GFDA CASH BALANCES
February 28, 2023

	2/28/23	6/30/22
Unrestricted Cash		
Bank Accounts		
Operating - First Interstate Bank 8023	56,538.54	58,812.84
AgriTech Park LLC - First Interstate Bank 7780	85.28	7,305.97
EDA RLF (defederalized)	175,067.37	124,483.24
Enterprise - US Bank 4211	1,524.86	1,524.77
Enterprise - US Bank 6937	<u>2,137,162.77</u>	<u>2,348,588.02</u>
	2,370,378.82	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	(185,296.00)	
EDA Defederalized RLF (Board designated for lending)	(175,067.37)	
US Bank Loan Proceeds	<u>(501,003.00)</u>	
	(1,107,896.37)	
	1,262,482.45	
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	<u>(107,386.00)</u>	
Operating Budget	2,890,764.00	
Daily Operating Expense (365 days)	7,919.90	
Days Unrestricted Operating Cash	159	
Days Unrestricted Operating Cash Minimum Target	180	
	1,425,582.25	
Surplus (Deficit) Unrestricted Operating Cash to Target	(163,099.80)	
Restricted Cash		
Programs		
SBDC	2,886.32	2,296.18
EPA Assessment - First Interstate Bank 3008	284.57	284.02
EPA RLF	417,801.48	516,470.36
CDBG - Cascade County EDA RLF	9,732.36	73,915.48
Downtown RLF	27,873.46	15,132.91
CDBG - City RLF	217,709.90	173,924.45
MicroBusiness RLF	187,163.14	19,607.83
IRP RLF	67,919.47	313,240.07
EDA COVID RLF	1,448,597.39	75,247.47
SSBCI 2 Principal	413,966.57	-
SSBCI 2 Interest	1,054.17	-
USDA MPILP	49.94	-
EPA RLF #2	60.40	-
	<u>2,795,099.17</u>	<u>1,190,118.77</u>