

GFDA Financial Report January 2024

2/9/24 (Financials as of January 31, 2024)

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 1/31/24	As of 1/31/23	Difference	Change
Assets	31,471,382	22,660,702	8,810,680	39%
Liabilities	9,624,135	6,562,467	3,061,668	47%
Net Assets	21,847,247	16,098,235	5,749,012	36%
Net Income Fiscal Year to Date	4,921,422	850,642	4,070,780	
Revenue Above (Below) Prorated Budget	(241,090)	(22,552)	(218,538)	
Expenses Above (Below) Prorated Budget	(240,263)	(159,010)	(81,253)	
Days Unrestricted Operating Cash	219	157	62	Minimum Target: 180
Investment Paid Fiscal Year to Date	218,359	311,071	(92,712)	
Investment Paid % of Budget	40%	48%	-8%	

Balancesheet changes in January included pay-off of \$150,286 in CNote loan capital loans. We have another \$76,989.90 scheduled to pay-off by the end of the fiscal year. We rolled \$774,000 in CNote loans, extending them to July 2026. The interest rate increased from 3.5% to 4.5%. We also rolled over the \$500,000 MicroBusiness loan capital loan from the Montana Department of Commerce. The rate stayed steady at 2.75%. These loan roll-overs moved the assets from current to non-current liabilities, reducing our current liabilities by \$1,419,172.

We booked the \$481,900 increase in loan loss allowance that we calculated at the close of last quarter. The increase is due entirely to the growth of our outstanding loan balance. We booked an across the board 8.0% loan loss allowance for the new loans. The increase brought our loan loss allowance expensed total to \$2,252,700.

We received \$210,634 in additional State Small Business Credit Initiative loan capital in February from the Montana Department of Commerce, booking 50% as income and 50% as an asset and a liability. The funds will be put into a new loan. The state has announced that the third tranche of SSBCI Montana funds will open on March 1st.

Seven months into the fiscal year, revenue and expenses are running about equally below budget. We ended January about 8% under pro-rata budget on both revenue and expenses. Operating cash remained healthy at 219 days, down from 288 days at the end of December because we used some unrestricted cash for loans.

Investment is running significantly behind budget. We had collected \$218,359 through January which is 40% of budget. With investment pledges also behind schedule, we have cut some talent attraction expenses through the end of the fiscal year.

The Board approved commissioning a new housing demand market assessment at a cost of \$25,000. This expense is not in the budget, but we expect string partner support to share the expense.

Management has been advised by other CDFI's that they do not include loan loss allowance or depreciation in their calculation of operating surplus (deficit). This month's report makes this change which will be discussed at the February Executive Committee meeting to see how we want to do it in the future. The change lowers our budgeted deficit for the fiscal year to \$107,832 and operating surplus through January to \$118,554.

GFDA Balance Sheet
January 31, 2024

	January 31 2024	June 30, 2023	Change
Current Assets			
Cash and Cash Equivalents	\$ 2,209,646	\$ 2,994,998	\$ (785,352)
Cash Restricted For Loans and Grants	1,218,549	2,523,890	(1,305,341)
Accounts Receivable	96,758	141,073	(44,315)
Accrued Interest Receivable	642,033	471,849	170,184
Due from High Plains Financial	7,100	8,271	(1,171)
Current Portion of Loans Receivable (Net of Allowance for Doubtful Loans of \$253,268)	<u>10,135,115</u>	<u>10,044,273</u>	<u>90,842</u>
Total Current Assets	14,309,201	16,184,354	(1,875,153)
AgriTech TIF Receivable - Long-Term Assets	76,522	85,538	(9,016)
Held for Sale - Agritech Park Land	2,136,111	2,136,111	0
Lease Portage Building Right-of-Use - Office Space	807,441	832,035	(24,594)
Office Furniture and Equipment - Net	21,871	25,579	(3,709)
Noncurrent Portion of Loans Receivable (Net of Allowance for Doubtful Loans of \$1,999,432)	<u>14,120,236</u>	<u>5,162,744</u>	<u>8,957,492</u>
Total Assets	\$ 31,471,382	\$ 24,426,362	\$ 7,045,021
Current Liabilities			
Accounts Payable	\$ 30,503	\$ 53,545	\$ (23,042)
Accrued Liabilities	153,772	178,405	(24,633)
Current Portion of Notes Payable	261,007	1,674,175	(1,413,168)
Lease-Portage Building	43,003	42,381	622
Deferred Grant Revenues	55,491	0	55,491
Funds Held in Trust	<u>3,590</u>	<u>3,426</u>	<u>164</u>
Total Current Liabilities	547,366	1,951,932	(1,404,566)
Noncurrent Liabilities			
FIB AgriTech Land Acquisition Loan #2876	674,663	688,894	(14,232)
FIB AgriTech Land Acquisition Loan #7434	313,406	330,570	(17,164)
FIB Operating Loan #9287	361,614	414,822	0
MDOC - Microloan RLF Loan	500,000	0	500,000
CDFI Fund 2020FA Loan - Loan Capital	280,975	280,975	0
CDFI Fund 2021FA Loan - Loan Capital	500,000	500,000	0
CDFI Fund 2022FA Loan - Loan Capital	237,630	0	237,630
MBOI - CDFI FA2020 Match Loan - Loan Capital	275,706	280,320	(4,614)
MBOI - CDFI FA2021 Match Loan - Loan Capital	500,000	295,000	205,000
MBOI -CDFI FA2022 Match Loan - Loan Capital	237,630		
USDA - IRP RLF Loan - Loan Capital	258,961	287,920	(28,959)
MBOI - USDA IRP RLF Match Loan - Loan Capital	68,691	71,773	(3,082)
CNote Group Loan - Loan Capital	774,000	0	774,000
US Bank - CRA Investment for Loan Capital	1,000,000	1,000,000	0
SSBCI MDOC Required RLF Assets 50% Return	2,326,251	605,874	1,720,377
Lease - Portage Building - Office Space	<u>767,241</u>	<u>792,457</u>	<u>(25,216)</u>
Total Noncurrent Liabilities	9,076,768	5,548,605	3,528,163
Total Liabilities	9,624,135	7,500,537	2,123,598
Net Assets			
Beginning of Year	16,925,825	15,247,593	1,678,232
Increase (Decrease) in Net Assets - Current Year	<u>4,921,422</u>	<u>1,678,232</u>	<u>3,243,190</u>
Total Net Assets	21,847,247	16,925,825	4,921,422
Total Liabilities and Net Assets	\$ 31,471,382	\$ 24,426,362	\$ 7,045,020

GFDA INCOME/EXPENSE
January 31, 2024

	7	Jan	FY Total	FY 2024	% of	FY 2024	Over
		2024	Through	Budget	Budget	Prorated	(Under)
			1/31/24		Fiscal Year		Budget
					to Date		
REVENUE							
Investment		27,275	218,359	550,000	40%	320,833	(102,474)
Generated Revenue							
AgriTech Park		0	9,509	0	#DIV/0!	0	9,509
AgriTech Park TIF Reimbursement		0	225,175	270,000	83%	225,175	0
Downtown BDO		3,330	28,830	51,000	57%	29,750	(920)
FADC, APEX & SBDC							
Food & Ag Development Center		4,375	26,251	65,000	40%	37,917	(11,666)
Specialty Crop Block Grant		5,476	38,331	66,000	58%	38,500	(169)
APEX Accelerator (PTAC)		9,452	70,355	74,000	95%	43,167	27,188
Small Business Dev Center		11,833	68,902	130,000	53%	75,833	(6,931)
SBDC Program Income		0	2	5,000	0%	2,917	(2,915)
<i>FADC, APEX & SBDC Total</i>		31,136	203,841	340,000	60%	198,333	5,508
HPF Management		0	1,000	48,500	2%	28,292	(27,292)
Lending Interest & Fees		144,185	947,168	1,868,600	51%	1,090,017	(142,848)
Project Grants							
EPA RLF #2 Admin		6,639	48,253	60,000	80%	35,000	13,253
EPA Assessment		3,992	35,114	100,000	35%	58,333	(23,219)
USDA MPILP #1		2,782	19,474	33,384	58%	19,474	(0)
USDA MPILP #2		0	0	0	#DIV/0!	0	0
Downtown Market Assessment		0	0	45,000	0%	0	0
New Grants		0	0	80,000	0%	0	0
CDFI 22FA		0	75,356	75,356	100%	75,356	0
CDFI ERP		0	292,280	292,280	100%	292,280	0
<i>Project Grants Total</i>		13,413	470,477	686,020	69%	480,443	(9,966)
Client Grant Management		0	0	0	#DIV/0!	0	0
Events and Miscellaneous		2,607	28,977	0	#DIV/0!	0	28,977
Sponsorship		5,000	13,000	25,000	52%	14,583	(1,583)
<i>Generated Revenue Total</i>		199,672	1,927,978	3,289,120	59%	2,066,593	(138,616)
Loan Capital Grants							
CDFI FA22		0	427,015	427,015	100%	427,015	0
CDFI ERP		0	1,656,252	1,656,254	100%	1,656,252	0
SSBCI		0	1,720,377	1,720,377	100%	1,720,377	0
USDA MPILP #1		0	1,575,000	1,575,000	100%	1,575,000	0
USDA MPILP #2		0	0	0	#DIV/0!	0	0
EPA RLF #2		0	97,360	583,925	17%	97,360	0
<i>Loan Capital Grants Total</i>		0	5,476,004	5,962,571	92%	5,476,004	0
Total Revenue		226,947	7,622,341	9,801,691	78%	7,863,431	(241,090)

FY Total

% of Budget

Over

GFDA INCOME/EXPENSE

January 31, 2024

EXPENSE	Jan 2024	Through 1/31/24	FY 2024 Budget	Fiscal Year to Date	FY 2024 Prorated	(Under) Budget
Staff						
Salaries and Wages	121,779	823,089	1,575,000	52%	918,750	(95,661)
Payroll Expenses & Benefits	37,455	240,169	441,000	54%	257,250	(17,081)
Professional Development	2,358	15,925	110,000	14%	64,167	(48,242)
	<u>161,592</u>	<u>1,079,182</u>	<u>2,126,000</u>	51%	<u>1,240,167</u>	<u>(160,984)</u>
Operations						
Auto	960	6,720	12,000	56%	7,000	(280)
Communication	1,881	13,325	28,000	48%	16,333	(3,008)
Depreciation	295	9,432	28,000	34%	16,333	(6,901)
Fundraising	208	667	7,000	10%	4,083	(3,416)
Insurance	0	21,096	32,000	66%	18,667	2,429
Meetings & Events	723	4,681	15,000	31%	8,750	(4,069)
Office	4,185	29,241	50,000	58%	29,167	75
Operating Debt Interest & Fees	4,474	32,697	40,000	82%	23,333	9,363
Professional Fees	12,967	45,643	90,000	51%	52,500	(6,857)
Supplies, Computing & Copying	1,766	22,537	32,000	70%	18,667	3,871
Miscellaneous	108	28,779	15,000	192%	8,750	20,029
	<u>27,568</u>	<u>214,820</u>	<u>349,000</u>	62%	<u>203,583</u>	<u>11,237</u>
Business Development						
Marketing						
GFDA Events	6,120	13,077	25,000	52%	14,583	(1,506)
Conf & Trade Show Registrations	4,270	18,826	30,000	63%	17,500	1,326
Advertising	389	13,086	22,000	59%	12,833	253
Marketing Materials	387	6,531	22,000	30%	12,833	(6,302)
	<u>11,166</u>	<u>51,520</u>	<u>99,000</u>	52%	<u>57,750</u>	<u>(6,230)</u>
Partnerships/Memberships						
Membership, Dues & Publications	9,963	21,386	35,000	61%	20,417	970
Partnerships	0	2,500	15,000	17%	8,750	(6,250)
Entrepreneur Mentor Network	0	0	5,000	0%	2,917	(2,917)
Online System Subscriptions	3,134	30,959	50,000	62%	29,167	1,793
	<u>13,097</u>	<u>54,846</u>	<u>105,000</u>	52%	<u>61,250</u>	<u>(6,404)</u>
Professional Fees						
Content Providers	0	0	5,000	0%	2,917	(2,917)
Photography & Videography	5,000	5,000	22,000	23%	12,833	(7,833)
Web & Graphic Design	445	4,232	20,000	21%	11,667	(7,434)
	<u>5,445</u>	<u>9,232</u>	<u>47,000</u>	20%	<u>27,417</u>	<u>(18,184)</u>
Travel	13,969	66,511	90,000	74%	52,500	14,011
<i>Business Development Total</i>	<u>43,677</u>	<u>182,109</u>	<u>341,000</u>	53%	<u>198,917</u>	<u>(16,807)</u>

Jan	FY Total Through	FY 2024	% of Budget Fiscal Year	FY 2024	Over (Under)
-----	---------------------	---------	----------------------------	---------	-----------------

GFDA INCOME/EXPENSE
January 31, 2024

	2024	1/31/24	Budget	to Date	Prorated	Budget
Lending						
Allowance For Loan Losses	481,900	583,126	585,000	100%	583,126	0
Loan Capital Interest	69,467	114,535	88,952	129%	51,889	62,647
Brownfield Loan Capital Grants	0	90,010	583,925	15%	90,010	0
Professional Fees & Misc.						
Legal	4,253	12,911	30,000	43%	17,500	(4,589)
Miscellaneous	480	7,659	12,000	64%	7,000	659
Grant Refunds (City CDBG)	0	732	0	#DIV/0!	0	0
Portfolio Mgmt Systems	0	0	7,000	0%	4,083	(4,083)
Brownfield RLF Engineering	0	7,350	25,000	29%	14,583	(7,233)
CDFI Application Consultants	0	7,500	56,000	13%	32,667	(25,167)
Lending Consultants	0	0	20,000	0%	11,667	(11,667)
	<u>4,734</u>	<u>36,153</u>	<u>150,000</u>	<u>24%</u>	<u>87,500</u>	<u>(52,079)</u>
<i>Lending Total</i>	556,101	823,824	1,407,877	59%	812,525	10,567
Projects						
AgriTech Park						
TIF Reimbursement	0	225,175	270,000	83%	225,175	0
Property Taxes	2,828	21,366	25,000	85%	14,583	6,783
Legal	3,150	3,983	25,000	16%	14,583	(10,600)
Interest AgriTech Land Acq Loan	4,447	31,110	65,000	48%	37,917	(6,806)
Professional Fees	0	3,352	15,000	22%	8,750	(5,398)
Miscellaneous	0	2,928	5,000	59%	2,917	11
<i>AgriTech Park Total</i>	<u>10,426</u>	<u>287,915</u>	<u>405,000</u>	<u>71%</u>	<u>303,925</u>	<u>(16,010)</u>
Brownfield Assessment						
Grant Engineering	0	18,943	80,000	24%	46,667	(27,724)
Strategic Planning						
Downtown Market Assessment	0	0	50,000	0%	0	0
CDFI Growth Model	0	0	9,000	0%	0	0
Energy Market Assessment	0	0	80,000	0%	0	0
Transload/Logistics Mkt Assess	0	0	80,000	0%	0	0
Bioscience	30,000	60,000	60,000	100%	60,000	0
	<u>30,000</u>	<u>60,000</u>	<u>279,000</u>	<u>22%</u>	<u>0</u>	<u>0</u>
Talent Attraction						
Marketing Materials	0	0	10,000	0%	5,833	(5,833)
Website	0	0	10,000	0%	5,833	(5,833)
Photography & Videography	0	0	20,000	0%	11,667	(11,667)
Marketing & Advertising	4,673	34,126	80,000	43%	46,667	(12,541)
Miscellaneous	0	0	8,000	0%	4,667	(4,667)
<i>Talent Attraction Total</i>	<u>4,673</u>	<u>34,126</u>	<u>128,000</u>	<u>27%</u>	<u>74,667</u>	<u>(40,541)</u>
<i>Projects Total</i>	45,099	400,984	892,000	45%	425,258	(84,275)
Total Expense	834,037	2,700,919	5,115,877	53%	2,880,450	(240,263)
Net Income	<u>(607,091)</u>	<u>4,921,422</u>	<u>4,685,814</u>	<u>105%</u>	<u>4,982,981</u>	<u>(827)</u>
Less Loan Capital Grants	0	(5,476,004)	(5,962,571)			
Plus Depreciation	295	9,432	28,000			
Plus Loan Loss Allowance	481,900	583,126	585,000			
Plus Brownfield Cleanup Grants	0	90,010	583,925			
Operating Surplus (Deficit)	<u>(125,191)</u>	<u>118,554</u>	<u>(107,832)</u>			

GFDA CASH BALANCES
January 31, 2024

	1/31/24	6/30/23
Unrestricted Cash		
Bank Accounts		
Operating - First Interstate Bank 8023	336,202.67	463,452.55
AgriTech Park LLC - First Interstate Bank 7780	9,758.56	9,364.10
EDA RLF (defederalized)	142,647.91	78,526.66
Enterprise - US Bank 4211	1,000.15	1,524.97
Enterprise - US Bank 6937	<u>1,720,036.65</u>	<u>2,442,130.16</u>
	2,209,645.94	2,994,998.44
CDFI Fund Restrictions		
2021 FA Poverty Persistent County	(166,530.00)	
2022 FA CDFI Award	-	
2022 FA Poverty Persistent County	(100,000.00)	
2023 ERP CDFI Award	-	
EDA Defederalized RLF (Board designated for lending)	(132,007.00)	
US Bank Loan Proceeds	<u>-</u>	
	(398,537.00)	
	1,811,108.94	
Days Unrestricted Operating Cash		
Annual Budget Expense	4,481,952.00	
Less Depreciation	(28,000.00)	
Less Allowance for Loan Losses	(585,000.00)	
Less AgriTech Park TIF Reimbursement	(270,000.00)	
Less Brownfield Loan Capital Grants	<u>(583,925.00)</u>	
Operating Budget	3,015,027.00	
Daily Operating Expense (365 days)	8,260.35	
Days Unrestricted Operating Cash	219	
Days Unrestricted Operating Cash Minimum Target	180	
	1,486,862.63	
Surplus (Deficit) Unrestricted Operating Cash to Target	324,246.31	
Restricted Cash		
Programs		
SBDC-GFDA	982.04	2,810.15
EPA Assessment - First Interstate Bank 3008	287.68	285.17
EPA RLF	434,625.75	422,177.87
CDBG - Cascade County EDA RLF	30,143.25	16,012.10
Downtown RLF	40,254.89	30,502.79
CDBG - City RLF	-	2,405.04
MicroBusiness RLF	133,565.95	113,231.84
IRP RLF	88,742.02	81,808.38
EDA COVID RLF	74,650.24	999,816.56
SSBCI 2 Principal	335,851.99	850,923.17
SSBCI 2 Interest	12,842.29	3,636.48
USDA MPILP	66,396.89	259.82
USDA MPILP #2	144.78	-
EPA RLF #2	<u>60.92</u>	<u>20.76</u>
	1,218,548.69	2,523,890.13

GFDA Debt Schedule

1/31/24

<i>Lender</i>	<i>Loan Purpose</i>	<i>Current Balance</i>	<i>Interest Rate</i>	<i>Maturity Date</i>	<i>Payment Schedule</i>
First Interstate Bank	Land	699,054.48	4.50%	9/2/27	Monthly P&I Payments of 4,619.37
First Interstate Bank	Land	342,853.33	6.10%	1/1/28	Monthly P&I Payments of 4,132.91
First Interstate Bank	Operating	451,423.16	7.25%	6/1/28	Monthly P&I Payments of 9,979.73
USDA IRP	Loan Capital	287,920.18	1.00%	11/29/34	Annual P&I payments of 31,838.00
Montana Board of Investments	Loan Capital	74,956.43	2.00%	10/13/34	Quarterly P&I payments of 1,898.93
Montana Dept. Commerce	Loan Capital	500,000.00	2.75%	12/31/27	Quarterly interest-only payments of 3,437.50 Rolls over every four years.
Montana Board of Investments #20006	Loan Capital	280,975.00	2.00%	12/1/50	Quarterly interest-only payments of 1,401.03 P&I payments start June 2024
CDFI Fund #201FA054510	Loan Capital	280,975.00	1.70%	11/18/33	Semi-annual interest-only payments of 2,388.29 P&I payments start June 2031
Montana Board of Investments #20024	Loan Capital	500,000.00	2.00%	6/30/52	Quarterly interest-only payments of 1,980.09 P&I payments start April 2025
CDFI Fund #211FA058137	Loan Capital	500,000.00	0.66%	6/2/35	Semi-annual interest-only payments of 1,650.00 P&I payments start December 2032
CDFI Fund #221FA059938	Loan Capital	237,630.00	1.39%	7/5/36	Semi-annual interest-only payments of 1,596.48 P&I payments start December 2033
Montana Board of Investments	Loan Capital	237,630.00	2.00%	3/10/53	Quarterly interest-only payments of 1,300.00 P&I payments start June 2026
US Bank CDC	Loan Capital	1,000,000.00	2.74%	8/11/28	Quarterly interest-only payments of 6,850.00 Due three years from Initial term August 2025 Auto extend 1 year, up to three times
CNote Group	Loan Capital	210,457.12	4.50%	7/7/26	Monthly interest-only payments; balloon
CNote Group	Loan Capital	563,542.88	4.50%	7/12/26	Monthly interest-only payments; balloon
CNote Group	Loan Capital	36,989.90	3.50%	2/5/24	Monthly interest-only payments; balloon
CNote Group	Loan Capital	40,000.00	3.50%	5/18/24	Monthly interest-only payments; balloon
		6,244,407.48			