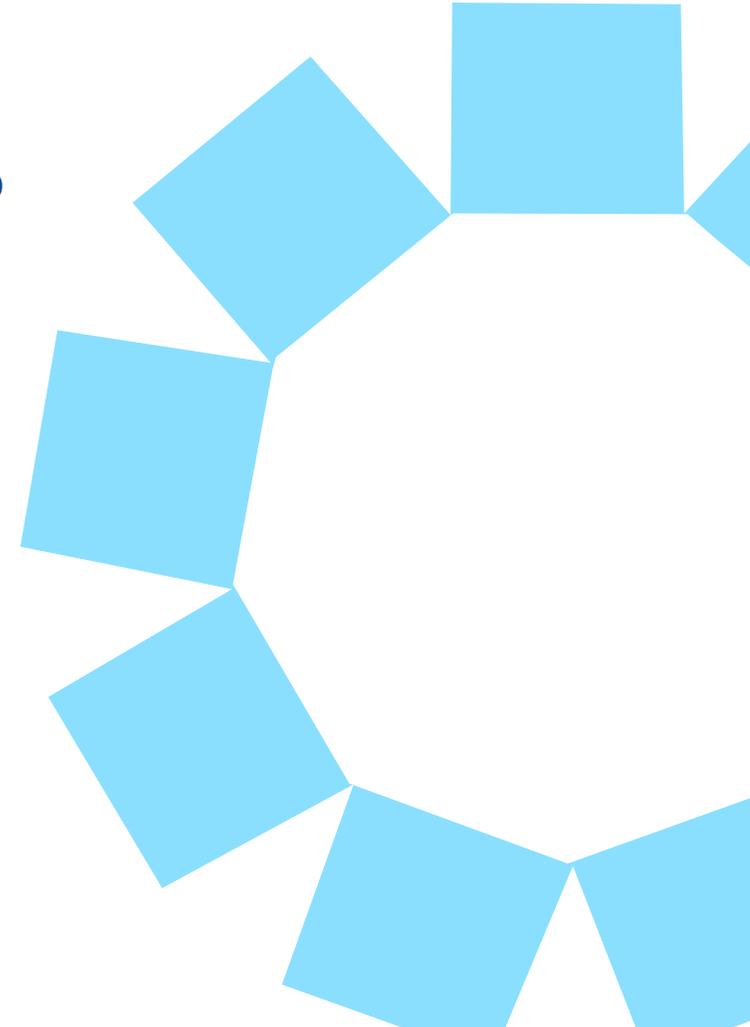


ADVANCING CALIFORNIA FINANCE AUTHORITY

FY 2021-2022 Financial Reports and Year End Audit Results

November 17, 2022

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Advancing California Financing Authority (ACFA) Financing Authority for Nonprofit Corporations (ABAG FAN)



The Advancing California Finance Authority (“ACFA”) was created on January 1, 2018, as a joint exercise of powers agency established by the Association of Bay Area Governments (“ABAG”) and the Finance Authority for Nonprofit Corporation (“FAN”) pursuant to the Chapter 5, Division 7 and Title I of the Government Code Section 6500 of the State of California. ABAG and FAN are also joint exercise of powers agencies created and existing under the California Joint Exercise of Powers Act, Sections 6500 through 6599.3 (“Joint Powers Act”).

ABAG FAN assists eligible nonprofit entities and other borrowers in obtaining tax-exempt financing. Eligible entities include nonprofit corporations organized under Internal Revenue Code 501(c)(3) and other qualified borrowers financing projects in the public interest. Payments by these eligible borrowers are used to repay their respective debt and FAN is not liable for the repayment of debt in the event of a default by a borrower.

In April 2020, the Executive Committee of ABAG FAN voted to delegate administrative oversight to the ACFA board. ACFA has assumed direct oversight of all ABAG FAN activities including audit and financial reporting.

STATEMENT OF NET POSITION

- Ending net position for FY 2022 was \$3.3 million, a decrease of \$123 thousand
- Cash & investments for FY 2022 are \$3.1 million, a decrease of \$128 thousand
- Decrease in Cash Receipts as no new financial services were provided in FY 2022
- Decrease in administration fee revenue due to conduit debt bond redemption in FY 2022

	2022	2021
Cash Cash and cash equivalents	\$ 3,148,416	\$ 3,276,481
Receivable	188,350	190,338
Total assets	3,336,766	3,466,819
Current Liabilities	56,957	64,379
Total Liabilities	56,957	64,379
Net position		
Unrestricted	3,279,809	3,402,440
Total Net Position	\$ 3,279,809	\$ 3,402,440

Statement of Revenues, Expenses and Changes in Fund Balance

- Operating revenue for FY 2022 was \$714 thousand, down 22% from FY 2021
 - Decrease in Administration Fees as a result of bond redemptions for conduit debt and no new conduit bonds issuance which decreased Other Financial Service revenue
- Operating expense for FY 2022 was \$548 thousand, down 24% from FY 2021
 - Reduction in professional fees as a result of no new financing activity
- Change in net position was negative \$123 thousand, vs positive \$206 thousand in FY 2021
 - Difference is the contribution to ABAG during FY 2022
- FAN has a Cash & Investments equal to 4.4 x operating revenue

	<u>2022</u>	<u>2021</u>
Operating revenues		
Administration fees	\$ 506,199	\$ 611,549
Project monitoring fees	197,608	188,855
Other financial services revenue	10,000	110,994
Total operating revenues	<u>713,807</u>	<u>911,398</u>
Operating expenses		
Contracted salaries and benefits	169,950	180,090
Professional fees	291,617	429,666
Other expenses	86,197	112,073
Total operating expenses	<u>547,764</u>	<u>721,829</u>
Operating income	<u>166,043</u>	<u>189,569</u>
Nonoperating revenues and expenses		
Interest income	11,326	16,042
Contribution to Association of Bay Area Government	(300,000)	-
Total nonoperating revenues/(expenses)	<u>(288,674)</u>	<u>16,042</u>
Changes in net position	<u>(122,631)</u>	<u>205,611</u>
Net position - Beginning of year	<u>3,402,440</u>	<u>3,196,829</u>
Net position - End of year	<u>\$ 3,279,809</u>	<u>\$ 3,402,440</u>



Questions and Discussion