



## City of Phoenix

**To:** Kathleen Gitkin  
Chief Financial Officer

**Date:** September 28, 2023

Joe Jatzkewitz  
Assistant Finance Director/City Treasurer

Terri Taylor  
Property Management Administrator

**From:** John Gamble  
Deputy Finance Director

**Subject:** **PARK CENTRAL COMMUNITY FACILITIES DISTRICT  
FINANCIAL REPORT – YEAR ENDED JUNE 30, 2023**

Please see attached financial report for the Park Central Community Facilities District for the fiscal year ended June 30, 2023. 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,

  
John Gamble

cc: Jodi Nicholson, Accounting Supervisor  
Gerrad Cawley, Accountant IV  
Allen Greene, Accountant III

**ENTITY PROFILE**

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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 were 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 3<sup>rd</sup> Avenue on the west.



**Park Central  
Community Facilities District  
Statement of Net Position  
June 30, 2023**  
(in thousands)

**UNAUDITED**

	2023	2022
<b>ASSETS</b>		
Current Assets		
Cash and Cash Equivalents	\$ 6	\$ 10
Investments	43	53
Total Current Assets	<u>49</u>	<u>63</u>
Current Restricted Assets		
Debt Service		
Cash with Fiscal Agent/Trustee	4,490	3,861
Operating Reserve		
Cash with Fiscal Agent/Trustee	66	3
Total Current Restricted Assets	<u>4,556</u>	<u>3,864</u>
Noncurrent Assets		
Other		
Land	8,520 *	8,520 *
Buildings	31,351	31,351
Less: Accumulated Depreciation	<u>(1,698)</u>	<u>(784)</u>
Total Capital Assets, Net of Accumulated Depreciation	<u>38,173</u>	<u>39,087</u>
Total Noncurrent Assets	<u>38,173</u>	<u>39,087</u>
Total Assets	<u>42,778</u>	<u>43,014</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Total Deferred Outflows of Resources	<u>-</u>	<u>-</u>
<b>LIABILITIES</b>		
Current Liabilities Payable from Current Assets		
Accounts Payable	<u>2</u>	<u>2</u>
Total Current Liabilities Payable from Current Assets	<u>2</u>	<u>2</u>
Current Liabilities Payable from Restricted Assets		
Debt Service		
Matured Bonds Payable	725	695
Interest Payable	<u>763</u>	<u>778</u>
Total Current Liabilities Payable from Restricted Assets	<u>1,488</u>	<u>1,473</u>
Noncurrent Liabilities		
Bonds Payable	<u>27,915</u>	<u>28,640</u>
Total Noncurrent Liabilities	<u>27,915</u>	<u>28,640</u>
Total Liabilities	<u>29,405</u>	<u>30,115</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>
<b>NET POSITION</b>		
Net Investment in Capital Assets	10,258	10,447
Restricted for Debt Service	3,002	2,388
Unrestricted	113	64
Net Position	<u>\$ 13,373</u>	<u>\$ 12,899</u>

\*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, 2023  
(in thousands)

	<b>2023</b>	<b>2022</b>
Operating Revenues		
Contractual Parking	\$ 741	\$ 741
Assessments	2,021	-
Other	92	28
Total Operating Revenues	<u>2,854</u>	<u>769</u>
Operating Expenses		
General, Administrative and District Costs	10	60
Parking Management Services	149	347
Trustee Fees	3	4
Depreciation	914	653
Total Operating Expenses	<u>1,076</u>	<u>1,064</u>
Operating Income (Loss)	1,778	(295)
Non-Operating Revenues (Expenses)		
Investment Income		
Interest	87	3
City Contributions	135	1,199
Interest on Capital Debt	(1,526)	(1,557)
Total Non-Operating Revenues (Expenses)	<u>(1,304)</u>	<u>(355)</u>
Change in Net Position	474	(650)
<b>Net Position, July 1, as previously reported</b>	<u>12,899</u>	<u>13,549</u>
<b>Net Position, June 30</b>	<u>\$ 13,373</u>	<u>\$ 12,899</u>

**PARK CENTRAL COMMUNITY FACILITIES DISTRICT  
DISTRICT BUDGET - 2023-2024**

**EXHIBIT B**

<u>Fiscal Year</u>	<u>2023-24</u>
<b><u>Revenues</u></b>	
Contractual Parking Revenue (Easements)	\$ 741,000
Daily & Event Public Parking Revenues	90,000
Assessment Revenues	1,000,000
City Contribution Amounts	616,527
Additional Contributions	-
Capitalized Interest	-
Interest Earnings on Trusteed Accounts (1)	5,000
<b>Gross Revenues</b>	<u>2,452,527</u>
 <b><u>Expenses</u></b>	
Debt Service Payments	2,249,468
Operation & Maintenance Expenses	433,870
District Expenses	82,000
Replacement Revenue Fund	-
<b>Total Expenses</b>	<u>2,765,338</u>
<b>Excess (Deficiency) of Revenues Over Expenses</b>	<u><u>(312,811)</u></u>
 <b>Excess Funds Long-Term Reserve Fund Balance (2)</b>	
Projected Beginning Balance - 7/1/23	437,472
Share of Excess (Deficiency) Revenue Over Expenses	<u>(312,811)</u>
Projected Ending Balance - 6/30/24	<u><u>124,662</u></u>
 <b>Replacement Reserve Fund Balance (3)</b>	
Projected Beginning Balance - 7/1/23	-
Share of Excess (Deficiency) Revenue Over Expenses	<u>-</u>
Projected Ending Balance - 6/30/24	<u><u>-</u></u>
 <b>Debt Service Reserve Fund Balance (4)</b>	
Projected Beginning Balance - 7/1/23	2,251,754
Share of Excess (Deficiency) Revenue Over Expenses	<u>-</u>
Projected Ending Balance - 6/30/24	<u><u>\$ 2,251,754</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>2022-2023</u>	<u>2023-2024</u>	<u>2024-2025</u>	<u>2025-2026</u>	<u>2026-2027</u>	<u>2027-2028</u>
<b><u>Revenues</u></b>						
Contractual Parking Revenues (Easements)	\$ 732,050	\$ 741,000	\$ 741,000	\$ 997,200	\$ 997,200	\$ 997,200
Daily Event Public Parking Revenues	77,355	90,000	120,000	120,000	150,000	150,000
Assessment Revenues	1,933,000	1,000,000	-	500,000	1,000,000	1,250,000
City Contribution Amounts	132,011	616,527	2,551,087	678,690	525,671	573,945
Additional Contributions	-	-	-	-	-	-
Capitalized Interest	-	-	-	-	-	-
Interest Earnings on Trusteed Accounts (1)	11,484	5,000	5,000	5,000	5,000	5,000
<b>Gross Revenues</b>	<b>2,885,900</b>	<b>2,452,527</b>	<b>3,417,087</b>	<b>2,300,890</b>	<b>2,677,871</b>	<b>2,976,145</b>
<b><u>Expenses</u></b>						
Debt Service Payments	2,251,186	2,249,468	2,251,436	2,248,911	2,249,724	2,248,636
Operation & Maintenance Expenses	187,722	433,870	442,653	456,152	465,431	465,431
District Expenses	12,530	82,000	82,000	82,000	82,000	82,000
Replacement Revenue Fund	-	-	-	50,000	50,000	50,000
<b>Total Expenses</b>	<b>2,451,438</b>	<b>2,765,338</b>	<b>2,776,089</b>	<b>2,837,063</b>	<b>2,847,155</b>	<b>2,846,067</b>
<b>Excess (Deficiency) of Revenues Over Expenses</b>	<b>\$ 434,462</b>	<b>\$ (312,811)</b>	<b>\$ 640,998</b>	<b>\$ (536,173)</b>	<b>\$ (169,284)</b>	<b>\$ 130,078</b>
<b><u>Excess Funds Long-Term Reserve Fund Balance (2)</u></b>						
Projected Beginning Balance - 7/1/2X	3,011	437,472	124,662	765,660	229,486	60,203
Share of Excess (Deficiency) Revenue Over Expenses	434,462	(312,811)	640,998	(536,173)	(169,284)	130,078
Projected Ending Balance - 6/30/2X	<u>437,472</u>	<u>124,662</u>	<u>765,660</u>	<u>229,486</u>	<u>60,203</u>	<u>190,280</u>
<b><u>Replacement Reserve Fund Balance (3)</u></b>						
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>	<u>-</u>
<b><u>Debt Service Reserve Fund Balance (4)</u></b>						
Projected Beginning Balance - 7/1/2X	2,251,754	2,251,754	2,251,754	2,251,754	2,251,754	2,251,754
Share of Excess (Deficiency) Revenue Over Expenses	-	-	-	-	-	-
Projected Ending Balance - 6/30/2X	<u>\$ 2,251,754</u>	<u>\$ 2,251,754</u>	<u>\$ 2,251,754</u>	<u>\$ 2,251,754</u>	<u>\$ 2,251,754</u>	<u>\$ 2,251,754</u>

**Notes and Assumptions**

- (1) Reflects all interest earnings from the following trustee 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**

<b>To year</b>	<b>Total Principal</b>	<b>1st Debt Service Interest</b>	<b>2nd Debt Service Interest</b>	<b>Total Interest</b>	<b>Total Payment</b>
2020	\$ -	\$ 810,462	\$ 792,843	\$ 1,603,305	\$ 1,603,305
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
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
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
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
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
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
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
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
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
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
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
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
<b>Net Amounts</b>	<b>\$ 30,000,000</b>	<b>\$ 12,801,661</b>	<b>\$ 12,784,042</b>	<b>\$ 25,585,703</b>	<b>\$ 55,585,703</b>