

**BANYARD MANAGEMENT
Board of Directors Meeting**

2039 Forest Avenue
Chico, CA 95928

MEETING AGENDA

November 21, 2019
2:00 p.m.

The Board of Directors welcomes and encourages public participation in the Board meetings. Members of the public may be heard on any items on the Directors' agenda. A person addressing the Directors will be limited to 5 minutes unless the Chairperson grants a longer period of time. Comments by members of the public on any item on the agenda will only be allowed during consideration of the item by the Directors. Members of the public desiring to be heard on matters under jurisdiction of the Directors, but not on the agenda, may address the Directors during agenda item 6.

If you are disabled and need special assistance to participate in this meeting, please contact the Housing Authority office at 895-4474. Notification at least 48 hours prior to the meeting will enable Banyard Management to make reasonable arrangements.

NEXT RESOLUTION NO. 19-4B

ITEMS OF BUSINESS

1. ROLL CALL
2. AGENDA AMENDMENTS
3. CONSENT CALENDAR
 - 3.1 Minutes for the meeting of August 15, 2019
 - 3.2 Banyard Management – Financial Report
 - 3.3 Chico Commons – HACB report/AWI Report
4. CORRESPONDENCE
5. REPORTS FROM PRESIDENT
 - 5.1 Chico Commons Budget – Adopt FY2020 Chico Commons Budget.

Recommendation: Resolution No. 19-4B

6. MEETING OPEN FOR PUBLIC DISCUSSION
7. MATTERS CONTINUED FOR DISCUSSION
8. SPECIAL REPORTS
9. REPORTS FROM DIRECTORS

10. MATTERS INITIATED BY DIRECTORS
11. EXECUTIVE SESSION
12. DIRECTORS' CALENDAR
Next meeting – February 20, 2020.
13. ADJOURNMENT

BANYARD MANAGEMENT

Board of Directors Meeting

2039 Forest Avenue

Chico, CA 95928

MEETING MINUTES

August 15, 2019

President Mayer called the meeting of Banyard Management to order at 3:56 p.m.

1. ROLL CALL

Present for the Directors: Kate Anderson, Larry Hamman, Anne Jones, Laura Moravec, David Pittman and Heather Schlaff.

Others Present: President Ed Mayer, Chief Financial Officer Sue Kemp, Secretary Marysol Perez, Larry Guanzon, and Tamra Young.

Public Present: Thomas Lewis, Attorney – California Affordable Housing Agency.

2. AGENDA AMENDMENTS

None.

3. CONSENT CALENDAR

Director Pittman moved to accept the Consent Calendar as presented. Director Hamman seconded the motion. The vote in favor was unanimous.

4. CORRESPONDENCE

None.

5. REPORTS FROM PRESIDENT

- 5.1 Banyard Management Budget – The FY2020 Banyard Management budget was presented for approval, new proposed budget is consistent with previous FY budget, including a negative cash flow. However, as Managing General Partner, Banyard receives a cash distribution from Chico Commons LP each year. Last year’s distribution was \$27,934, sourced from excess cash flow. Per Chief Financial Officer Kemp, the excess cash balance at the beginning of FY 2020 is estimated at \$235,000.

RESOLUTION NO 19-2B

Director Pittman moved that Resolution No. 19-2B be adopted by reading of title only: “APPROVAL OF BANYARD MANAGEMENT OPERATING BUDGET FOR F/Y 2020”. Director Jones seconded. The vote in favor was unanimous.

- 5.2 Chico Commons L.P. – Due to new IRS rules, regarding IRS tax audits of partnerships, a designation of Partnership Representative is required for tax years starting January 1, 2018. It is recommended by the Partnership’s Limited Partner, (LP), Housing Authority of the County of Butte (HACB), that HACB Executive Director Edward Mayer be designated as Partnership Representative for Tax Matters.

RESOLUTION NO 19-3B

Director Hamman moved that Resolution No. 19-3B be adopted by reading of title only: “CHICO COMMONS, L.P. DESIGNATION OF TAX MATTERS PARTNERSHIP REPRESENTATIVE”. Director Anderson seconded. The vote in favor was unanimous.

- 5.3 Property Insurance - As previously discussed during the May 16, 2019 meeting, current labor and contractor markets remain challenged. Construction costs have appreciated significantly post Camp Fire Disaster. For example, the insurance proceeds the agency received for the loss of Kathy Court was based on property valuation at \$113/sq. ft., nowhere close to being sufficient to rebuild the property in the event of a total loss. In order to keep up with increased replacement costs, and after surveying local insurance brokers and communicating with current insurer HARRP, staff recommends insuring Tax Credit units at \$175/sq. ft.

MOTION

Director Moravec moved to insure Chico Commons Apartments at \$175/sq. ft. Director Hamman seconded. The vote in favor was unanimous.

5.4 Strategic Asset Plan - During an earlier meeting with the Board of Commissioners of the Housing Authority of the County of Butte, Jim Brawner from Brawner Real Estate Development and Consulting walked the Board of Directors and HACB staff through the revised Asset Repositioning Study, which included analysis of the Chico Commons, L.P. and Chico Commons Apartments property. The presentation included a summary of the property analysis and recommendations for next steps regarding financial re-positioning.. Mr. Brawner was impressed with the good condition of the properties in HACB’s portfolio, including Chico Commons, L.P. As briefly discussed during last month’s conference call, Mr. Brawner provided perspectives and directions as to what the HACB can do to optimize portfolio opportunities, regarding re-finance, leveraging, renovation, and feasibility concerns. Three initiatives were broadly addressed: those properties suited to financing through a pooled public bond issuance, those properties suited to packaging as a 4% LIHTC/private-activity bond transaction, and addressing 1200 Park Avenue Apartments, Chico as a “one-off” restructure because of its unique circumstances. Chico Commons Apartments is proposes to be restructured using a 4% LIHTC/private-activity bond transaction.

6. MEETING OPEN FOR PUBLIC DISCUSSION

None.

7. MATTERS CONTINUED FOR DISCUSSION

None.

8. SPECIAL REPORTS

None.

9. REPORTS FROM BOARD MEMBERS

None.

10. MATTERS INITIATED BY BOARD MEMBERS

None.

11. EXECUTIVE SESSION

None.

12. DIRECTOR'S CALENDAR

Next Meeting – November 21, 2019.

13. ADJOURNMENT

Director Pittman moved that the meeting be adjourned. Director Moravec seconded. The meeting was adjourned at 4:03 p.m.

Dated: August 15, 2019.

Edward S. Mayer, President

ATTEST:

Marysol Perez, Secretary

BANYARD-GEN. FUND INCOME STATEMENT
September 30, 2019

YTD %
100.00

	Month to Date			Year to Date			% used
	Actual	Budget	Remaining	Actual	Budget	Remaining	
REVENUES							
Partnership Income	1,080	1,080	0	13,344	12,960	384	102.96
Investment Income	14	50	-36	157	600	-443	26.09
TOTAL REVENUES	1,094	1,130	-36	13,501	13,560	-59	99.56
Audit Fee	151	53	98	1,075	630	445	170.59
Corporate Services	554	1,250	-696	8,121	15,000	-6,879	54.14
Consulting Fees	0	0	0	0	0	0	0.00
Legal Expenses	0	125	-125	0	1,500	-1,500	0.00
Misc. Administrative Costs	0	0	0	0	0	0	0.00
Outside Management Fees	1,080	1,080	0	12,960	12,960	0	100.00
Partnership Losses	0	42	-42	0	500	-500	0.00
Taxes and Fees	116	43	73	136	520	-384	26.20
TOTAL EXPENSES	1,901	2,592	-691	22,292	31,110	-8,818	71.65
RETAINED EARNINGS	-807	-1,462	655	-8,791	-17,550	8,759	50.09

Housing Authority of the County of Butte
BANYARD BALANCE SHEET
September, 2019

	Cumulative
ASSETS	
Current Assets	
Cash - Unrestricted	236,690.67
Cash - Other Restricted	0.00
Cash - Tenant Security Deposits	0.00
Accounts Receivable	0.00
Accrued Interest Receivable	0.00
Investments - Unrestricted	0.00
Investments - Restricted	0.00
Inventories	0.00
Total Current Assets	236,690.67
Fixed Assets	
Fixed Assets & Accumulated Depreciation	0.00
Total Fixed Assets	0.00
Other Assets	
Prepaid Expenses and Other Assets	0.00
Investment in Chico Commons, L.P.	299,561.93
Total Other Assets	299,561.93
TOTAL ASSETS	536,252.60
LIABILITIES	
Current Liabilities	
Accounts Payable	0.00
Accrued Liabilities - Other	0.00
Total Current Liabilities	0.00
Long-Term Liabilities	
Long-Term Debt Net of Current	0.00
Total Long-Term Liabilities	0.00
TOTAL LIABILITIES	0.00
NET POSITION	
Beginning Net Position	545,043.61
Retained Earnings	-8,791.01
TOTAL NET POSITION	536,252.60
TOTAL LIABILITIES AND NET POSITION	536,252.60

MEMO

Date: November 15, 2019

To: Board of Directors, Banyard Management

From: Larry Guanzon, HACB Deputy Executive Director

Subject: Status Report – Chico Commons Apartments, Chico

Chico Commons Apartments, Chico (72 units, LIHTC, Family, MGP, Banyard Management, PM: AWD) – We currently have three (3) vacancies as of November 1st. As of this memo, one of the vacancies has been filled. The final phase of exterior siding replacements continues, the work is approximately 95% complete, with only Change Order work to be completed. The work is being completed by local contractor Experts in Your Home (Hignell). Tree Trimming was completed this past month. We are working with PG&E to use their low-income energy efficiency program to replace common area water heaters, washing machines, and lighting. We will need to pay for the improvements up front, with PG&E reimbursing the property after completion. Water-conserving landscape upgrades, and ADA-related site improvements are being planned, as well as parking lot repair, seal, and re-stripping. Please find AWT's narrative property report and financials, following.

Chico Commons

October 2019

Separate Variance Report sent explaining budget differences and expenses.

Updates:

Chico Commons has two vacancies. Unit turns and applications in process.

After a lot of follow up, the first stage of tree trimming was completed on November 7th and the work looks great! The vendor did a fantastic job.

Rain gutters and down spouts have been flushed and may be needed again in a few months due to the large number of trees at Chico Commons.

We are working on estimates to replace the entrance directory sign that is beginning to show signs of wear. The building signs are slotted for replacement in conjunction with exterior paint slotted for a future year.

Just a few days ago we received the report from PGE's ESA program. The upgrades called out in the reports are water heaters, washing machines and upgraded lighting. We will begin to make our way through the long reports to establish the next step and facilitate obtaining funding for the much needed upgrades through the program.

2019 flew by and we are preparing to wrap up projects, close out the year and prepare for 2020.

All else is business as usual at Chico Commons!



Chico Commons 549
For the Month Ended October 31, 2019
Statement of Income & Cash Flow

	Current Activity	Current Budget	Current Variance	YTD Activity	YTD Budget	YTD Variance
Rental Income						
Gross Rents	\$ 58,642.00	\$ 55,451.25	\$ 3,190.75	\$ 579,575.00	\$ 554,512.50	\$ 25,062.50
Vacancies	(3,658.00)	(2,772.58)	(885.42)	(20,175.75)	(27,725.83)	7,550.08
Rent Adjustments	(9.95)	(519.75)	509.80	(1,730.41)	(5,197.50)	3,467.09
Manager's Unit	(771.00)	(771.00)	0.00	(7,710.00)	(7,710.00)	0.00
Total Tenant Rent	\$ 54,203.05	\$ 51,387.92	\$ 2,815.13	\$ 549,958.84	\$ 513,879.17	\$ 36,079.67
Other Project Income:						
Laundry Income	\$ 1,568.15	\$ 677.83	\$ 890.32	\$ 12,661.30	\$ 6,778.33	\$ 5,882.97
Interest Income	8.34	0.00	8.34	48.64	0.00	48.64
Restricted Reserve Interest Incom	12.50	0.00	12.50	145.58	0.00	145.58
Late Charges	317.00	216.67	100.33	2,625.00	2,166.67	458.33
Other Tenant Income	\$ 650.00	\$ 532.50	\$ 117.50	\$ 4,506.39	\$ 5,325.00	\$ (818.61)
Miscellaneous Income	\$ 1,218.00	\$ 0.00	\$ 1,218.00	\$ 6,370.38	\$ 0.00	\$ 6,370.38
Other Project Income	\$ 3,773.99	\$ 1,427.00	\$ 2,346.99	\$ 26,357.29	\$ 14,270.00	\$ 12,087.29
Total Project Income	\$ 57,977.04	\$ 52,814.92	\$ 5,162.12	\$ 576,316.13	\$ 528,149.17	\$ 48,166.96
Project Expenses:						
Maint. & Oper. Exp. (Fr Page 2)	\$ 57,567.97	\$ 24,350.24	\$ 33,217.73	\$ 206,115.94	\$ 243,502.49	\$ (37,386.55)
Utilities (From Pg 2)	8,561.91	6,685.66	1,876.25	69,237.59	66,856.66	2,380.93
Administrative (From Pg 2)	7,258.33	7,588.25	(329.92)	81,655.11	75,882.50	5,772.61
Taxes & Insurance (From Pg 2)	1,382.76	1,209.67	173.09	10,591.07	12,096.67	(1,505.60)
Other Taxes & Insurance (Fr Page	1,131.67	3,158.25	(2,026.58)	14,026.84	31,582.50	(17,555.66)
Other Project Expenses	482.41	870.08	(387.67)	9,380.90	8,700.83	680.07
Total O&M Expenses	\$ 76,385.05	\$ 43,862.15	\$ 32,522.90	\$ 391,007.45	\$ 438,621.65	\$ (47,614.20)
Mortgage & Owner's Expense						
Mortgage Payment	\$.26	\$ 0.00	\$.26	\$.26	\$ 0.00	\$.26
Interest Expense - City of Chico	\$ 2,604.17	\$ 2,604.17	\$ 0.00	\$ 26,041.70	\$ 26,041.67	\$.03
Reporting / Partner Management F	1,080.00	1,080.00	0.00	10,800.00	10,800.00	0.00
Transfer - Reserves	2,500.00	2,500.00	0.00	25,000.00	25,000.00	0.00
Total Mortgage & Owner's Exp.	\$ 6,184.43	\$ 6,184.17	\$.26	\$ 61,841.96	\$ 61,841.67	\$.29
Total Project Expenses	\$ 82,569.48	\$ 50,046.32	\$ 32,523.16	\$ 452,849.41	\$ 500,463.32	\$ (47,613.91)
Net Profit (Loss)	\$ (24,592.44)	\$ 2,768.60	\$ (27,361.04)	\$ 123,466.72	\$ 27,685.85	\$ 95,780.87

Other Cash Flow Items:

Chico Commons 549
For the Month Ended October 31, 2019
Statement of Income & Cash Flow

	Current Activity	Current Budget	Current Variance	YTD Activity	YTD Budget	YTD Variance
Reserve Transfers	\$ (12.50)	\$ 0.00	\$ (12.50)	\$ 33,567.07	\$ 0.00	\$ 33,567.07
T & I Transfers	(1,120.12)	0.00	(1,120.12)	514.88	0.00	514.88
Operating Acct MMKT - FFB - ICS	(8.22)	0.00	(8.22)	(100,042.17)	0.00	(100,042.17)
Security Deposits Held	0.00	0.00	0.00	(2,350.00)	0.00	(2,350.00)
Authorized Reserve - Other	0.00	(4,583.33)	4,583.33	(33,712.65)	(45,833.33)	12,120.68
Tenant Receivables	(156.05)	0.00	(156.05)	5,623.28	0.00	5,623.28
Other Receivables	1,624.83	0.00	1,624.83	(6,875.28)	0.00	(6,875.28)
Accounts Payable - Trade	(2,141.23)	0.00	(2,141.23)	(7,821.02)	0.00	(7,821.02)
Accounts Payable Other	0.00	0.00	0.00	(870.42)	0.00	(870.42)
Accrued Interest - City of Chico	2,604.17	0.00	2,604.17	(5,208.30)	0.00	(5,208.30)
Accrued Property Taxes	382.93	0.00	382.93	0.00	0.00	0.00
Accrued RTO - Prior Year	0.00	0.00	0.00	(268.28)	0.00	(268.28)
Other Notes Payable	.26	0.00	.26	.26	0.00	.26
Unclaimed Property	(.19)	0.00	(.19)	(.19)	0.00	(.19)
Partner's Equity	0.00	0.00	0.00	(53,685.16)	0.00	(53,685.16)
Total Other Cash Flow Items	\$ 1,173.88	\$ (4,583.33)	\$ 5,757.21	\$ (171,127.98)	\$ (45,833.33)	\$ (125,294.65)
Net Operating Cash Change	\$ (23,418.56)	\$ (1,814.73)	\$ (21,603.83)	\$ (47,661.26)	\$ (18,147.48)	\$ (29,513.78)

Cash Accounts	End Balance 1 Year Ago	Current Balance	Change
Operating Acct-FFB	\$ 72,149.35	\$ 24,488.09	\$ (47,661.26)
Operating Acct MMKT - FFB - ICS	0.00	100,042.17	100,042.17
Tax & Insurance-FFB	4,989.05	4,474.17	(514.88)
Security Acct-FFB	42,985.00	42,985.00	0.00
Reserve Acct-FFB	89,138.42	30,541.95	(58,596.47)
Reserve Acct - MMKT - FFB*	0.00	50,029.40	50,029.40
Payables & Receivables:			
Accounts Payable - Trade	10,453.14	2,632.12	(7,821.02)
Rents Receivable - Current Tenants	10,662.52	4,692.23	(5,970.29)
Other Tenant Charges Receivable	349.98	696.99	347.01

	Current Activity	Current Budget	Current Variance	YTD Activity	YTD Budget	YTD Variance
Maintenance & Operating Expenses:						
Maintenance Payroll	\$ 3,500.50	\$ 3,832.67	\$ (332.17)	\$ 32,369.66	\$ 38,326.67	\$ (5,957.01)
Janitorial/Cleaning Supplies	(62.05)	33.33	(95.38)	963.65	333.33	630.32
Plumbing Repairs	0.00	83.33	(83.33)	1,072.06	833.33	238.73

Chico Commons 549
For the Month Ended October 31, 2019
Statement of Income & Cash Flow

	Current Activity	Current Budget	Current Variance	YTD Activity	YTD Budget	YTD Variance
Painting & Decorating	\$ 0.00	\$ 250.00	\$ (250.00)	\$ 855.74	\$ 2,500.00	\$ (1,644.26)
Repairs & Maintenance - Supply	1,068.44	2,500.00	(1,431.56)	14,048.49	25,000.00	(10,951.51)
Repairs & Maintenance - Contract	1,592.02	1,279.58	312.44	14,442.52	12,795.83	1,646.69
Grounds Maintenance	1,040.00	836.67	203.33	9,730.75	8,366.67	1,364.08
Pest Control Service	345.00	754.67	(409.67)	5,697.03	7,546.67	(1,849.64)
Fire/Alarm Services	148.05	125.00	23.05	1,717.29	1,250.00	467.29
Capital Improvements - Other	46,317.39	7,962.50	38,354.89	100,854.10	79,625.00	21,229.10
Capital Improvements - Flooring	2,668.00	3,733.33	(1,065.33)	11,183.71	37,333.33	(26,149.62)
Capital Improvements - Appliance	350.62	1,045.83	(695.21)	2,907.18	10,458.33	(7,551.15)
Capital Improvements - HVAC Repl	0.00	333.33	(333.33)	4,900.00	3,333.33	1,566.67
Capital Improvements - Water Heat	0.00	583.33	(583.33)	0.00	5,833.33	(5,833.33)
Carpet Cleaning	100.00	35.00	65.00	370.25	350.00	20.25
HVAC Repairs	500.00	900.00	(400.00)	4,677.00	9,000.00	(4,323.00)
Cable Service	0.00	20.00	(20.00)	236.50	200.00	36.50
Tenant Services	0.00	41.67	(41.67)	90.01	416.67	(326.66)
Total Maint. & Operating Exp.	\$ 57,567.97	\$ 24,350.24	\$ 33,217.73	\$ 206,115.94	\$ 243,502.49	\$ (37,386.55)
Utilities:						
Electricity	\$ 454.48	\$ 636.33	\$ (181.85)	\$ 5,453.24	\$ 6,363.33	\$ (910.09)
Water	3,462.92	1,949.33	1,513.59	19,168.25	19,493.33	(325.08)
Sewer	1,654.56	1,654.58	(.02)	16,545.60	16,545.83	(.23)
Heating Fuel/Other	1,313.53	1,491.67	(178.14)	15,246.17	14,916.67	329.50
Garbage & Trash Removal	1,676.42	953.75	722.67	12,824.33	9,537.50	3,286.83
Total Utilities	\$ 8,561.91	\$ 6,685.66	\$ 1,876.25	\$ 69,237.59	\$ 66,856.66	\$ 2,380.93
Administrative:						
Manager's Salary	\$ 3,230.51	\$ 2,955.00	\$ 275.51	\$ 33,463.24	\$ 29,550.00	\$ 3,913.24
Management Fees	2,952.00	2,952.00	0.00	29,520.00	29,520.00	0.00
Bad Debt Expense	(194.18)	625.00	(819.18)	6,953.01	6,250.00	703.01
Auditing	625.00	625.00	0.00	6,250.00	6,250.00	0.00
Legal	645.00	416.67	228.33	5,346.12	4,166.67	1,179.45
Other Administrative Expenses	0.00	14.58	(14.58)	122.74	145.83	(23.09)
Total Administrative Expense	\$ 7,258.33	\$ 7,588.25	\$ (329.92)	\$ 81,655.11	\$ 75,882.50	\$ 5,772.61
Taxes & Insurance Reserve For:						
Real Estate Taxes	\$ 382.93	\$ 78.42	\$ 304.51	\$ 461.35	\$ 784.17	\$ (322.82)
Property Insurance	999.83	1,131.25	(131.42)	10,129.72	11,312.50	(1,182.78)
Total Taxes & Insurance Expense	\$ 1,382.76	\$ 1,209.67	\$ 173.09	\$ 10,591.07	\$ 12,096.67	\$ (1,505.60)
Other Taxes & Insurance:						
Payroll Taxes	\$ 512.87	\$ 691.42	\$ (178.55)	\$ 6,000.97	\$ 6,914.17	\$ (913.20)
Other Taxes, Fees & Permits	0.00	89.33	(89.33)	1,419.11	893.33	525.78
Bond Premiums	0.00	41.67	(41.67)	470.00	416.67	53.33
Worker's Compensation Insurance	465.54	680.25	(214.71)	4,637.27	6,802.50	(2,165.23)

Chico Commons 549
For the Month Ended October 31, 2019
Statement of Income & Cash Flow

	Current Activity	Current Budget	Current Variance	YTD Activity	YTD Budget	YTD Variance
Personnel Medical Insurance	\$ 153.26	\$ 1,655.58	\$ (1,502.32)	\$ 1,499.49	\$ 16,555.83	\$ (15,056.34)
Total Other Taxes & Insurance	<u>\$ 1,131.67</u>	<u>\$ 3,158.25</u>	<u>\$ (2,026.58)</u>	<u>\$ 14,026.84</u>	<u>\$ 31,582.50</u>	<u>\$ (17,555.66)</u>
Other Project Expenses						
Telephone & Answering Service	\$ 0.00	\$ 116.67	\$ (116.67)	\$ 1,430.95	\$ 1,166.67	\$ 264.28
Internet Service	0.00	100.00	(100.00)	749.50	1,000.00	(250.50)
Advertising	0.00	54.17	(54.17)	23.53	541.67	(518.14)
Water/Coffee Service	0.00	2.08	(2.08)	0.00	20.83	(20.83)
Office Supplies & Expense	20.49	183.33	(162.84)	1,951.83	1,833.33	118.50
Postage	13.73	79.00	(65.27)	752.25	790.00	(37.75)
Toner/Copier Expense	315.84	114.00	201.84	2,008.82	1,140.00	868.82
Office Furniture & Equipment Expe	0.00	0.00	0.00	786.25	0.00	786.25
Travel & Promotion	57.00	100.00	(43.00)	695.20	1,000.00	(304.80)
Training Expense	0.00	20.83	(20.83)	510.44	208.33	302.11
Credit Checking	21.00	100.00	(79.00)	283.00	1,000.00	(717.00)
Employee Meals	54.35	0.00	54.35	189.13	0.00	189.13
Total Other Project Expenses	<u>\$ 482.41</u>	<u>\$ 870.08</u>	<u>\$ (387.67)</u>	<u>\$ 9,380.90</u>	<u>\$ 8,700.83</u>	<u>\$ 680.07</u>
Mortgage & Owner's Expense						
Mortgage Payment	\$.26	\$ 0.00	\$.26	\$.26	\$ 0.00	\$.26
Interest Expense - City of Chico	\$ 2,604.17	\$ 2,604.17	\$ 0.00	\$ 26,041.70	\$ 26,041.67	\$.03
Reporting / Partner Management F	1,080.00	1,080.00	0.00	10,800.00	10,800.00	0.00
Transfer - Reserves	2,500.00	2,500.00	0.00	25,000.00	25,000.00	0.00
Total Mortgage & Owner's Exp.	<u>\$ 6,184.43</u>	<u>\$ 6,184.17</u>	<u>\$.26</u>	<u>\$ 61,841.96</u>	<u>\$ 61,841.67</u>	<u>\$.29</u>
Total Expenses	<u>\$ 82,569.48</u>	<u>\$ 50,046.32</u>	<u>\$ 32,523.16</u>	<u>\$ 452,849.41</u>	<u>\$ 500,463.32</u>	<u>\$ (47,613.91)</u>
Authorized Reserve - Other	\$ 0.00	\$ 4,583.33	\$ (4,583.33)	\$ 33,712.65	\$ 45,833.33	\$ (12,120.68)

EW

MEMO

Date: November 13, 2019

To: Banyard Management Board of Directors

From: Larry Guanzon, HACB Deputy Executive Director *LG*
Sue Kemp, Banyard Management CFO *SK*

Subject: Chico Commons, LP Proposed 2020 Operating Budget

Attached please find a proposed Operating Budget for Chico Commons, LP calendar year 2020. The proposed budget was prepared by AWI Property Management, third party property manager, with HACB in-house input on behalf of Banyard Management.

The budget was compiled using current and historical trends. Vacancy loss is projected at 4% to allow for turnovers. Estimated sources and uses are as follows: Operational income of \$669,737; Reserves transfer in of \$25,000; Cash Uses of \$588,351 resulting in an estimated positive cash flow of \$106,386 for the year.

Page 5 outlines the projected, operational capital expenses of \$103,625 which includes: appliance replacements; flooring and cabinet replacements on turnover; annual tree trimming; fencing; signs; and dumpster enclosures. Capital Improvements from Reserves include parking lot seal and stripe. Due to the low Reserves balance and the Strategic Asset Plan work in progress, no additional capital improvements are proposed at this time.

If you have any questions we will gladly answer them at the Board Meeting.

Recommend motion to approve Resolution No. 19-4B

BANYARD MANAGEMENT

RESOLUTION NO. 19-4B

APPROVAL OF THE OPERATING BUDGET FOR F/Y 2020
FOR CHICO COMMONS APARTMENTS, CHICO, CA

WHEREAS, Banyard Management approves its Operating Budget on an annual basis; and

WHEREAS, Banyard Management, as Managing General Partner of Chico Commons LP, itself owner of the Chico Commons Apartments, Chico, California, prepares the budget for Chico Commons Apartments in conjunction with costs projected by its Managing General Partner agent, Housing Authority of the County of Butte, along with recommendations made by Chico Commons Apartments Property Manager, AWI, Inc.; and

WHEREAS, the Board of Directors of Banyard Management has reviewed the budget as proposed and found the budget to be in the best interest of the Chico Commons Apartments property, its residents, Chico Commons LP, and Banyard Management;

THEREFORE, BE IT RESOLVED by the Board of Directors of Banyard Management, acting as Managing General Partner of Chico Commons LP, the owner of Chico Commons Apartments, Chico, California, to hereby approve and adopt the Operating Budget for fiscal year 2020 for Chico Commons Apartments, Chico, California, such Operating Budget attached to and made a part of this Resolution No. 19-4B.

Dated: November 21, 2019.

Edward S. Mayer, President

ATTEST:

Marysol Perez, Secretary

TAX CREDIT MULTIPLE FAMILY HOUSING PROJECT BUDGET

PROJECT NAME: Chico Commons	SYNDICATOR & NON-PROFIT NAMES: Butte Housing (Opened:)
---------------------------------------	---

DESCRIPTION	CURRENT BUDGET (01/01/19) (12/31/19)	ACTUAL (01/01/19) (12/31/19)	PROPOSED BUDGET (01/01/20) (12/31/20)	COMMENTS
				72 Units
OPERATIONAL CASH SOURCES				
RENTAL INCOME	665,415	694,577	697,800	
LESS (Vacancy Allowance)	(33,271)	(22,024)	(27,912)	4.00%
LESS RENT INCENTIVES	(6,237)	(2,294)	(6,237)	keep budget
LESS NON-REVENUE MANAGER'S UNIT	(9,252)	(9,252)	(9,840)	
LAUNDRY AND VENDING	8,134	14,791	8,134	keep budget per RM
INTEREST INCOME	0	231	50	interest on unrestricted funds
LATE CHARGES	2,600	3,077	2,600	keep budget
TENANT CHARGES	6,390	5,142	5,142	projected actuals
APPLICATION FEES	0	0	0	
WASHER/DRYER WATER INCOME	0	0	0	
MISCELLANEOUS INCOME		6,870		reimb dev costs; unclaimed \$
SUB - TOTAL	633,779	691,119	669,737	
NON-OPERATIONAL CASH SOURCES				
CASH - NON PROJECT	0	0	0	
AUTHORIZED LOAN	0	0	0	
TRANSFER FROM RESERVE	55,000	44,951	25,000	
	55,000	44,951	25,000	
TOTAL CASH SOURCES	688,779	736,069	694,737	
OPERATIONAL CASH USES				
TOTAL O & M EXPENSES (From Part II)	526,346	419,496	489,141	
ANNUAL CAPITAL BUDGET	55,000	44,951	25,000	
MORTGAGE PAYMENT (Principal & Int.)	0	0	0	pd off in Sept 2018
INTEREST EXPENSE - CHICO RDA	31,250	31,250	31,250	accrued
INTEREST EXPENSE - HACB		0		
RESERVE TRANSFER	30,000	30,000	30,000	
GENERAL PARTNERS FEES	12,960	12,960	12,960	paid monthly to HACB
OTHER PARTNERSHIP FEES	0	0	0	
SUB - TOTAL	655,556	538,657	588,351	
TOTAL CASH USES	655,556	538,657	588,351	
NET CASH (DEFICIT)	33,223	197,412	106,386	
CASH BALANCE				
BEGINNING CASH BALANCE				
DEFERRED DEVELOPMENT FEE				
ACCRUAL TO CASH ADJUSTMENT				
ENDING CASH BALANCE				

PART II - OPERATING AND MAINTENANCE EXPENSE SCHEDULE

DESCRIPTION	BUDGET	Actuals	PROPOSED BUDGET	COMMENTS	COST PER UNIT
MAINTENANCE & REPAIRS PAYROLL	45,992	38,492	45,577	see payroll worksheet	633
JANITORIAL SUPPLIES & SERVICE	400	1,368	1,368	projected actuals for cleaning supplies	19
PLUMBING REPAIRS	1,000	1,429	1,429	projected actuals	20
PAINTING AND DECORATING	3,000	1,141	3,000		42
MAINTENANCE & REPAIRS SUPPLY	30,000	17,307	30,000		417
MAINTENANCE & REPAIRS CONTRACT	15,355	17,134	17,134	projected actuals, includes unit turns	238
GROUNDS	10,040	11,588	11,600	\$850/mo + extras	161
POOL SERVICE	0	0	0		0
PEST CONTROL	9,056	7,136	9,056	\$156/bi weekly + 5k Bed Bugs	126
FIRE/ALARM SERVICES	1,500	2,092	1,750	annual inspections & repairs	24
APPLIANCE REPAIRS / REPLACEMENTS	0	0	0		0
EDUCATIONAL SERVICES	0	0	0		0
SECURITY SERVICES	0	0	0		0
FURNISHING-FLOORING,APPLIANCES & BLIN	163,900	94,012	103,625	see page 5	1,439
CARPET CLEANING	420	360	420		6
HVAC REPAIRS	10,800	5,569	10,800		150
CABLE SERVICE	240	315	271	\$22.65/mo	4
ELEVATOR MAINTENANCE / CONTRACT	0	0	0		0
TENANT SERVICES	500	120	500	resident retention & activities	7
OTHER OPERATING EXPENSES	0	0	0		0
SUB - TOTAL MAINT. & OPERATING	292,203	198,064	236,530		3,285
ELECTRICITY	7,636	6,665	7,636	keep budget	106
WATER	23,392	20,940	23,392	keep budget	325
SEWER	19,855	19,855	19,855	\$1654.56/mo	276
FUEL (Oil / Coal / Gas)	17,900	18,577	17,900	keep budget	249
GARBAGE & TRASH REMOVAL	11,445	14,864	14,864	projected actuals	206
OTHER UTILITIES	0	0	0		0
SUB - TOTAL UTILITIES	80,228	80,901	83,647		1,162
SITE MANAGER PAYROLL	35,460	40,310	39,199	Per Payroll Worksheet	544
VALUE OF EMPLOYEE UNIT	0	0	0		0
MANAGEMENT FEE	35,424	35,424	37,152	\$43/unit	516
BAD DEBT	7,500	9,529	7,500		
PROJECT AUDITING EXPENSE	7,500	7,500	7,500		104
LEGAL EXPENSES	5,000	6,268	5,717	increased activity, 2 yr average	79
OTHER ADMINISTRATIVE EXPENSES	175	164	175	bank fees	2
TELEPHONE & ANSWERING SERVICE	1,400	1,908	2,340	avg \$165/mo+ staff cell reimb	33
INTERNET SERVICE	1,200	999	1,080	\$89.95/mo	15
ADVERTISING	650	31	650		9
WATER/COFFEE SERVICE	25	0	0	not using	0
OFFICE SUPPLIES	2,200	2,575	2,575	projected actuals	36
POSTAGE	948	985	985	projected actuals	14
TONER/COPIES	1,368	2,257	2,257	projected actuals	
OFFICE FURNITURE & EQUIPMENT	0	1,048	0		0
TRAVEL & PROMOTION	1,200	851	851	projected actuals	12
TRAINING EXPENSE	250	681	750	added Grace Hill training	10
CREDIT CHECKING	1,200	349	1,200		17
EMPLOYEE MEALS	0	180	0		0
HEALTH INS. & OTHER EMP. BENEFITS	19,867	1,795	22,076	Per Payroll Worksheet	307
PAYROLL TAXES	8,297	7,317	8,637	Per Payroll Worksheet	120
WORKMAN'S COMPENSATION	8,163	5,562	8,463	Per Payroll Worksheet	118
MISCELLANEOUS EXPENSE	0	0	0		
SUB - TOTAL ADMINISTRATIVE	137,827	125,735	149,107		2,071
REAL ESTATE TAXES	941	105	941	2018-19 invoice + 2%	13
SPECIAL ASSESSMENTS	0	0	0		0
OTHER TAXES, LICENSES & PERMITS	1,072	1,892	1,072	FTB + Utility survey	15
PROPERTY & LIABILITY INSURANCE	13,575	12,173	17,224	current invoice +10%	239
FIDELITY COVERAGE INSURANCE	500	627	620	current invoice +3%	9
OTHER INSURANCE	0	0	0		0
SUB - TOTAL TAXES & INSURANCE	16,088	14,797	19,857		276
TOTAL O & M EXPENSES	526,346	419,496	489,141		6,794

RESERVE ACCOUNT ACTIVITY

RESERVE ACCOUNT ACTIVITY (ESCROWED WITH LENDER)	CURRENT BUDGET	ACTUAL	PROPOSED BUDGET	COMMENTS
BEGINNING BALANCE				
TRANSFER TO RESERVE				
TRANSFER FROM RESERVE				
OPERATING DEFICIT				
BUILDING REPAIR & IMPROVEMENTS				
EQUIPMENT REPAIR & REPLACEMENT				
OTHER NON - OPERATING EXPENSES				
TOTAL TRANSFER FROM RESERVE				
ENDING BALANCE				

RESERVE ACCOUNT ACTIVITY (ACCOUNT HELD BY AWI)	PROPOSED BUDGET	ACTUAL	PROPOSED BUDGET	COMMENTS
BEGINNING BALANCE	88,965	89,138	64,138	
TRANSFER TO RESERVE	30,000	30,000	30,000	
TRANSFER FROM RESERVE				
OPERATING DEFICIT				
BUILDING REPAIR & IMPROVEMENTS	55,000	55,000	25,000	
EQUIPMENT REPAIR & REPLACEMENT				
OTHER NON - OPERATING EXPENSES				
TOTAL TRANSFER FROM RESERVE	55,000	55,000	25,000	
ENDING BALANCE	63,965	64,138	69,138	

--	--	--	--	--

PART IV - RENT SCHEDULE

A. CURRENT APPROVED RENTS:

UNIT DESCRIPTION			TAX CREDIT RENTAL RATES			POTENTIAL INCOME FROM EACH RATE			UTILITY ALLOWANCE (if used)
% OF MEDIAN TYPE	SIZE	NUMBER	MAX RENT - UA	MAX ADJ RENT	PROPOSED RENTS		NET RENTS		
1 Br 50%	1	3	587-48	539	539		19,404		
1 Br 60%	1	13	705-48	657	657		102,492		
2 Br 50%	2	6	705-56	649	649		46,728		
2 Br 60%	2	21	846-56	790	790		199,080		
3 Br 50%	3	6	814-65	749	749		53,928		
3 Br 60%	3	22	977-65	912	912		240,768		
Offset for households not paying max rent							(6,237)		
2 Br Non-Rev	2	1			771		9,252		
							0		
							0		
New move-ins will be at max TC - rents here are based on current averages with a rent increase							0		
							0		
							0		
72						0	665,415	0	

SEC. 8

CURRENT RENT TOTALS:

u/a change 5/1/19

UNIT DESCRIPTION			TAX CREDIT RENTAL RATES			POTENTIAL INCOME FROM EACH RATE			UTILITY ALLOWANCE (if used)
% OF MEDIAN TYPE	SIZE	NUMBER	MAX RENT - UA	MAX ADJ RENT	PROPOSED RENTS	CURRENT RENTS	NET RENTS		
1 Br 50%	1	3	623-49	574	569	539	20,484		
1 Br 60%	1	13	748-49	699	687	657	107,172		
2 Br 50%	2	6	748-58	690	679	649	48,888		
2 Br 60%	2	21	898-58	840	820	790	206,640		
3 Br 50%	3	6	865-66	799	779	749	56,088		
3 Br 60%	3	22	1038-66	972	942	912	248,688		
2 Br Non-Rev	2	1			820		9,840		
72						0	697,800	0	

CURRENT RENT TOTALS:

GROSS NET SEC. 8

rent inc. 30

PREPARED BY: _____

DATE: _____

PART V - ANNUAL CAPITAL BUDGET

	Proposed Number of Units/Items	Proposed from Reserve	Actual from Reserve	Proposed from Operating	Actual from Operating	Actual Total Cost	Total Actual Units/Items
Appliances:							
Range	3			1500			
Refrigerator	3			2100			
Dishwashers	5			1665			
Washers (Common)	3			3600			
Dryers (Common)	3			3600			
Carpet and Vinyl:							
1 Br.	3			6000			
2 Br.	4			8800			
3 Br.	5			12000			
4 Br.							
Other: Vinyl							
Cabinets:							
Kitchen	1			7420			
Bathrooms							
Other:							
Doors:							
Exterior	10			1590			
Interior	10			1000			
Other:							
Window Coverings:							
Blinds	5			750			
Other:							
Heating and Air Conditioning:							
Heating --Wall heaters							
Air conditioning	2			4800			
Other:							
Plumbing:							
Water Heater	2			7000			
Bath Sinks							
Kitchen Sinks							
Faucets							
Toilets							
Other:							
Major Electrical							
Detail: Exterior Lighting				3000			
Other:							
Structures:							
Windows							
Screens							
Walls							
Roofing							
Siding							
Exterior Painting							
Other: Interior Painting							
Paving:							
Asphalt							
Concrete				3800			
Seal and Stripe		25000					
Other: walkway repairs							
Landscape and grounds:							
Landscaping/tree trimming				7500			
Lawn Equipment							
Fencing				2500			
Recreation area							
Signs				7500			
Other:							
Accessibility features:							
List: reasonable accommodations							
Other:							
Automation equipment							
Site management							
Common area							
Other:							
Other:							
List: Dumpster Enclosures				15000			
List: Gutter Cleaning				1500			
List: Maint Equipment				1000			
TOTAL CAPITAL EXPENSES:	59	25000		103625	0	0	0