GFDA FY 2027 BUDGET

As Amended 11/12/26

Overview

A budget reflects an economic development organization's priorities, but not its mission or financial goals. Budget income projections are lower than our aspirational goals. GFDA's budget projections for FY 2027 (July 1, 2026 - June 30, 2027) continue our practice of conservative financial projections, estimating income low and expenses high. Management will continue its practice of controlling discretionary expenses until budget revenue assumptions come to fruition. We anticipate budget adjustments after the first quarter of the FY to reflect final FY 2026 financial results.

Priorities

The budget supports aggressive efforts to implement GFDA's Economic Development Strategy. Included in the budget are:

- Defense industry market assessment, housing market assessment & impact investment fund feasibility
- Catalyst site redevelopment planning funded by existing EPA Brownfield Assessment grant

Most Recent Amendments

Adds AgriTech Park 67th Street infrastructure improvements TIF reimbursement and expense.
Adds new CDFI Fund Financial Award.
Adds expansion of Small Business Development Center beginning 1/1/27.
Eliminates Downtown Business Development Officer Position
Overall impact is increase in projected net income of $842,480.

Staff

- Assumes addition of 1 FTE Project Manager
- Assumes Downtown Business Development Officer, APEX Accelerator Business Advisor and SBDC Business Advisor positions are filled by start of fiscal year.
- Assumes 3.5% COLA
- Includes $100,000 merit salary increases and bonuses based on productivity growth

Assumptions

- Sale of lot 7 to Ponderosa Solutions; continuation of farm lease
- Sale of 185 acre lot in AgriTech Park and reduced land for farm lease
- No new loan capital other than what is already secured
- Draw $1,666,781 on EPA Brownfield 2 RLF grant; $1,000,000 for new loans and $666,781 for new subgrants
- Draw $1,100,000 on USDA MPILP 2 RLF grant for new loans
- Close $8,200,000 total new loans at 1.0% commitment fee and 8.0% interest; 2-4 months interest
- Overall increase of loan portfolio of $5,600,000; expense 7.0% loan loss allowance
- Renewal of SBDC of contract starting 1/1/27 and APEX starting 6/1/26
- Continued BID and City TIF 75% salary and fringe support of Downtown Business Development Officer
- Secure $100,000 in new grants

Additional assumptions and details noted by line item.

GFDA FY 2027 BUDGET

As Amended 11/12/26

	FY 2027 Budget	*FY 2026 Budget*	*Difference*	*Percent Change*	
REVENUE					
GFDA Investment	500,000	500,000	-	0%	
Central MT Defense Investment	50,000	50,000	-	0%	
Generated Revenue					
AgriTech Park	976,500	9,000	967,500	10750%	See Schedule
AgriTech TIF Reimbursement	1,328,617	400,000	928,617	232%	Bond issued by City
AgriTech 67th TIF Reimbursment	970,000	-	970,000	#DIV/0!	
Downtown BDO	530	67,050	(66,520)	-99%	Position on hold per City GF request
APEX, FADC, SBDC & SCBG	369,470	356,994	12,476	3%	See Schedule
HPF Management	25,900	-	25,900	#DIV/0!	See Schedule
Lending Interest & Fees	1,619,680	1,529,000	90,680	6%	See Schedule
Project Grants	445,260	581,418	(136,158)	-23%	See Schedule
	5,735,957	2,943,462	2,792,495	95%	
Loan Capital Grants	3,647,781	1,750,000	1,897,781	108%	See Schedule
Total Revenue	9,933,738	5,193,462	4,740,276	91%	
EXPENSE					
Staff					
Payroll	2,103,250	1,879,192	224,058	12%	
Taxes & Benefits	588,910	526,174	62,736	12%	at 28% of Payroll
Professional Development	123,000	120,000	3,000	3%	
	2,815,160	2,525,366	289,794	11%	
Operations					
Auto	12,000	12,000	-	0%	
Communication	25,000	30,000	(5,000)	-17%	Phone, mail, delivery
Depreciation	25,000	25,000	-	0%	
Fundraising	5,000	5,000	-	0%	
Insurance	32,000	32,000	-	0%	
Meetings & Events	18,000	18,000	-	0%	
Office	52,000	52,000	-	0%	
Operating Debt Interest & Fees	40,000	42,000	(2,000)	-5%	
Professional Fees	50,000	70,000	(20,000)	-29%	
Supplies, Computing & Copying	35,000	35,000	-	0%	
Miscellaneous	15,000	15,000	-	0%	
	309,000	336,000	(27,000)	-8%	
Business Development					
Marketing	185,000	155,000	30,000	19%	See Schedule
Partnerships/Memberships	115,000	115,000	-	0%	See Schedule
Travel	125,000	125,000	-	0%	
	425,000	395,000	30,000	8%	
Lending					
Allowance for Loan Losses	392,000	368,000	24,000	7%	Assumes 7% of increased portfolio
Loan Capital Interest	204,532	118,591	85,941	72%	See Schedule
Brownfield Loan Capital Grants	666,781	250,000	416,781	167%	Assumes $666,781 in new sub-grants
Professional Fees & Misc.	112,218	132,500	(20,282)	-15%	See Schedule
	1,375,531	869,091	506,440	58%	
Projects					
AgriTech Park	161,000	185,000	(24,000)	-13%	See Schedule
AgriTech TIF Reimbursement	1,315,616	400,000	915,616	229%	Bond issued by City
AgriTech 67th TIF Reimbursment	970,000	-	970,000	#DIV/0!	
Brownfield Assessment	158,500	155,000	3,500	2%	See Schedule
Destination Busi Bootcamps	15,000	-	15,000	#DIV/0!	Paid out of MDOC grant funds received FY26
Central MT Defense Coalition	40,000	40,000	-	0%	Out of pocket expenses
Strategic Planning	170,000	80,000	90,000	113%	See Schedule
	2,830,116	860,000	1,970,116	229%	
Total Expense	7,754,807	4,985,457	2,769,350	56%	
NET INCOME	2,178,931	208,005	1,970,926	948%	
Less Loan Capital Grants	(3,647,781)	(1,750,000)			
Plus Depreciation	25,000	25,000			
Plus Loan Loss Allowance	392,000	368,000			
Plus Brownfield Cleanup Grants	666,781	250,000			
Operating Deficit	(385,069)	(898,995)			

BUDGET SCHEDULES - INCOME

As Amended 11/12/26

	FY 2027 Budget	*FY 2026 Budget*	*Difference*	*Percent Change*	
AgriTech Park					
Land Sales (net)	975,000	-	975,000	#DIV/0!	Lot 7 and 185 acre parcel under agreement
Farm Lease	1,500	9,000	(7,500)	-83%	Reduced land area
	976,500	9,000	967,500	10750%	
FADC, PTAC & SBDC					
FADC	60,348	59,445	903	2%	Funding approved by state
FADC SCBG Staff	-	16,427	(16,427)	-100%	No new grant
APEX	139,122	139,122	-	0%	Assume FY27 June 26-May 27 No contract yet
SBDC	170,000	142,000	28,000	20%	Increase to $228,000 for 2027 ($63,000 increase)
	369,470	356,994	12,476	3%	
HPF Management					
Closing Fees	6,100	-	6,100	#DIV/0!	Assumes no fees charged from HPF
Servicing Fees	19,800	-	19,800	#DIV/0!	Assumes no fees charged from HPF
	25,900	-	25,900	#DIV/0!	
Lending					
Loan Officer Grant	31,680	-	31,680	#DIV/0!	Final year of Murdoch grant
Interest from Existing Loans	1,167,000	1,318,500	(151,500)	-11%	Based on existing portfolio at FY start
Loan Commitment Fees	91,000	81,000	10,000	12%	Assumes $9.1 million closed loans at 1.0%
Interest from New Loans	330,000	129,500	200,500	155%	Assumes $9.1 million at 3-8% for 2-4 months interest
	1,619,680	1,529,000	90,680	6%	
Project Grants					
EPA RLF 2 Admin	98,500	98,500	-	0%	$31,000 engineering; $69,000 staff; $4,000 travel
EPA Assessment	186,760	186,200	560	0%	$62,500 task 4; $96,000 assessments; $28,260 admin
USDA MPILP 1	-	33,382	(33,382)	-100%	
USDA MPILP 2	-	33,336	(33,336)	-100%	
EDA TA Mkt Studies	-	30,000	(30,000)	-100%	
Defense Market Assessment	30,000	-	30,000	#DIV/0!	MDOC MT-ORE-PL-25-31 Grant
Community Impact Grant	30,000	-	30,000	#DIV/0!	MDOC MT-ORE-PL-26-31 Grant
New Grants	100,000	200,000	(100,000)	-50%	Assumes we will secure new grants
	445,260	581,418	(136,158)	-23%	
Loan Capital Grants					
EPA RLF 2	1,666,781	750,000	916,781	122%	Assumes $1 million in new loans & $666,781 in sub-grants
CDFA FA	881,000	-	881,000	#DIV/0!	New award from CDFI Fund
USDA MPILP 2	1,100,000	1,000,000	100,000	10%	Assumes $1,100,000 in new loans
	3,647,781	1,750,000	1,897,781	108%	

BUDGET SCHEDULES - EXPENSE

As Amended 11/12/26

	FY 2027 Budget	*FY 2026 Budget*	*Difference*	*Percent Change*	
Business Development					
Marketing					
GFDA Events	20,000	20,000	-	0%	
Conf & Trade Show Registrations	45,000	45,000	-	0%	Includes exhibiting at SelectUSA 2027 and several site selector events
Marketing, PR & Advertising	80,000	50,000	30,000	60%	Additional $30,000 funded by MDOC capacity grant
Content Creation & Web Design	25,000	25,000	-	0%	
Marketing Materials	15,000	15,000	-	0%	
	185,000	155,000	30,000	19%	
Partnerships/Memberships					
Memberships, Publications & Subscriptions	105,000	105,000	-	0%	Chambers and targeted industry trade organization memberships, online data systems, & publications
Partnerships	10,000	10,000	-	0%	
	115,000	115,000	-	0%	
Loan Capital Interest					
USDA IRP 1	2,300	2,590	(290)	-11%	
USDA IRP 2	333	333	0	0%	
MBOI IRP 1	1,215	1,265	(50)	-4%	
MBOI IRP 2	333	333	0	0%	
CNote	10,800	10,800	-	0%	
CDFI FA 2020	4,800	4,800	-	0%	
MBOI CDFI FA 2020	5,200	5,320	(120)	-2%	
MDOC MBDC	8,750	13,750	(5,000)	-36%	
MBOI CDFI FA 2021	9,600	5,600	4,000	71%	
CDFI FA 2021	3,300	3,300	-	0%	
CDFI FA 2022	3,200	3,300	(100)	-3%	
MBOI CDFI FA 2022	4,800	4,800	-	0%	
Otto Bremer Trust	35,000	35,000	-	0%	
US Bank	27,400	27,400	-	0%	
OFN	47,500	-	47,500	#DIV/0!	
MT Community Foundation	40,000	-	40,000	#DIV/0!	
	204,532	118,591	85,941	72%	
Lending Professional Fees & Misc.					
Legal	25,000	25,000	-	0%	
Miscellaneous	14,000	14,000	-	0%	Fees, etc.
Portfolio Management Systems	22,218	22,500	(282)	-1%	Annual licenses
Brownfield Engineering	31,000	31,000	-	0%	Estimated use of EPA Brownfield RLF 2
CDFI Consultants	20,000	40,000	(20,000)	-50%	Grant writing for 2 major applications
Lending Consultants	-	-	-	#DIV/0!	Assume no use of underwriting consultants
	112,218	132,500	(20,282)	-15%	
Projects					
AgriTech Park					
Property Taxes	61,000	50,000	11,000	22%	
Bank Loan Interest	60,000	80,000	(20,000)	-25%	
Legal	25,000	25,000	-	0%	Assumes work on new TIF agreement & sales
Professional Fees	10,000	25,000	(15,000)	-60%	Engineering for potential sales
Miscellaneous	5,000	5,000	-	0%	
	161,000	185,000	(24,000)	-13%	
Brownfield Assessment					
Assessment Engineering	96,000	80,000	16,000	20%	Assumed assessment expenses
Areawide Assessment	62,500	75,000	(12,500)	-17%	Redevelopment Sites Project
	158,500	155,000	3,500	2%	
Strategic Planning					
Childcare Market Assessment	-	20,000	(20,000)	-100%	
Recreation/Entertainment Mkt	-	60,000	(60,000)	-100%	
Defense Market Assessment	80,000	-	80,000	#DIV/0!	$30,000 funded by MDOC grant
Housing Market Assessment	30,000	-	30,000	#DIV/0!	Funded by FHLB grant
Community Impact Investment	60,000	-	60,000	#DIV/0!	$30,000 funded by MDOC grant
	170,000	80,000	90,000	113%	