

Date: November 14, 2025

To: Community Development Authority

Mason Becker, Economic Development Director

From: Rachelle Blitch, Director of Financial and Administrative Services

Re: Fund 910 – Overview of September Financials

Fund 910 is the Community Development Authority's (CDA) primary program account, supported by four separate checking accounts. The monthly bank reconciliation you receive includes the cash balances and corresponding general ledger accounts for each.

As of September 30, 2025, the balances are:

Action Fund Business Development	\$43,395.11
Action Fund Land Purchases	\$419,843.62
Façade Loan Cash	\$37,122.22
Capital Catalyst Loan Cash	\$141,095.57
CBDG-Housing Rehab Loan Cash	\$8,690.25

The Façade and Capital Catalyst loan programs are dedicated to specific purposes and are maintained in separate accounts. Earlier this year, the Department of Administration announced the termination of the CBDG Housing Rehabilitation Loan Program and indicated that unspent funds would need to be returned. We are still awaiting follow-up instructions on that process.

The Action Fund serves as an all-purpose account that provides loans or grants to CDA-approved businesses and covers expenses related to CDA-owned properties, including purchases, maintenance, and demolitions. It also pays for legal expenses associated with loans and collection efforts.

While the total balance at First Citizens Bank is \$463,238.73, this amount is split between \$43,395.11 (Business Development) and \$419,843.62 (Land Purchases). The only ongoing revenue for this fund comes from interest earned on repaid loans, so it is essential to manage expenses carefully to preserve these limited resources.

The CDA should determine whether maintaining two separate Action Fund accounts is necessary. If not, combining them could provide greater flexibility for funding future projects. However, as of September 30, 2025, only \$43,395.11 is currently available for operational expenses and business loans.

As of September 30, 2025, the CDA has spent approximately \$50,000 on legal fees and \$70,000 on rental and property expenses, \$5,000 on professional services, \$1,200 on housing loan expenses and \$18,000 on business grants (Wind UP). These expenditures have significantly reduced the available cash balance for future projects and business assistance. Given the limited revenue sources for this fund, the CDA should carefully evaluate and determine the best and most strategic use of the remaining funds to ensure they continue to support the organization's core economic development objectives. Prudent financial management will be essential to maintain program stability and avoid reliance on the City's general fund for future expenses.