



PHOENIXIDA

Item 7

MEMORANDUM

DATE: April 18, 2024
TO: Members, Board of Directors
FROM: Murray Boess, Chief Financial Officer
SUBJECT: Financial Statements for Period Ending December 31, 2023

Attached are the financials for December 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.

Other Assets: SFMRB Investments, single-family bonds investment in first and second mortgages and capitalized interest, as provided in bond documents

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.

Statement of Revenues, Expenses and Changes in Net Position (Income Statement)

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 December 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
December 31, 2023**

Assets

Current Assets	
Cash and cash equivalents	\$ 2,519,147
Receivables	331,568
Other current assets	29,747
Total Current Assets	\$ 2,880,462
Noncurrent Assets	
Investments	\$ 24,676,792
Long term notes receivable, net	6,487,268
Fixed Assets	2,880,000
Due from Related Company	-
Other Assets - Loan Related	2,008,463
Other Assets - SFMRB Investments	737,426
Total Noncurrent Assets	\$ 36,789,948
Total Assets	\$ 39,670,410

Liabilities and Net Position

Current Liabilities	
Accounts payable	\$ 47,961
Accrued expenses	24,533
Customer Deposits	2,848,000
Total Current Liabilities	\$ 2,920,495
Allocated Funds	27,654,318
Net Assets - Unrestricted	9,095,597
Total Liabilities and Net Assets	\$ 39,670,410



**Statement of Revenues, Expenses and Changes in Net Position
For the Month and Year to Date as of December 31, 2023**

	<u>December-23</u>	<u>Actual</u>	<u>Year to Date</u>	<u>Variiances</u>	<u>Annual</u>
	Current		Budget		Budget
Operating Revenue					
User Assessment Fees	\$ 0	\$ 10,629	\$ 0	\$ 10,629	\$ 800,000
Residential Mortgage Program Fees	12,217	112,559	200,000	(87,441)	440,000
Fee Income	85,000	592,603	483,000	109,603	940,600
Total Operating Revenue	<u>\$ 97,217</u>	<u>\$ 715,791</u>	<u>\$ 683,000</u>	<u>\$ 32,791</u>	<u>\$ 2,180,600</u>
Operating Expenses					
General and Administration	\$ 135,117	\$ 808,938	\$ 926,880	\$ 117,942	\$ 1,761,900
Bond Administration	1,500	225,552	6,350	(219,202)	10,000
Other Programs	70,585	394,862	422,850	27,988	845,250
Community Development Fund	100,000	103,963	669,000	565,037	981,000
Program and Project Development	(25,388)	468,355	416,300	(52,055)	576,500
Loan Portfolio Administration	1,432	9,532	7,500	(2,032)	14,500
Total Operating Expenses	<u>\$ 283,246</u>	<u>\$ 2,011,203</u>	<u>\$ 2,448,880</u>	<u>\$ 437,677</u>	<u>\$ 4,189,150</u>
Operating Income	\$ (186,029)	\$ (1,295,411)	\$ (1,765,880)	\$ 470,469	\$ (2,008,550)
Non-Operating Revenue					
Interest income	\$ 183,215	\$ 892,152	\$ 740,600	\$ 151,552	\$ 1,485,000
Net change in the fair value of investments	224,469	260,437	0	260,437	0
Total Non-Operating Revenue	<u>\$ 407,685</u>	<u>\$ 1,152,589</u>	<u>\$ 740,600</u>	<u>\$ 411,989</u>	<u>\$ 1,485,000</u>
Change in Net Position	<u>\$ 221,655</u>	<u>\$ (142,822)</u>	<u>\$ (1,025,280)</u>	<u>\$ 882,458</u>	<u>\$ (523,550)</u>

Phoenix IDA Budget vs. Actual Through December 31, 2023

