



**NACDC**

Financial Services, Inc.

# **2020 ANNUAL REPORT**

The cover art is a vibrant, stylized illustration by Robert Martinez. It features a close-up of a person's face, with a large, glowing orange nose and mouth. The face is set against a background of hands and a sunburst. The overall color palette is dominated by warm, earthy tones like orange, yellow, and brown, with some cooler tones like blue and green. The style is expressive and somewhat abstract, with bold lines and a focus on light and shadow.

**FULFiLLiNG  
DREAMS AND  
MAKiNG CHANGE**





# TABLE OF CONTENTS

- 2** MESSAGE FROM OUR EXECUTIVE DIRECTOR
- 3** DIVERSIFYING OUR PORTFOLIO
- 4** IMPACT BY LOAN TYPE
  - HOMEOWNERSHIP
  - CONSUMER
  - BUSINESS
  - AGRICULTURE
- 8** YOUTH MINI-BANK
- 9** SEVEN YEARS OF IMPACT
- 11** SUMMARY OF UNAUDITED FINANCIALS

## OUR MISSION

NACDC Financial Services' mission is to provide alternative financing opportunity for Native American entrepreneurs and small businesses in communities in and near Indian Reservations. NACDC Financial Services has three primary business goals:

1. To fill an alternative financing gap in its initial and expanded target market that is not being filled by existing financial institutions within that market.
2. With the help of collaborating partners, better prepare individuals and businesses to participate in and benefit from the broader economy.
3. Achieve a scale of operations that is both financially sustainable and beneficial to the Indian communities we are committed to serving.



## MESSAGE FROM OUR EXECUTIVE DIRECTOR

Hello from Montana Indian Country!

NACDCFS was moving right along January through March 2020. Then the big COVID-19 hit!

This affected us in a big way. We closed our offices on March 15, 2020 and were closed the entire year. Staff worked remotely and with clients through our Website, Facebook, email and personal phone calls.

The community was devastated with closure of the east side of Glacier Park during the peak tourism period of June – September. Businesses tried their best to stay open creating various ways to serve the public. The Tribe closed except for essential staff and programs. Schools closed. This of course, effected communities across the nation.

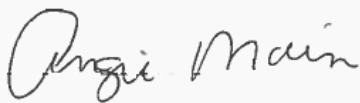
Although our staff worked remotely, we were still able to finance \$1.3 million in loan products. This was down about 50%. We had limited trainings, virtually. Our Native Cash Program was closed, shutting down our revenue stream for unrestricted funding.

Through all this turmoil, we were successful in raising funds from various sources which included \$1 million from the US Department of Treasury CDFI NACA (our biggest award so far); lending capital from four (4) different social investors; COVID funding from five (5) various sources; a participation loan with Native American Community Development (Billings); and partnerships/Cohorts with over 18 organizations.

Zoom calls have become the standard mode for staff, board and cohort meetings. I never knew this form of communication was an option prior to COVID!

We miss all of our friends and colleagues and hope to meet with them in person in some far-off time and location.

Until then, stay safe and stay in communication!



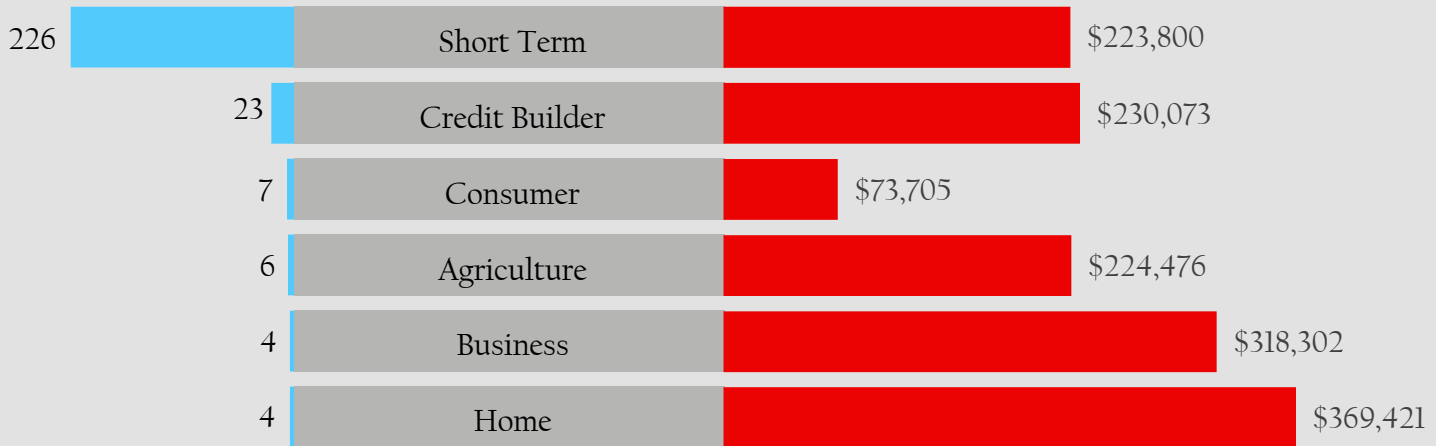
Angie Main  
Executive Director

# DIVERSIFYING OUR PORTFOLIO

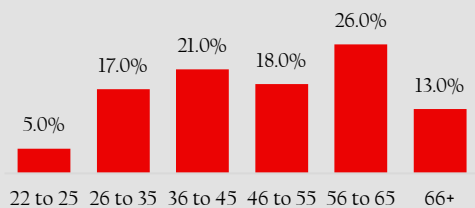
In 2020 NACDC Financial Services disbursed **270** loans totaling **\$1,439,776.37**. We made loans across 4 states). We strengthened our home lending program by providing counseling which has helped families advance their goals of homeownership. We adapted to COVID19 by offering our services remotely and by offering emergency loans.

**270** LOANS  
TOTALING  
**\$1,439,776.37**

## LENDING number and amount of loans deployed by type



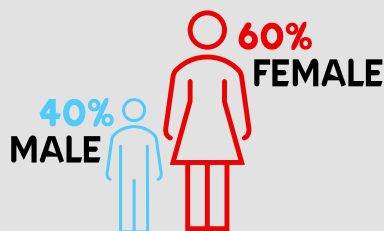
### AGE DISTRIBUTION



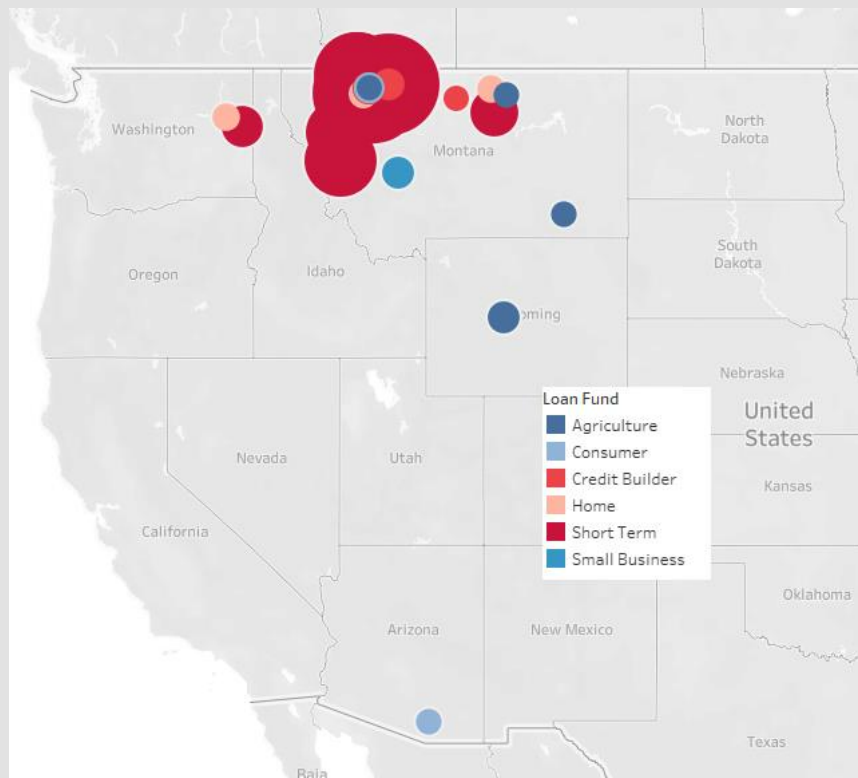
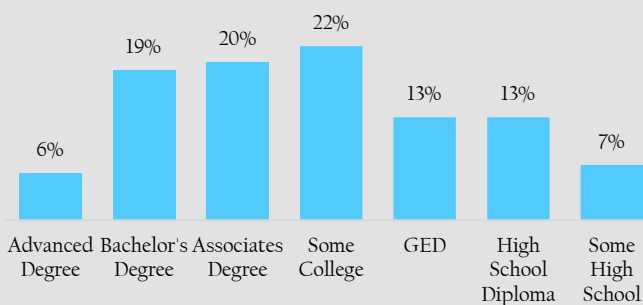
### EMPLOYMENT STATUS



**618**  
MEDIAN  
CREDIT SCORE



### HIGHEST LEVEL OF EDUCATION





# HOMEOWNERSHIP

4 loans totaling \$369,421

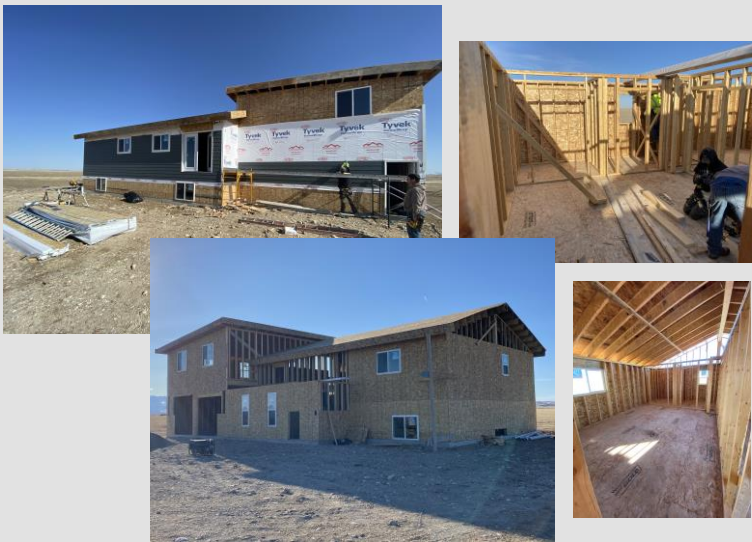


**82%** of people said they strongly agreed or agreed that they live in stable and affordable housing.

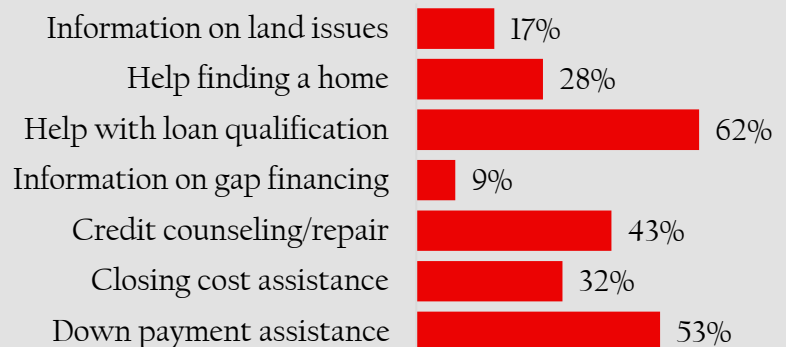
**83%** of people said they are proud to belong to their community.

Median household income of **\$49,920**

Average of **1.2** people per room  
Average of **3** rooms per home  
Average of **3.26** people per household



## TYPES OF HOME SERVICES NEEDED



A little over 4 years ago, my wife and I started discussing the idea of building a home for our growing family. A co-worker of mine informed me that he had heard that NACDC was offering home loans and a credit building program, so one day I decided to reach out to their office to setup a time to stop in to discuss my situation. Shortly after reaching out to NACDC, I met with Patty Gobert, and we discussed my goals and the obstacles that stood in the way. One of the obstacles that stood between me and the goal of building a home for my family was a medical bill that had fell into the hands of a collection company. It was then that Patty enrolled me into NACDC's credit building program. After completing the credit builder program, the path to building a home for my family started to get clearer.

After the completion of the credit building program, we then began the process of working with NACDC on the process of becoming approved for their home loan program. My wife and I have never purchased or owned a home, so the process was a bit confusing and intimidating, but luckily for us, Patty and Paula were there to help us with each step a long the way. Other than the joy of finally being able to provide a home for my family, I also enjoyed the friendship and bond that I developed with Patty and her crew.

The dream of providing a home for my family is now at the point to where it is no longer a dream, but now a reality. The time and efforts that were put forth by Patty and her crew will always be appreciated by not only myself, but my family as well.

**The dream of providing a home for my family is now at the point to where it is no longer a dream, but now a reality.**

- Cody White

# CONSUMER

## 256 loans totaling \$527,578

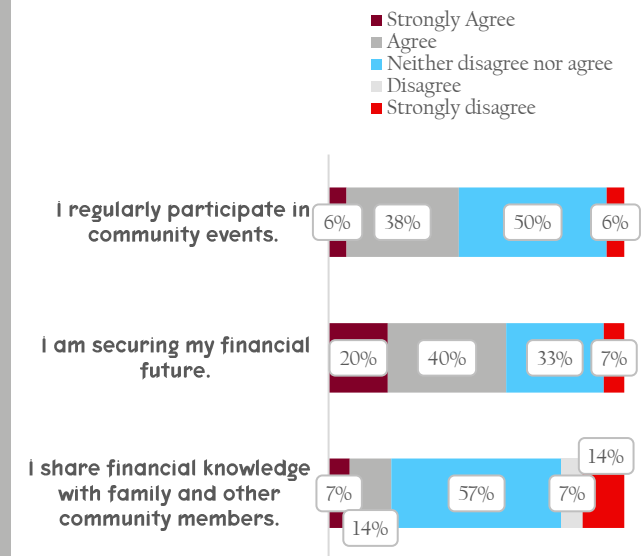
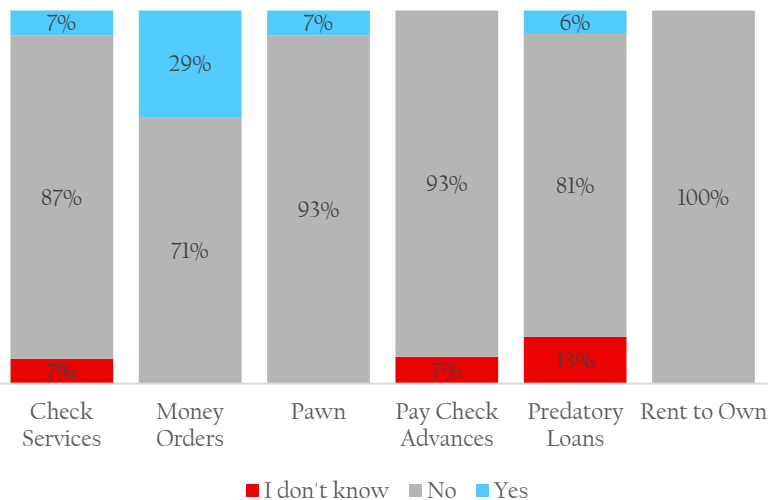
Laurie was employed by the Indian Health Service and had several outstanding derogatory items on her credit report. She wanted to retire from IHS but they required her to clean up her credit before they would process her retirement paperwork.

NACDCFS cleaned up her credit and she is currently in a better financial position for her retirement.

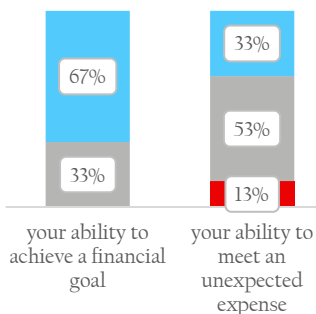
- 226 Short-Term loans totaling \$223,800
- 23 credit builder loans totaling \$230,073
- 7 consumer loans totaling \$73,705

“Anthony applied for a loan at NACDCFS to clean up his credit. He is employed by Indian Health Service which is Federal. IHS requires that employees have clean credit, and they do credit checks on their employees. If they do not have clean credit, they are given 90 days to clean up their credit. Anthony applied for the credit builder loan, and we repaired his credit. We wrote a letter to his employer and updated his credit status and Anthony was able to maintain his job at HIS. Now Anthony currently has a real estate application to us to refinance his home from the bank.”

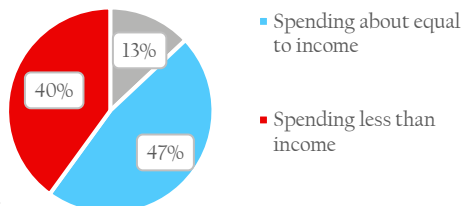
### USE OF PREDATORY SERVICES



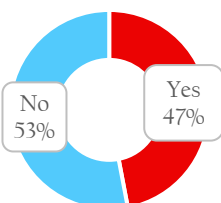
### CONFIDENCE IN...



### DESCRIBE YOUR SPENDING



### DO YOU HAVE A BUDGET?



# BUSINESS

4 loans totaling \$318,302

## STAGE

- 4 start-up
- 1 growth
- 1 established
- 2 expansion

8

**BUSINESSES  
ASSISTED**

## JOBS

**CURRENT:** 14 FTE

**CREATE:** 15 FTE

**RETAIN:** 11 FTE

**\$110,269**

Total PROFIT

**\$805,219**

Total REVENUE



As in years past, NACDC FS offered technical assistance to applicants applying For the Indian Equity Fund small business grant, but this year featured some pandemic related twists. The last week of the application period coincided with a major statewide spike in COVID-19 cases so much of the technical assistance was offered over the phone and via zoom due to the number of our clients who were on quarantine orders. Technical assistance was also done in person by appointment with all proper COVID-19 protocols observed. The Indian Equity Fund Grant received a record number of applications this year. There were 28 applications from Blackfeet (typical year is 13-15). NACDC FS assisted most of these applications and 4 were awarded their full funding requests. Businesses receiving funding included: a house painting business, a tipi making business, a mobile coffee shop and a local gift shop.

## Business Expansion

The Big Sky Café has been a centerpiece of Main Street in Cut Bank, MT for decades and we are excited to say it is now owned and operated by our clients. Cut Bank is located just across Cut Bank Creek from the Blackfeet Reservation and the town itself has a high Native American population percentage. NACDC FS initially helped Gary and Sue Racine purchase “R” Snack Shop (a fast service shop in the Cut Bank strip mall) and after five years it was time to go to the next level. The deal to purchase the Big Sky Café was in motion in late 2019, but was not finalized until April 29<sup>th</sup>, 2020, due to delays related the pandemic and other paperwork issues. Since that time, the Racines have seen a steady stream of customers despite the changing restrictions throughout the pandemic. Like all restaurants navigating pandemic restrictions, balancing community health risks with the need to stay in business has been challenging but the community of Cut Bank and the greater Blackfeet Country has welcomed the new owners in an overwhelming way. Reviews of the food and the service have been great, and the business is thriving. The Racines’ daughter Melanie has continued to run “R” Snack Shop. So collectively the family is now responsible for at least 10 Cut Bank jobs.



TECHNICAL ASSISTANCE  
PROVIDED TO BUSINESSES  
**297.25  
HOURS**



*We are grateful that NACDC Financial Services (Patty, Matt, Angie, and Paula) believed in us enough to help us reach our goal of owning our own restaurant. Without their belief in our ability to make the business a success, we may not be where we are today. They helped us acquire our first business and when we wanted to expand to a larger business, they were more than willing to help us do this. We couldn't be more appreciative!*

- Sue, Big Sky Café



# AGRICULTURE

6 loans totaling \$224,476

## STAGE

- 1 start-up (1 month)
- 1 growth (3 years)
- 2 established (average 25 years)
- 1 succession (40 years)

## JOBS

**CURRENT:** 5.5 FTE

**CREATE:** 5.5 FTE

**RETAIN:** 5.5 FTE

**\$14,164**

Total PROFIT

**\$219,647**

Total REVENUE

## Native American Agriculture Fund Programs

NACDC FS received funding from Native American Agriculture Fund for two programs. The first aimed at helping producers pivot and navigate through pandemic. This grant includes equity injections with NACDC FS ag loans and NACDC FS had significant interest in the program at the end of 2020 and will be funding a number of producers in 2021 using this program. The second grant was for a native youth ag class which was held in February of 2021. Upon completion of the class and a written business plan, students were awarded small grants for their ag businesses. Both grants are for two years and there are plans already for a second youth ag class already.

NACDC FS is also planning workshops and community collaboration sessions regarding local processing of beef and direct to consumer sales for local producers.

## Success in Agriculture

Starting an agriculture operation can be a financially daunting task, even if the plan is to start small. Kim and Chris Old Chief wanted to offer their two boys (ages 8 and 10) the opportunity to grow up in a ranch setting and so they secured bottle calves in 2020 and started raising them on their land a few miles east of Browning. By late fall, it became clear that if they wanted achieve the dream of raising their own cattle, they were going to need more infrastructure and equipment. Luckily, they had access to sufficient land, but they really needed a trailer to haul their animals, fencing materials and more cows. With this dream in mind, Kim came into NACDC FS and started working with Matt (NACDC FS ag business advisor) on a plan to create a small-scale cow-calf operation. NACDC FS was eventually able to help Kim and Chris purchase the necessary equipment to care for their cows along with 7 bred cows. Because of the timing of when the loan closed, Old Chief's also received a \$5,000 grant through Native American Agriculture Fund (NAAF) as part of the loan package. They plan to continue to grow their herd and want to help their sons purchase their own animals to run with the family herd as well.



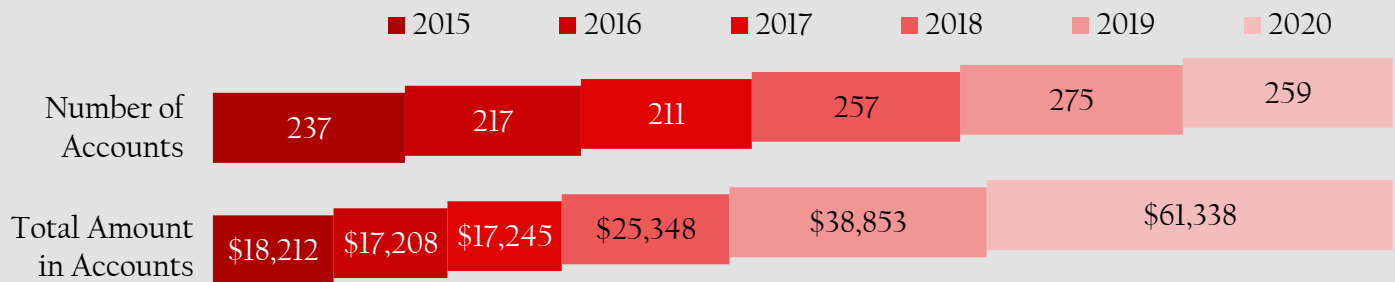
*NACDC made our dreams a reality by lending us the funds to purchase cattle and other equipment needed to operate a ranch, now our two sons can learn about raising cattle and running a business.*

- Kimberly, C and C Old Chief Ranch





# YOUTH Mini-BANK



The Mini-Bank Program offers hands-on education for youth to learn financial basics. Youth develop good saving habits, financial confidence, and the independence to make smart financial decisions in the future.

In 2020 the Mini-Bank Program had **259** participants. These participants made a total of **477** deposits in 2020 with an average deposit of **\$75.90** per deposit. They deposited a total of **\$11,109.41**. The money mostly came from family gifts and the bulk of deposits were less than \$10 or between \$16 and 50.



The Blackfeet Mini Bank Program also had to make some pivots during the last year. After the initial closure mid-March schools went to remote-learning exclusively through the end of 2020 so all deposits and withdrawals had to be done through Native American Bank or by appointment at NACDC FS's office. Even with the closure there were 20 new accounts created during that time. In an effort to keep students engaged NACDC FS incentivized students to create an account on the Bankaroo App which helps students keep track of how much money is in their account. By logging each deposit, students were entered into drawings for extra cash and gift cards to local stores. Using the app many students have stayed engaged and many are still saving consistently thanks in part to our generous deposit matching grants.



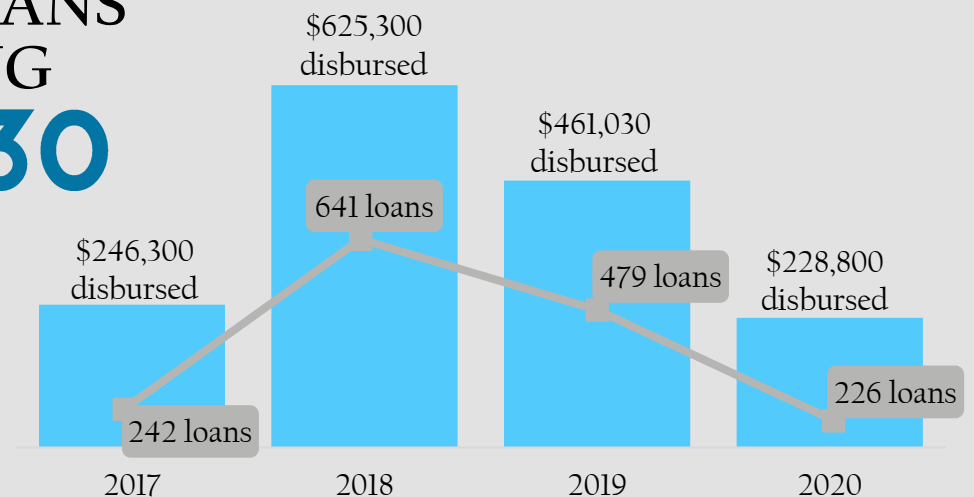
# 7 YEARS OF IMPACT

## LOAN VOLUME BY YEAR



## NATIVE CASH

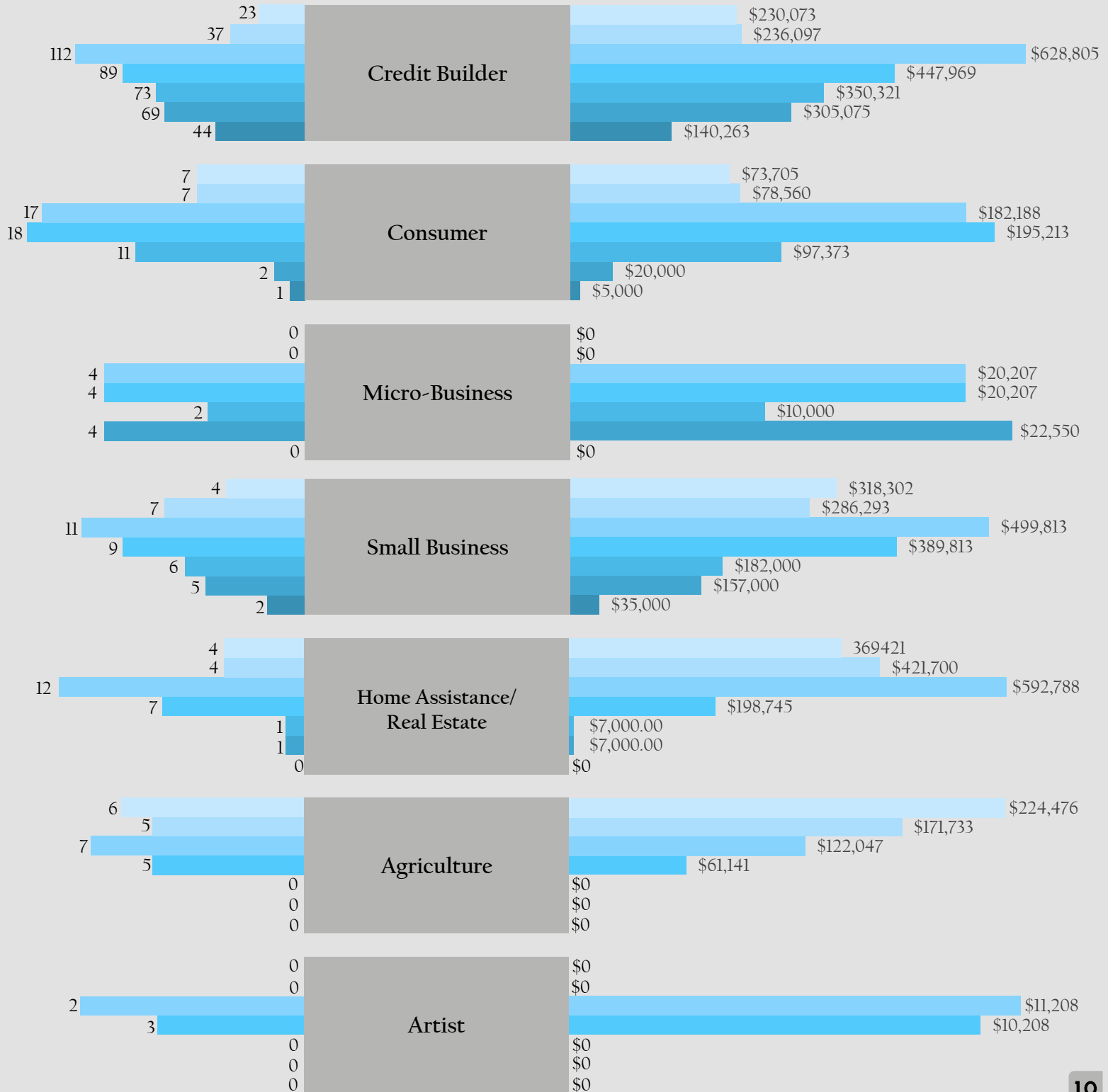
**1,588** LOANS  
TOTALING  
**\$1,561,430**



# 7 YEARS OF IMPACT

## LOAN VOLUME BY YEAR & TYPE

2014 2015 2016 2017 2018 2019 2020





# UNAUDITED FINANCIAL STATEMENT

ASSETS	2014	2015	2016	2017	2018	2019	2020
Cash and Cash Equivalents	\$235,298	\$109,525	\$120,887	\$273,612	\$1,789,393	\$746,317	\$2,832,306
Grants Receivable	\$150,000	\$128,633	\$389,342	\$373,000	\$0	\$800,000	\$350,000
Interest Receivable	\$978	\$3,615	\$8,415	\$13,554	\$25,106	\$47,039	\$62,098
Net Loans Receivable	\$129,398	\$351,070	\$422,617	\$962,422	\$1,418,801	\$2,611,319	\$2,747,514
Other Current Assets	\$18,861	\$19,447	\$10,279	\$1,361	\$36,148	\$0	\$2,748,364
<b>Total Assets</b>	<b>\$533,535</b>	<b>\$612,290</b>	<b>\$951,540</b>	<b>\$1,623,949</b>	<b>\$3,269,448</b>	<b>\$4,546,465</b>	<b>\$6,337,394</b>
<b>FIXED ASSETS</b>							
Native Cash Building	\$0	\$0	\$0	\$52,112	\$161,280	\$303,355	\$300,355
Company Auto	\$0	\$0	\$0	\$2,256	\$1,760	\$1,760	\$6,851
<b>Total Fixed Assets</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$54,368</b>	<b>\$163,040</b>	<b>\$305,115</b>	<b>\$307,206</b>
<b>LIABILITIES AND NET ASSETS</b>							
Current Liabilities	\$51,716	\$3,111	\$147,249	\$65,475	\$8,493	\$15,452	\$16,483
Long-Term Liabilities	\$100,000	\$342,758	\$198,046	\$448,101	\$1,811,000	\$2,028,297	\$2,283,150
Net Assets	\$381,819	\$269,532	\$606,245	\$1,164,741	\$1,612,995	\$2,502,716	\$4,037,761
<b>Total Liabilities and Net Assets</b>	<b>\$533,535</b>	<b>\$612,290</b>	<b>\$951,540</b>	<b>\$1,678,317</b>	<b>\$3,432,488</b>	<b>\$4,546,465</b>	<b>\$6,337,394</b>

Complete audit available upon request



# SPECIAL THANKS

NACDC – Financial Services would like to thank the following entities for supporting our work:

## PARTNERS

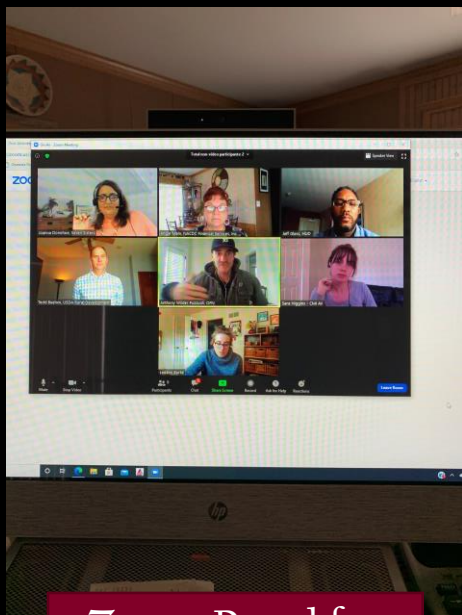
- Peoples Partners for Community Development
- Fort Peck Community College
- Stone Child Community College
- Great Northern Development Corporation
- Great Western Living & Design Exhibition
- Blackfeet Tribal Employment Rights Office (TERO)
- Blackfeet Housing Authority
- USDA Farm Service Agency
- University Extension Offices
- First Interstate Bank
- Native American Bank
- First State Bank
- Blackfeet Tribal Planning
- Akiptan
- Lakota Funds
- Four Bands Community Fund
- Wind River Development Fund
- Tiwa Lending Services
- Nakoda-Aaniiih Credit Agency
- Montana Native Growth Fund
- Native American Development Corporation
- Plenty Doors Community Development
- MoFi Missoula
- Oweesta Corporation
- Native CDFI Network
- Montana Nonprofit Association
- Opportunity Finance Network
- Montana Department of Transportation

## FUNDERS

- Montana Department of Commerce Indian Equity Fund
- USDA Rural Development
- US Department of Treasury CDFI Fund
- Oweesta Corporation
- Indian Land Tenure Foundation
- Kendeda Fund
- Catholic Campaign for Human Development
- Potlach Fund
- Deutsche Bank
- O.P. & Edwards Foundation
- Northwest Area Foundation
- Tamalpais Trust
- First Nations Development Fund
- Enterprise Community Partners
- Montana Financial Education Consortium
- Gianforte Foundation
- 3 Rivers Communication
- Native American Ag Fund
- NDN Collective
- The Riverside Church
- Charlotte Martin Foundation
- First Peoples Fund
- MoFi

Art by Louis Still Smoking





Zoom Panel for  
OFN Conference



Pre-COVID  
NCN visit to  
Capitol Hill

## OUR TEAM

### CURRENT STAFF

Angie Main, *Executive Director*  
 Stacy Edwards, *Chief Financial Officer*  
 Patty Gobert, *Loan Fund Manager*  
 Matt Harrington, *Agriculture/Business Specialist and Mini-Bank Coordinator*  
 Paula Crawford, *Home Loan Specialist*

Tracey Thomas, *Native Cash Coordinator*  
 Joni Comes At Night, *Native Cash Short-Term Loan Manager*  
 Shelsey St. Goddard, *Native Cash Cashier*



201 N. Piegan, P.O. Box 3029  
 Browning, MT 59417  
 (T) 406.338.2099 (F) 406.338.2751  
[www.nacdcfinancialservices.com](http://www.nacdcfinancialservices.com)

[angiem@3rivers.net](mailto:angiem@3rivers.net) or [patty.gobert@nacdcfs.com](mailto:patty.gobert@nacdcfs.com)

### BOARD OF DIRECTORS

#### ROBERTA HARRIS

*Northern Cheyenne Head Start Director*

#### MELANIE WALL

*Financial Specialist at the Blackfeet Community College*

#### JAY MARCUS

*Tribal Consultant. Former Director of Housing Initiatives for the Enterprise Foundation and the Director of the San Jose Redevelopment Office*

#### SHEILA D. HERRERA

*Executive Director of Tiwa Lending Services*

#### LUKE ROBINSON

*Loan Officer at the Native American Development Corporation (NADC) CDFI*

#### ERIK NELSON

*Agricultural/Commercial Lender at First State Bank*

#### RAY KING

*Executive Director for the Nakoda-Aaniih Credit Agency (NACC)*

#### CARLA LOTT

*Montana Human Rights Bureau*

#### ANDREA MAIN, *Ex-Officio*

*Current Executive Director for NACDC-FS*