

ADVANCING CALIFORNIA FINANCE AUTHORITY



FY 2020-2021 FINANCIAL REPORTS AND YEAR END AUDIT RESULTS

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

	2021	2020
Cash	\$ 3,276,481	\$ 3,106,401
Receivables	190,338	189,442
Total assets	3,466,819	3,295,843
Current liabilities	64,379	99,014
Total liabilities	64,379	99,014
Net position Unrestricted	3,402,440	3,196,829
Total net position	\$ 3,402,440	\$ 3,196,829

- ▶ Ending net position for FY 2021 was \$3.4 million up \$205 thousand
- ▶ Cash & investments for FY 2021 are \$3.3 million up \$170 thousand

Statement of Revenues, Expenses and Changes in Net Position

	2021	2020
Operating revenues		
Administration fees	\$ 611,549	\$ 618,963
Project monitoring fees	188,855	217,817
Other financial services revenues	110,994	120,000
Total operating revenues	911,397	956,780
Operating expenses		
Contracted salaries and benefits	180,090	408,975
Professional fees	429,666	439,770
Other expenses	112,073	242,816
Total operating expenses	721,828	1,091,561
Operating income / (loss)	189,569	(134,781)
Nonoperating revenues and expenses		
Interest income	16,042	56,858
Contribution to Association of Bay Area Governments	-	(987,853)
Total nonoperating revenues / (expenses)	16,042	(930,995)
Changes in net position	205,611	(1,065,776)
Net position - beginning	3,196,829	4,262,605
Net position - ending	\$ 3,402,440	\$ 3,196,829

- ▶ Operating revenue for FY 2021 was \$911 thousand down 5% from FY 2020
 - ▶ Revenue drop was mainly lower monitoring fees as more projects are refinanced
- ▶ Operating expense for FY 2021 was \$722 thousand down 34% from FY 2020
 - ▶ Reduction in staffing charged to ABAG FAN
- ▶ Change in net position was \$206 thousand vs negative \$931 thousand
 - ▶ Difference is the contribution to ABAG during FY 2020
- ▶ FAN has a Cash & Investments equal to 3.6 x operating revenue