

GFDA Financial Report March 2023

4/11/23 (Financials as of March 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

	As of 3/31/23	As of 3/31/22	Difference	Change
Assets	22,549,144	19,098,058	3,451,086	18%
Liabilities	6,633,193	3,692,317	2,940,876	80%
Net Assets	15,915,951	15,405,741	510,210	3%
Net Income Fiscal Year to Date	668,358	1,739,002	(1,070,644)	
Revenue Above (Below) Prorated Budget	(103,195)	226,847	(330,042)	
Expenses Above (Below) Prorated Budget	(215,164)	(300,802)	85,638	
Days Unrestricted Operating Cash	182	215	(33)	Minimum Target: 180
Investment Paid Fiscal Year to Date	396,621	466,466	(69,845)	
Investment Paid % of Budget	61%	110%	-49%	

In March, the Executive Committee approved returning CDBG RLF funds to the City of Great Falls. This expense was added to the budget in the approximate amount of \$373,017. We returned \$218,017 in March and plan to return the balance once we refinance an existing loan.

Due to the CDBG funds return, our net income FYTD dropped to \$668,358. Over the first 9 months of the fiscal year, revenue ran \$103,195 or 3.2% under budget. Investment payments totaled a healthy \$31,125 in March. We over projected investment income for this fiscal year, but still expect to top last year's total. Investment ran \$90,879 under budget; generated revenue \$12,316 under budget. Our largest generated revenue line item under budget was HPF management which was \$57,250 under budget through March. We have been focused on GFDA loans this fiscal year to the detriment of SBA 504 loans, but have begun to more aggressively work on developing more 504 deals.

Expenses ran \$215,164 or 8% under budget with every category under budget. The Executive Committee approved a cost of living increase for staff that kicked-in April 1st. Staff expenses were \$75,977 under budget through March.

Unrestricted days operating cash improved from 159 days at the end of February to 182 days at the end of March, getting back to above our minimal target of 180 days. Loan deals could drive that number down this quarter so management continues to monitor cash liquidity.

We were awarded a \$1,948,532 Equitable Recovery Program grant from the CDFI Fund in April. These funds will be available in FY2024. 85% of the grant must be used for loans in ERP eligible census tracts and 15% can fund operational expenses. Our application focused on using the loan capital to enable the production of more housing to try to keep our region affordable.

GFDA Balance Sheet
March 31, 2023

	March 31 2023	June 30, 2022	Change
Current Assets			
Cash and Cash Equivalents	\$ 2,592,564	\$ 2,540,715	\$ 51,849
Cash Restricted For Loans and Grants	1,621,974	1,190,117	431,857
Accounts Receivable	110,849	110,127	722
Accrued Interest Receivable	422,084	296,675	125,409
Due from High Plains Financial	9,796	4,476	5,320
Prepaid Insurance	0	21,180	(21,180)
Current Portion of Loans Receivable (Net of Allowance for Doubtful Loans of \$32,563)	<u>4,073,569</u>	<u>2,865,908</u>	<u>1,207,661</u>
Total Current Assets	8,830,836	7,029,198	1,801,638
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	842,466	873,371	(30,905)
Office Furniture and Equipment - Net	21,469	46,004	(24,535)
Noncurrent Portion of Loans Receivable (Net of Allowance for Doubtful Loans of \$1,207,062)	<u>10,625,383</u>	<u>11,386,699</u>	<u>(761,316)</u>
Total Assets	\$ 22,549,144	\$ 19,433,536	\$ 3,115,608
Current Liabilities			
Accounts Payable	\$ 30,969	\$ 94,115	\$ (63,146)
Accrued Liabilities	140,140	157,508	(17,368)
Current Portion of Notes Payable	76,669	88,374	(11,705)
Lease-Portage Building	42,118	41,336	782
Deferred Grant Revenues	0	0	0
Funds Held in Trust	<u>12,329</u>	<u>12,097</u>	<u>232</u>
Total Current Liabilities	302,224	393,430	(91,206)
Noncurrent Liabilities			
FIB AgriTech Land Acquisition Loan #2876	694,891	0	694,891
FIB AgriTech Land Acquisition Loan #7434	347,475	0	347,475
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>803,152</u>	<u>834,843</u>	<u>(31,691)</u>
Total Noncurrent Liabilities	6,330,969	3,792,513	2,538,456
Total Liabilities	6,633,193	4,185,943	2,447,250
Net Assets			
Beginning of Year	15,247,593	13,666,739	1,580,854
Increase (Decrease) in Net Assets - Current Year	<u>668,358</u>	<u>1,580,854</u>	<u>(912,496)</u>
Total Net Assets	15,915,951	15,247,593	668,358
Total Liabilities and Net Assets	\$ 22,549,144	\$ 19,433,536	\$ 3,115,608

GFDA INCOME/EXPENSE
March 31, 2023

	9	March 2023	FY Total Through 3/31/23	FY 2023 Budget	% of Budget Fiscal Year to Date	FY 2023 Prorated	Over (Under) Budget
REVENUE							
Investment		31,125	396,621	650,000	61%	487,500	(90,879)
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		1,111	62,413	43,234	144%	32,426	29,988
FADC, PTAC & SBDC							
Food & Ag Development Center		5,963	53,664	65,000	83%	48,750	4,914
Specialty Crop Block Grant		5,476	49,281	70,400	70%	52,800	(3,519)
Procurement Tech Assistance		5,729	58,102	74,000	79%	55,500	2,602
Small Business Dev Center		10,147	104,087	130,000	80%	97,500	6,587
SBDC COVID		0	24,183	25,000	97%	25,000	(817)
SBDC Program Income		1	1,887	5,000	38%	3,750	(1,863)
<i>FADC, PTAC & SBDC Total</i>		<u>27,316</u>	<u>291,204</u>	<u>369,400</u>	<u>79%</u>	<u>283,300</u>	<u>7,904</u>
HPF Management		2,000	11,000	91,000	12%	68,250	(57,250)
Lending Interest & Fees		93,413	807,920	1,115,000	72%	836,250	(28,330)
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		7,917	19,559	60,000	33%	3,855	15,704
Brownfield Assess FY21		24,999	82,989	100,000	83%	75,000	7,989
New Grants		0	50,000	100,000	50%	50,000	0
<i>Project Grants Total</i>		<u>32,916</u>	<u>1,152,548</u>	<u>1,285,000</u>	<u>90%</u>	<u>1,132,855</u>	<u>19,693</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%	18,750	1,250
<i>Generated Revenue Total</i>		<u>156,756</u>	<u>2,494,008</u>	<u>3,228,634</u>	<u>77%</u>	<u>2,506,324</u>	<u>(12,316)</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		187,881	3,156,628	6,856,633	46%	3,259,823	(103,195)
EXPENSE							
Staff							
Salaries and Wages		86,926	943,944	1,324,000	71%	993,000	(49,056)
Payroll Expenses & Benefits		27,418	266,194	370,720	72%	278,040	(11,846)
Professional Development		1,781	56,176	95,000	59%	71,250	(15,074)
		<u>116,124</u>	<u>1,266,313</u>	<u>1,789,720</u>	<u>71%</u>	<u>1,342,290</u>	<u>(75,977)</u>

GFDA INCOME/EXPENSE
March 31, 2023

	March 2023	FY Total Through 3/31/23	FY 2023 Budget	% of Budget Fiscal Year to Date	FY 2023 Prorated	Over (Under) Budget
Operations						
Auto	960	8,275	12,000	69%	9,000	(725)
Communication	1,974	18,039	28,000	64%	21,000	(2,961)
Depreciation	3,855	28,284	32,400	87%	24,300	3,984
Fundraising	4	379	10,000	4%	7,500	(7,121)
Insurance	0	30,130	23,000	131%	23,000	7,130
Meetings & Events	946	1,594	16,000	10%	12,000	(10,406)
Office	4,113	36,853	47,000	78%	35,250	1,603
Operating Debt Interest & Fees	1,768	17,566	27,600	64%	20,700	(3,134)
Professional Fees	6,413	49,663	60,000	83%	45,000	4,663
Supplies, Computing & Copying	994	24,795	38,000	65%	28,500	(3,705)
Miscellaneous	356	6,138	25,000	25%	18,750	(12,613)
	<u>21,382</u>	<u>221,715</u>	<u>319,000</u>	<u>70%</u>	<u>245,000</u>	<u>(23,285)</u>
Business Development						
Marketing						
GFDA Events	1,000	8,461	20,000	42%	15,000	(6,539)
Conf & Trade Show Registrations	4,160	16,934	30,000	56%	22,500	(5,566)
Advertising	867	5,705	18,000	32%	13,500	(7,795)
Marketing Materials	13	4,498	18,000	25%	13,500	(9,002)
	<u>6,040</u>	<u>35,598</u>	<u>86,000</u>	<u>41%</u>	<u>64,500</u>	<u>(28,902)</u>
Partnerships/Memberships						
Membership & Dues	1,160	26,237	30,000	87%	22,500	3,737
Partnerships	0	5,000	15,000	33%	11,250	(6,250)
Entrepreneur Mentor Network	0	0	5,000	0%	3,750	(3,750)
Online System Subscriptions	1,151	42,023	50,000	84%	37,500	4,523
	<u>2,311</u>	<u>73,260</u>	<u>100,000</u>	<u>73%</u>	<u>75,000</u>	<u>(1,740)</u>
Professional Fees						
Content Providers	0	0	12,000	0%	9,000	(9,000)
Photography & Videography	0	5,000	15,000	33%	11,250	(6,250)
Web & Graphic Design	331	5,647	20,000	28%	15,000	(9,353)
	<u>331</u>	<u>10,647</u>	<u>47,000</u>	<u>23%</u>	<u>35,250</u>	<u>(24,603)</u>
Publications	39	1,147	3,000	38%	2,250	(1,103)
Travel	6,153	58,219	75,000	78%	56,250	1,969
<i>Business Development Total</i>	<u>14,875</u>	<u>178,872</u>	<u>311,000</u>	<u>58%</u>	<u>233,250</u>	<u>(54,378)</u>

GFDA INCOME/EXPENSE
March 31, 2023

	March 2023	FY Total Through 3/31/23	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	6,649	50,313	77,730	65%	58,298	(7,984)
Brownfield Loan Capital Grants	0	107,386	107,386	100%	107,386	0
Professional Fees & Misc.						
Legal	5,031	7,017	12,000	58%	9,000	(1,983)
Miscellaneous	1,644	12,881	6,500	198%	4,875	8,006
Grant Refunds (City CDBG)	218,017	218,017	373,017	58%	218,017	0
Portfolio Mgmt Systems	0	0	8,100	0%	6,075	(6,075)
Brownfield RLF Engineering	0	0	25,000	0%	18,750	(18,750)
CDFI Application Consultants	0	25,000	13,000	192%	13,000	12,000
Lending Consultants	0	7,500	7,000	107%	5,250	2,250
	<u>224,692</u>	<u>270,415</u>	<u>444,617</u>	<u>61%</u>	<u>274,967</u>	<u>(4,552)</u>
<i>Lending Total</i>	231,342	428,115	1,329,733	32%	440,651	(12,536)
Projects						
AgriTech Park						
TIF Reimbursement	0	134,493	300,000	45%	134,493	0
Property Taxes	2,607	13,758	36,000	38%	18,000	(4,242)
Legal	1,755	20,347	15,000	136%	11,250	9,097
Interest AgriTech Land Acq Loan	4,941	22,583	70,000	32%	52,500	(29,917)
Professional Fees	1,008	5,521	10,000	55%	7,500	(1,979)
Miscellaneous	215	4,107	5,000	82%	3,750	357
<i>AgriTech Park Total</i>	<u>10,526</u>	<u>200,809</u>	<u>436,000</u>	<u>46%</u>	<u>227,493</u>	<u>(26,684)</u>
Brownfield Assessment						
2020 Grant Engineering	22,342	74,954	98,000	76%	73,500	1,454
Grant Writing Consultant	0	7,022	7,500	94%	7,500	(478)
	<u>22,342</u>	<u>81,976</u>	<u>105,500</u>	<u>2</u>	<u>81,000</u>	<u>976</u>
Strategic Planning						
	0	55,000	60,000	92%	55,000	0
Talent Attraction						
Marketing Materials	109	7,609	10,000	76%	7,500	109
Website	0	2,480	10,000	25%	7,500	(5,020)
Photography & Videography	0	1,650	15,000	11%	11,250	(9,600)
Marketing & Advertising	0	43,730	65,000	67%	48,750	(5,020)
Miscellaneous	0	0	5,000	0%	3,750	(3,750)
<i>Talent Attraction Total</i>	<u>109</u>	<u>55,469</u>	<u>105,000</u>	<u>53%</u>	<u>78,750</u>	<u>(23,281)</u>
<i>Projects Total</i>	32,978	393,255	706,500	56%	442,243	(48,988)
Total Expense	416,700	2,488,270	4,455,953	56%	2,703,434	(215,164)
Net Income	<u>(228,820)</u>	<u>668,358</u>	<u>2,400,680</u>	<u>28%</u>	<u>556,389</u>	<u>111,970</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	218,017	218,017	373,017			
Less Brownfield Cleanup Grants	0	107,386	107,386			
Operating Surplus (Deficit)	<u>(10,802)</u>	<u>(487,009)</u>	<u>(1,311,688)</u>			

GFDA CASH BALANCES
March 31, 2023

	3/31/23	6/30/22
Unrestricted Cash		
Bank Accounts		
Operating - First Interstate Bank 8023	64,586.97	58,812.84
AgriTech Park LLC - First Interstate Bank 7780	870.03	7,305.97
EDA RLF (defederalized)	189,539.09	124,483.24
Enterprise - US Bank 4211	1,524.87	1,524.77
Enterprise - US Bank 6937	<u>2,336,042.63</u>	<u>2,348,588.02</u>
	2,592,563.59	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)	(189,539.09)	
US Bank Loan Proceeds	<u>(501,003.00)</u>	
	(1,122,368.09)	
	1,470,195.50	
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>	
Operating Budget	2,943,150.00	
Daily Operating Expense (365 days)	8,063.42	
Days Unrestricted Operating Cash	182	
Days Unrestricted Operating Cash Minimum Target	180	
	1,451,416.44	
Surplus (Deficit) Unrestricted Operating Cash to Target	18,779.06	
Restricted Cash		
Programs		
SBDC	2,887.30	2,296.18
EPA Assessment - First Interstate Bank 3008	284.92	284.02
EPA RLF	419,430.87	516,470.36
CDBG - Cascade County EDA RLF	11,301.57	73,915.48
Downtown RLF	26,994.69	15,132.91
CDBG - City RLF	1,052.04	173,924.45
MicroBusiness RLF	192,494.24	19,607.83
IRP RLF	70,741.55	313,240.07
EDA COVID RLF	728,687.62	75,247.47
SSBCI 2 Principal	166,159.73	-
SSBCI 2 Interest	1,598.52	-
USDA MPILP	289.95	-
EPA RLF #2	<u>50.70</u>	-
	1,621,973.70	1,190,118.77