



PHOENIXIDA

Item 7

MEMORANDUM

DATE: November 1, 2023

TO: Members, Board of Directors

FROM: Murray Boess, Chief Financial Officer

SUBJECT: Financial Statements for Period Ending September 30, 2023

Attached are the financials for September 2023 for your review and approval. The notes below are provided to supplement the information contained in the financial statements.

Statement of Net Position (Balance Sheet)

Accounts Receivable: receivable balances carried over from last fiscal year.

Fixed Assets: Property acquired through a special purpose entity, Phoenix Community Enhancement (Bret Tarver), LLC, for a ground lease to UMOM to construct workforce housing. Lease revenue is to be recognized annually over the 75-year term of the lease.

Allocated Funds: Adjustments were made at the beginning of the year to reflect the budget adopted and additional budget adjustments to increase the Community Development Fund budget.

Fee Income: Includes first year revenue for the Bret Tarver lease and privilege (sales) tax to be paid in October, as well as the return of funds from ACF for pre-funded expenses of the cancelled CodePHX project.

Total operating expenses through September were above budgeted expense levels, primarily due to expenses yet to be reimbursed. Revenues for the year to date exceeded budgeted revenues, primarily due to lease revenue and other fee income.

Statement of Net Position
September 30, 2023

Assets

Current Assets	
Cash and cash equivalents	\$ 2,908,592
Certificates of Deposit	23,466,779
Receivables	94,524
Other current assets	37,600
Total Current Assets	<u>\$ 29,387,495</u>
Noncurrent Assets	
Investments	\$ 2,147,688
Long term notes receivable, net	6,181,332
Total Noncurrent Assets	<u>\$ 10,322,372</u>
Total Assets	<u><u>\$ 39,709,867</u></u>

Liabilities and Net Position

Current Liabilities	
Accounts payable	\$ 87,447
Accrued expenses	24,533
Customer Deposits	2,848,000
Deferred Loan Fees	-
Total Current Liabilities	<u>\$ 2,959,980</u>
Allocated Funds	27,757,665
Net Assets - Unrestricted	<u>8,992,222</u>
Total Liabilities and Net Assets	<u><u>\$ 39,709,867</u></u>



**Statement of Revenues, Expenses and Changes in Net Position
For the Month and Year to Date as of September 30, 2023**

	<u>September-23</u> Current	<u>Actual</u>	<u>Year to Date</u> Budget	<u>Variances</u>	<u>Annual</u> Budget
Operating Revenue					
User Assessment Fees	\$ 0	\$ 5,672	\$ 0	\$ 5,672	\$ 800,000
Residential Mortgage Program Fees	20,694	69,126	90,000	(20,874)	440,000
Fee Income	251,345	405,025	240,000	165,025	940,600
Total Operating Revenue	<u>\$ 272,039</u>	<u>\$ 479,823</u>	<u>\$ 330,000</u>	<u>\$ 149,823</u>	<u>\$ 2,180,600</u>
Operating Expenses					
General and Administration	\$ 144,591	\$ 365,728	\$ 478,220	\$ 112,492	\$ 1,761,900
Bond Administration	12	12	4,650	4,638	10,000
Other Programs	65,489	196,237	211,650	15,413	845,250
Community Development Fund	0	1,463	157,000	155,537	981,000
Program and Project Development	137,329	365,001	208,700	(156,301)	576,500
Loan Portfolio Administration	0	0	3,900	3,900	14,500
Total Operating Expenses	<u>\$ 347,421</u>	<u>\$ 928,441</u>	<u>\$ 1,064,120</u>	<u>\$ 135,679</u>	<u>\$ 4,189,150</u>
Operating Income	\$ (75,382)	\$ (448,618)	\$ (734,120)	\$ 285,502	\$ (2,008,550)
Non-Operating Revenue					
Interest income	\$ 98,575	\$ 354,042	\$ 370,400	\$ (16,358)	\$ 1,485,000
Net change in the fair value of investments	(90,718)	(48,274)	0	(48,274)	0
Total Non-Operating Revenue	<u>\$ 7,858</u>	<u>\$ 305,768</u>	<u>\$ 370,400</u>	<u>\$ (64,632)</u>	<u>\$ 1,485,000</u>
Change in Net Position	<u><u>\$ (67,524)</u></u>	<u><u>\$ (142,850)</u></u>	<u><u>\$ (363,720)</u></u>	<u><u>\$ 220,870</u></u>	<u><u>\$ (523,550)</u></u>

Phoenix IDA Budget vs. Actual Through September 30, 2023

