



City of Phoenix

To: Kathleen Gitkin
Chief Financial Officer

Date: September 7, 2022

Joe Jatzkewitz
Assistant Finance Director/City Treasurer

Timothy McBride
Property Management Administrator

From: John Gamble
Deputy Finance Director

**Subject: PARK CENTRAL COMMUNITY FACILITIES DISTRICT
FINANCIAL REPORT – YEAR ENDED JUNE 30, 2022**

Please see attached financial report for the Park Central Community Facilities District for the fiscal year ended June 30, 2022. The statements and supporting documentation have been fully reviewed by the Finance Accounting & Reporting Division.

Please reach out to me directly if you have any questions or concerns at (602) 261-8644.

Regards,

A handwritten signature in black ink that reads "John Gamble".

John Gamble

cc: Abel Jauregui, Accountant IV
Allen Greene, Accountant III

ENTITY PROFILE

Community Facilities Districts (CFD) are special taxing districts created within municipalities to finance the cost of certain public facilities that serve or benefit land within district boundaries. Debt associated with a CFD is the responsibility of landowners benefitting from the public improvements and are generally repaid through either ad valorem taxes levied upon each landowner's property or special assessments placed upon each landowner's property.

The Park Central Community Facilities District (PCCFD) was formed by petition to the City Council on August 29, 2018. Its purpose is to provide public infrastructure within its boundaries in the Phoenix midtown area for development of a multi-use residential, commercial and retail project known as "Park Central." PCCFD is governed by a Board of Directors consisting of the Mayor and City Council of the City of Phoenix, plus two members designated by the largest landowner within the PCCFD. The Board of Directors may issue bonds and levy special assessments upon property within the PCCFD to repay the bonds. Any bonds issued by the PCCFD are payable solely from amounts collected pursuant to the special assessments and are not an obligation of the City. For financial reporting purposes, transactions are blended as part of the operations for the City's governmental funds.

In June 2019, PCCFD issued \$30.0 million of Special Assessment Revenue Bonds, Taxable Series 2019. Proceeds of the bonds are for the construction of a parking garage.

The parking garage was completed in September 2020.

PCCFD is located on the Park Central Mall site generally bounded by Osborn Road to the North, Central Avenue to the east, Catalina Drive to the south and 3rd Avenue on the west.



Park Central
Community Facilities District
Statement of Net Position
June 30, 2022
(in thousands)

UNAUDITED

	2022	2021
ASSETS		
Current Assets		
Cash and Cash Equivalents	\$ 10	\$ 1
Investments	53	-
Accounts Receivable, Net of Allowance for Doubtful Accounts	-	29
Total Current Assets	63	30
Current Restricted Assets		
Debt Service		
Cash with Fiscal Agent/Trustee	3,861	4,486
Operating Reserve		
Cash with Fiscal Agent/Trustee	3	88
Total Current Restricted Assets	3,864	4,574
Noncurrent Assets		
Capital Assets		
Land	8,520 *	8,520
Buildings	31,351	31,351
Less: Accumulated Depreciation	(784)	(131)
Total Capital Assets, Net of Accumulated Depreciation	39,087	39,740
Total Noncurrent Assets	39,087	39,740
Total Assets	43,014	44,344
DEFERRED OUTFLOWS OF RESOURCES		
Total Deferred Outflows of Resources	-	-
LIABILITIES		
Current Liabilities Payable from Current Assets		
Accounts Payable	2	2
Total Current Liabilities Payable from Current Assets	2	2
Current Liabilities Payable from Restricted Assets		
Debt Service		
Matured Bonds Payable	695	665
Interest Payable	778	793
Total Current Liabilities Payable from Restricted Assets	1,473	1,458
Noncurrent Liabilities		
Bonds Payable	28,640	29,335
Total Noncurrent Liabilities	28,640	29,335
Total Liabilities	30,115	30,795
DEFERRED INFLOWS OF RESOURCES		
Total Deferred Inflows of Resources	-	-
NET POSITION		
Net Investment in Capital Assets	10,447	10,405
Restricted for Debt Service	2,388	3,028
Unrestricted	64	116
Net Position	\$ 12,899	\$ 13,549

*Represents fair market value at time of contribution

**Park Central
Community Facilities District
Statement of Revenues, Expenses
and Changes in Net Position**

UNAUDITED

For the fiscal year ended June 30, 2022
(in thousands)

	2022	2021
Operating Revenues		
Contractual Parking	\$ 741	\$ 642
Other	28	-
Total Operating Revenues	<u>769</u>	<u>642</u>
Operating Expenses		
General, Administrative and District Costs	60	64
Parking Management Services	347	271
Trustee Fees	4	4
Depreciation	653	131
Total Operating Expenses	<u>1,064</u>	<u>470</u>
Operating Income (Loss)	(295)	172
Non-Operating Revenues (Expenses)		
Investment Income:		
Interest	3	2
City Contributions	1,199	597
Interest on Capital Debt	(1,557)	(1,586)
Other	-	(869)
Total Non-Operating Revenues (Expenses)	<u>(355)</u>	<u>(1,856)</u>
Change in Net Position	(650)	(1,684)
Net Position, July 1, as previously reported	13,549	13,118
Prior Period Adjustments - Additional Developer Contributions	-	2,115
Net Position, July 1, as restated	<u>13,549</u>	<u>15,233</u>
Net Position, June 30	<u>\$ 12,899</u>	<u>\$ 13,549</u>

**PARK CENTRAL COMMUNITY FACILITIES DISTRICT
DISTRICT BUDGET - 2020-2021**

EXHIBIT B

<u>Fiscal Year</u>	<u>2022-23</u>
<u>Revenues</u>	
Contractual Parking Revenue (Easements)	\$ 741,000
Daily & Event Public Parking Revenues	30,000
Assessment Revenues	1,400,000
City Contribution Amounts	665,000
Additional Contributions	-
Capitalized Interest	-
Interest Earnings on Trusteed Accounts (1)	250
Gross Revenues	<u>2,836,250</u>
 <u>Expenses</u>	
Debt Service Payments	2,251,186
Operation & Maintenance Expenses	424,131
District Expenses	82,000
Replacement Revenue Fund	-
Total Expenses	<u>2,757,317</u>
Excess (Deficiency) of Revenues Over Expenses	<u><u>78,933</u></u>
 <u>Excess Funds Long-Term Reserve Fund Balance (2)</u>	
Projected Beginning Balance - 7/1/22	54,373
Share of Excess (Deficiency) Revenue Over Expenses	78,933
Projected Ending Balance - 6/30/23	<u><u>133,306</u></u>
 <u>Replacement Reserve Fund Balance (3)</u>	
Projected Beginning Balance - 7/1/22	-
Share of Excess (Deficiency) Revenue Over Expenses	-
Projected Ending Balance - 6/30/23	<u><u>-</u></u>
 <u>Debt Service Reserve Fund Balance (4)</u>	
Projected Beginning Balance - 7/1/22	2,251,593
Share of Excess (Deficiency) Revenue Over Expenses	-
Projected Ending Balance - 6/30/23	<u><u>\$ 2,251,593</u></u>

Notes and Assumptions

- (1) Reflects all interest earnings from the following trusteed funds and accounts: Interest and Principal Accounts of the Debt Service Expense Fund, District Expense Fund, Operations & Maintenance Expense Fund, Debt Service Revenue Fund and Excess Funds Long-Term Reserve Fund.
- (2) Figures reflect drawdowns to cover annual net revenue short falls, if any.
- (3) Does not reflect potential capital expenditures or interest earnings.
- (4) Debt Service Reserve funded from bond proceeds, equal to maximum annual debt service.

**PARK CENTRAL COMMUNITY FACILITIES DISTRICT
FIVE-YEAR FORECAST**

EXHIBIT C

<u>Fiscal Year</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>	<u>2026-27</u>
<u>Revenues</u>					
Contractual Parking Revenues (Easements)	\$ 741,000	\$ 741,000	\$ 741,000	\$ 997,200	\$ 997,200
Daily Event Public Parking Revenues	30,000	60,000	90,000	120,000	150,000
Assessment Revenues	1,400,000	-	-	1,000,000	1,000,000
City Contribution Amounts	665,000	2,388,713	1,816,332	602,440	620,689
Additional Contributions	-	-	-	-	-
Capitalized Interest	-	-	-	-	-
Interest Earnings on Trusteed Accounts (1)	250	250	250	250	250
Gross Revenues	<u>2,836,250</u>	<u>3,189,963</u>	<u>2,647,582</u>	<u>2,719,890</u>	<u>2,768,139</u>
<u>Expenses</u>					
Debt Service Payments	2,251,186	2,249,468	2,251,436	2,251,436	2,251,436
Operation & Maintenance Expenses	424,131	437,050	445,851	454,872	464,119
District Expenses	82,000	82,000	82,000	82,000	82,000
Replacement Revenue Fund	-	-	-	50,000	50,000
Total Expenses	<u>2,757,317</u>	<u>2,768,518</u>	<u>2,779,287</u>	<u>2,838,308</u>	<u>2,847,555</u>
Excess (Deficiency) of Revenues Over Expenses	<u>\$ 78,933</u>	<u>\$ 421,445</u>	<u>\$ (131,705)</u>	<u>\$ (118,418)</u>	<u>\$ (79,416)</u>
Excess Funds Long-Term Reserve Fund Balance (2)					
Projected Beginning Balance - 7/1/2X	54,373	133,306	554,751	423,046	304,628
Share of Excess (Deficiency) Revenue Over Expenses	78,933	421,445	(131,705)	(118,418)	(79,416)
Projected Ending Balance - 6/30/2X	<u>133,306</u>	<u>554,751</u>	<u>423,046</u>	<u>304,628</u>	<u>225,212</u>
Replacement Reserve Fund Balance (3)					
Projected Beginning Balance - 7/1/2X	-	-	-	-	-
Share of Excess (Deficiency) Revenue Over Expenses	-	-	-	-	-
Projected Ending Balance - 6/30/2X	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Debt Service Reserve Fund Balance (4)					
Projected Beginning Balance - 7/1/2X	2,251,593	2,251,593	2,251,593	2,251,593	2,251,593
Share of Excess (Deficiency) Revenue Over Expenses	-	-	-	-	-
Projected Ending Balance - 6/30/2X	<u>\$ 2,251,593</u>	<u>\$ 2,251,593</u>	<u>\$ 2,251,593</u>	<u>\$ 2,251,593</u>	<u>\$ 2,251,593</u>

Notes and Assumptions

- (1) Reflects all interest earnings from the following trusteed funds and accounts: Interest and Principal Accounts of the Debt Service Expense Fund, District Expense Fund, Operations & Maintenance Expense Fund, Debt Service Revenue Fund and Excess Funds Long-Term Reserve Fund.
- (2) Figures reflect drawdowns to cover annual net revenue short falls, if any.
- (3) Does not reflect potential capital expenditures or interest earnings.
- (4) Debt Service Reserve funded from bond proceeds, equal to maximum annual debt service.

**PARK CENTRAL COMMUNITY FACILITIES DISTRICT
AMORTIZATION SCHEDULE**

To year	Total Principal	1st Debt Service Interest	2nd Debt Service Interest	Total Interest	Total Payment
2020	\$ -	\$ 810,462	\$ 792,843	\$ 1,603,305	\$ 1,603,305
2020	-	810,462	792,843	1,603,305	1,603,305
2021	665,000	792,843	792,843	1,585,686	2,250,686
2021	665,000	792,843	792,843	1,585,686	2,250,686
2022	695,000	778,296	778,296	1,556,593	2,251,593
2022	695,000	778,296	778,296	1,556,593	2,251,593
2023	725,000	763,093	763,093	1,526,186	2,251,186
2023	725,000	763,093	763,093	1,526,186	2,251,186
2024	755,000	747,234	747,234	1,494,468	2,249,468
2024	755,000	747,234	747,234	1,494,468	2,249,468
2025	790,000	730,718	730,718	1,461,436	2,251,436
2025	790,000	730,718	730,718	1,461,436	2,251,436
2026	825,000	711,956	711,956	1,423,911	2,248,911
2026	825,000	711,956	711,956	1,423,911	2,248,911
2027	865,000	692,362	692,362	1,384,724	2,249,724
2027	865,000	692,362	692,362	1,384,724	2,249,724
2028	905,000	671,818	671,818	1,343,636	2,248,636
2028	905,000	671,818	671,818	1,343,636	2,248,636
2029	950,000	649,759	649,759	1,299,518	2,249,518
2029	950,000	649,759	649,759	1,299,518	2,249,518
2030	995,000	626,603	626,603	1,253,205	2,248,205
2030	995,000	626,603	626,603	1,253,205	2,248,205
2031	1,060,000	595,011	595,011	1,190,023	2,250,023
2031	1,060,000	595,011	595,011	1,190,023	2,250,023
2032	1,125,000	561,356	561,356	1,122,713	2,247,713
2032	1,125,000	561,356	561,356	1,122,713	2,247,713
2033	1,200,000	525,638	525,638	1,051,275	2,251,275
2033	1,200,000	525,638	525,638	1,051,275	2,251,275
2034	1,275,000	487,538	487,538	975,075	2,250,075
2034	1,275,000	487,538	487,538	975,075	2,250,075
2035	1,355,000	447,056	447,056	894,113	2,249,113
2035	1,355,000	447,056	447,056	894,113	2,249,113
2036	1,425,000	412,334	412,334	824,669	2,249,669
2036	1,425,000	412,334	412,334	824,669	2,249,669
2037	1,495,000	375,819	375,819	751,638	2,246,638
2037	1,495,000	375,819	375,819	751,638	2,246,638
2038	1,575,000	337,509	337,509	675,019	2,250,019
2038	1,575,000	337,509	337,509	675,019	2,250,019
2039	1,655,000	297,150	297,150	594,300	2,249,300
2039	1,655,000	297,150	297,150	594,300	2,249,300
2040	1,740,000	253,706	253,706	507,413	2,247,413
2040	1,740,000	253,706	253,706	507,413	2,247,413
2041	1,830,000	208,031	208,031	416,063	2,246,063
2041	1,830,000	208,031	208,031	416,063	2,246,063
2042	1,930,000	159,994	159,994	319,988	2,249,988
2042	1,930,000	159,994	159,994	319,988	2,249,988
2043	2,030,000	109,331	109,331	218,663	2,248,663
2043	2,030,000	109,331	109,331	218,663	2,248,663
2044	2,135,000	56,044	56,044	112,088	2,247,088
2044	2,135,000	56,044	56,044	112,088	2,247,088
Net Amounts	\$ 30,000,000	\$ 12,801,661	\$ 12,784,042	\$ 25,585,703	\$ 55,585,703