

**BANYARD MANAGEMENT
Board of Directors Meeting**

2039 Forest Avenue
Chico, CA 95928

MEETING AGENDA

May 18, 2023
2:00 p.m.

Due to COVID-19 and California State Assembly Bill 361 that amends the Ralph M. Brown Act to include new authorization for remote meetings, including remote public comment for all local agencies. California State Assembly Bill 361 extends the provision of Governor Newsom’s Executive Order N-29-20 and N-35-20 until January 2024. The meeting will be a hybrid meeting both in person at this Housing Authority office and remotely. Members of the Board of Directors and HACB staff will be participating either in person or remotely. The Board of Directors welcomes and encourages public participation in the Board meetings either in person or remotely from a safe location.

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.

Please join my meeting from your computer, tablet or smartphone.

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If you have any trouble accessing the meeting agenda, or attachments; or if you are disabled and need special assistance to participate in this meeting, please email marysolp@butte-housing.com or call 530-895-4474 x.210. Notification at least 24 hours prior to the meeting will enable the Housing Authority to make a reasonable attempt to assist you.

NEXT RESOLUTION NO. 23-2B

ITEMS OF BUSINESS

1. ROLL CALL

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2. AGENDA AMENDMENTS
3. CONSENT CALENDAR
 - 3.1 Minutes of Meeting on February 16, 2023
 - 3.2 Banyard Management – Financial Report
 - 3.3 Chico Commons – HACB report/AWI Report
4. CORRESPONDENCE
5. REPORTS FROM PRESIDENT
 - 5.1 Chico Commons Audit Report – Accept FY2022 Audit Report
Recommendation: Motion
 - 5.2 Chico Commons – CY2022 Operational Surplus Cash Flow Distribution.
Recommendation: Motion
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 – August 16, 2023
13. ADJOURNMENT

BANYARD MANAGEMENT

Board of Directors Meeting

2039 Forest Avenue
Chico, CA 95928

MEETING MINUTES

February 16, 2023

President Mayer called the meeting of Banyard Management to order at 2:41 p.m.

The meeting was conducted via teleconference, web-conference and in person, as noticed.

1. ROLL CALL

Present for the Directors: Charles Alford, Randy Coy, Rich Ober, David Pittman, Sarah Richter and Regina Sayles-Lambert. Directors Alford, Ober and Pittman attended in person with the exception of Director Richter, who attended by means of web-conference.

Others Present: President Ed Mayer, Chief Financial Officer Hope Stone, Secretary Marysol Perez, Larry Guanzon, Tamra Young, Angie Little and Taylor Gonzalez; all attended in person.

Public Present: Loren Freeman, HACB Public Housing Resident.

2. AGENDA AMENDMENTS

None.

3. CONSENT CALENDAR

Director Pittman moved to accept the Consent Calendar as presented. Director Ober seconded. Director Coy abstained from voting due to being new to the Director role, and Director Richter was not present to vote.

4. CORRESPONDENCE

None.

5. REPORTS FROM PRESIDENT

- 5.1 Housing Authority of the County of Butte (HACB) – Banyard Management has an ongoing Corporate Services Agreement with the HACB. The agreement sets the

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rates of compensations and annual contract maximum. Banyard Management contracts with the HACB to perform two basic kinds of services: corporate services to maintain the corporate entity; and other services including asset management and property improvements. The resolution presented seeks to maintain the services agreement with HACB, adopting HACB’s billing rates starting March 1, 2023, authorization up to \$16,500 in expenditures for basic corporates services, and authorization of up to \$100,000 in extraordinary services relating to development and property re-positioning activity. This agreement is re-occurring, subject to annual revisions.

RESOLUTION NO. 23-1B

Director Ober moved that Resolution No. 23-1B be adopted by reading of title only: “HOUSING AUTHORITY OF THE COUNTY OF BUTTE MANAGEMENT SERVICES AGREEMENT 2023 BILLING RATES AND SERVICES AUTHORIZATIONS”. Director Pittman seconded it. The vote in favor was unanimous. Director Richter was not present to vote.

6. MEETING OPEN FOR PUBLIC DISCUSSION

Public Housing Resident Loren Freeman expressed concern regarding use of private security cameras on Public Housing property. Larry Guanzon, Deputy Executive Director, relayed to Mr. Freeman that staff will research best practice regarding security camera policy in multifamily properties, and consider implementation of a policy, including a possible lease addendum addressing intrusion of privacy resulting from Public Housing residents and others employing security cameras.

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 – May 18, 2023.

13. ADJOURNMENT

Director Pittman moved that the meeting be adjourned. Director Sayles-Lambert seconded. The meeting was adjourned at 2:58 p.m.

Dated: February 16, 2023.

Edward S. Mayer, President

ATTEST:

Marysol Perez, Secretary

Banyard Management
GENERAL FUND BALANCE SHEET
March 31, 2023

CUMULATIVE

ASSETS

Current Assets

Cash - Unrestricted	216,131
Cash - Other Restricted	0
Cash - Tenant Security Deposits	0
Account Receivable	0
Accrued Interest Receivable	0
Investments - Unrestricted	0
Investments - Restricted	0
Inventory	0

Total Current Assets	216,131
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Fixed Assets

Fixed Assets & Accumulated Depreciation	0
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Total Fixed Assets	0
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Other Assets

Other Assets & Prepaid Expenses	0
Investment in Chico Commons	254,893

Total Other Assets	254,893
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TOTAL ASSETS	471,024
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LIABILITIES

Current Liabilities

Accounts Payable	0
Accrued Liabilities - Other	189

Total Current Liabilities	189
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Long-Term Liabilities

Long-Term Debt Net of Current	0
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Total Long-Term Liabilities	0
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TOTAL LIABILITIES	189
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NET POSITION

Beginning Net Position	524,593
Retained Earnings	(53,758)

TOTAL NET POSITION	470,835
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TOTAL LIABILITIES AND NET POSITION	471,024
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Banyard Management
GENERAL FUND INCOME STATEMENT
March 31, 2023

	Month to Date			Year to Date		
	Actual	Budget	Remaining	Actual	Budget	Remaining
Partnership Fees	0	1,205	1,205	23,546	7,230	(16,316)
Investment Income-unrestricted	0	8	8	6	50	44
Other Income	0	0	0	0	0	0
TOTAL REVENUES	<u>0</u>	<u>1,213</u>	<u>1,213</u>	<u>23,551</u>	<u>7,280</u>	<u>(16,271)</u>
Audit & Accounting Fees	211	92	(119)	239	550	311
Corporate Services	38	9,583	9,545	295	57,500	57,205
Consulting Fees	58	2,083	2,025	148	12,500	12,352
Legal Expenses	3	833	831	8	5,000	4,992
Misc. Admin. Expenses	53	42	(12)	796	250	(546)
Outside Management Fees	601	1,080	479	(3,158)	6,480	9,638
Partnership Losses	0	0	0	0	0	0
Taxes and Fees	0	2	2	0	10	10
Total Operating Admin Costs	<u>964</u>	<u>13,715</u>	<u>12,751</u>	<u>(1,672)</u>	<u>82,290</u>	<u>83,962</u>
TOTAL EXPENSES	<u>964</u>	<u>13,715</u>	<u>12,751</u>	<u>(1,672)</u>	<u>82,290</u>	<u>83,962</u>
RETAINED EARNINGS	<u>(964)</u>	<u>(12,502)</u>		<u>25,224</u>	<u>(75,010)</u>	

MEMO

Date: May 12, 2023

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: AWI) – There are four vacancies as of the 1st of May. AWI details current turnover status in the monthly narrative, following, as well as unpaid rents, involving eleven units. Three units are on payment plans, two are in process of Unlawful Detainer action, and another has been served a 3/30-day notice. The third and last dumpster enclosure will be upgraded and rebuilt. Bids are being solicited for upgrade and reconstruction of the 2nd floor balcony railings. Fire alarm panels and pull stations are being removed due to the pull stations no longer being required by local fire code. Asphalt Parking lot maintenance bids are being solicited, and annual pressure washing is in process. YTD income is up approximately \$18,000 compared to budget, with expenses \$46,000+ lower than budget YTD. The property is subject to repositioning, involving refinancing, capital improvements, and replacements.



Chico Commons Apartments, 2071 Amanda Way, Chico

Chico Commons April 2023



Separate Variance Report explaining budget differences and expenditures.

Updates:

Chico Commons currently has 4 vacancies. One move-in and two move-outs during the month of April.

Vacancies:

- **Unit #29** – Unit market ready. Applicant close to an approval.
- **Unit #24** – Unit market ready. Applicant close to an approval.
- **Unit # 43** – Unit market ready. Working on applicants.
- **Unit #59** – New move out.

Upcoming Vacancies:

- Unit #63, Lock out schedule for 5/10/23.
- Unit #8, sent to legal for non-payment
- Unit #36 Termination Notice.

There are 11 May rent payments pending, which includes those listed below.

- **Unit #8; Balance \$8,334** Sent to legal.
- **Unit #12; Balance \$1,762** has a payment plan.
- **Unit #14; Balance \$3,830** has a payment plan.
- **Unit #30; Balance \$728** has a payment plan.
- **Unit #36, Balance \$3,109** Termination.
- **Unit #63; Balance \$6724** sent to legal.

Staff currently has one estimate on hand to update the balconies. Another vendor (Tony Watson) visited the property and will email the estimate next week.

Staff also seeking an estimate to repair the balcony of unit #55, in addition to enclosing the balcony.



Removal of the fire alarm panels and pull stations is scheduled for May 22, 2023. This will eliminate false alarms which are wasting local fire department resources. The pull stations are not required by the fire code.

Staff is working on scheduling the pressure washing of the breezeways and stairs of building #1 thru #16.

During an inspection of the two new trash enclosures, it was discovered that a few follow repairs are needed. The vendor will be back before the end of May to complete the additional items. Once complete, the enclosures will be painted. Five-Star Painting has provided an estimate.

Estimates for asphalt repairs in process.

Spring is here and staff has contacted Kelvin (the landscaper) to add colorful flowers/plants by the property complex sign. Trimming shrubs/bushes on the back of the 9-16 building and the removal of ivy on the exterior of 2nd floor will also be completed.

The Playground slide has been replaced. It looks great and the playground is now ready for all to enjoy!

Before:



After:



Chico Commons 549
For the Month Ended April 30, 2023
Statement of Income & Cash Flow

	Current Activity	Current Budget	Current Variance	YTD Activity	YTD Budget	YTD Variance
Rental Income						
Gross Rents	\$ 71,978.00	\$ 69,187.00	\$ 2,791.00	\$ 287,671.00	\$ 276,748.00	\$ 10,923.00
Vacancies	(2,898.00)	(3,459.33)	561.33	(14,125.00)	(13,837.33)	(287.67)
Rent Adjustments	0.00	(245.83)	245.83	(146.82)	(983.33)	836.51
Manager's Unit	(965.00)	(965.00)	0.00	(3,860.00)	(3,860.00)	0.00
Total Tenant Rent	\$ 68,115.00	\$ 64,516.84	\$ 3,598.16	\$ 269,539.18	\$ 258,067.34	\$ 11,471.84
Other Project Income:						
Laundry Income	\$ 0.00	\$ 872.67	\$ (872.67)	\$ 3,871.26	\$ 3,490.67	\$ 380.59
Interest Income	9.39	4.75	4.64	38.62	19.00	19.62
Restricted Reserve Interest Incom	29.63	0.00	29.63	114.45	0.00	114.45
Late Charges	345.00	271.08	73.92	1,378.00	1,084.33	293.67
Other Tenant Income	\$ 25.00	\$ 349.58	\$ (324.58)	\$ 1,765.41	\$ 1,398.33	\$ 367.08
Miscellaneous Income	\$ 163.00	\$ 0.00	\$ 163.00	\$ 6,092.94	\$ 0.00	\$ 6,092.94
Other Project Income	\$ 572.02	\$ 1,498.08	\$ (926.06)	\$ 13,260.68	\$ 5,992.33	\$ 7,268.35
Total Project Income	\$ 68,687.02	\$ 66,014.92	\$ 2,672.10	\$ 282,799.86	\$ 264,059.67	\$ 18,740.19
Project Expenses:						
Maint. & Oper. Exp. (Fr Page 2)	\$ 23,420.69	\$ 24,707.08	\$ (1,286.39)	\$ 75,033.58	\$ 98,828.33	\$ (23,794.75)
Utilities (From Pg 2)	6,724.13	9,902.91	(3,178.78)	31,408.91	39,611.66	(8,202.75)
Administrative (From Pg 2)	9,699.35	11,165.74	(1,466.39)	37,474.17	44,662.99	(7,188.82)
Taxes & Insurance (From Pg 2)	3,262.91	2,767.17	495.74	11,068.67	11,068.67	0.00
Other Taxes & Insurance (Fr Page	1,104.16	2,744.17	(1,640.01)	5,725.99	10,976.67	(5,250.68)
Other Project Expenses	1,035.85	1,791.76	(755.91)	5,018.14	7,167.01	(2,148.87)
Total O&M Expenses	\$ 45,247.09	\$ 53,078.83	\$ (7,831.74)	\$ 165,729.46	\$ 212,315.33	\$ (46,585.87)
Mortgage & Owner's Expense						
Mortgage Payment	\$ 2,604.17	\$ 2,604.17	\$ 0.00	\$ 10,416.68	\$ 10,416.67	\$.01
Reporting / Partner Management F	\$ 1,080.00	\$ 1,080.00	\$ 0.00	\$ 4,320.00	\$ 4,320.00	\$ 0.00
Transfer - Reserves	2,500.00	2,500.00	0.00	10,000.00	10,000.00	0.00
Total Mortgage & Owner's Exp.	\$ 6,184.17	\$ 6,184.17	\$ 0.00	\$ 24,736.68	\$ 24,736.67	\$.01
Total Project Expenses	\$ 51,431.26	\$ 59,263.00	\$ (7,831.74)	\$ 190,466.14	\$ 237,052.00	\$ (46,585.86)
Net Profit (Loss)	\$ 17,255.76	\$ 6,751.92	\$ 10,503.84	\$ 92,333.72	\$ 27,007.67	\$ 65,326.05

Other Cash Flow Items:

Chico Commons 549
For the Month Ended April 30, 2023
Statement of Income & Cash Flow

	Current Activity	Current Budget	Current Variance	YTD Activity	YTD Budget	YTD Variance
Reserve Transfers	\$ (29.63)	\$ 0.00	\$ (29.63)	\$ (114.45)	\$ 0.00	\$ (114.45)
T & I Transfers	(2,770.55)	0.00	(2,770.55)	(7,782.63)	0.00	(7,782.63)
Operating - MMKT- FFB*	(8.84)	0.00	(8.84)	(35.99)	0.00	(35.99)
Security Deposits Held	650.00	0.00	650.00	650.00	0.00	650.00
Authorized Reserve - Other	0.00	(12,433.33)	12,433.33	0.00	(49,733.33)	49,733.33
Tenant Receivables	(191.40)	0.00	(191.40)	(5,748.54)	0.00	(5,748.54)
Other Receivables	3,517.24	0.00	3,517.24	5,698.00	0.00	5,698.00
Accounts Payable - Trade	(4,714.49)	0.00	(4,714.49)	(22,247.00)	0.00	(22,247.00)
Accrued Interest - City of Chico	2,604.17	0.00	2,604.17	10,416.68	0.00	10,416.68
Accrued Property Taxes	370.67	0.00	370.67	370.67	0.00	370.67
Total Other Cash Flow Items	\$ (572.83)	\$ (12,433.33)	\$ 11,860.50	\$ (18,793.26)	\$ (49,733.33)	\$ 30,940.07
Net Operating Cash Change	\$ 16,682.93	\$ (5,681.41)	\$ 22,364.34	\$ 73,540.46	\$ (22,725.66)	\$ 96,266.12

Cash Accounts	End Balance 1 Year Ago	Current Balance	Change
Operating - FFB	\$ 1,756.98	\$ 75,297.44	\$ 73,540.46
Operating - MMKT- FFB*	217,291.17	217,327.16	35.99
Tax & Insurance-FFB	2,752.59	10,535.22	7,782.63
Security Deposit - FFB	44,775.00	44,775.00	0.00
Reserve Acct-FFB	101,881.07	51,962.05	(49,919.02)
Reserve Acct - MMKT - FFB*	200,116.89	260,150.36	60,033.47
Payables & Receivables:			
Accounts Payable - Trade	25,304.52	3,057.52	(22,247.00)
Rents Receivable - Current Tenants	20,366.39	18,227.64	(2,138.75)
Allowance for Doubtful Accounts	(14,834.60)	(7,424.60)	7,410.00
Other Tenant Charges Receivable	1,964.68	2,441.97	477.29

	Current Activity	Current Budget	Current Variance	YTD Activity	YTD Budget	YTD Variance
Maintenance & Operating Expenses:						
Maintenance Payroll	\$ 5,082.50	\$ 5,212.00	\$ (129.50)	\$ 18,168.43	\$ 20,848.00	\$ (2,679.57)
Janitorial/Cleaning Supplies	383.54	137.33	246.21	452.74	549.33	(96.59)
Plumbing Repairs	160.00	468.17	(308.17)	626.55	1,872.67	(1,246.12)
Painting & Decorating	0.00	508.17	(508.17)	1,797.39	2,032.67	(235.28)
Repairs & Maintenance - Supply	7,761.59	3,707.08	4,054.51	16,867.44	14,828.33	2,039.11
Repairs & Maintenance - Contract	1,018.90	1,570.58	(551.68)	9,621.05	6,282.33	3,338.72
Grounds Maintenance	1,730.00	1,908.33	(178.33)	7,720.00	7,633.33	86.67
Pest Control Service	430.00	695.08	(265.08)	1,990.00	2,780.33	(790.33)

Chico Commons 549
For the Month Ended April 30, 2023
Statement of Income & Cash Flow

	Current Activity	Current Budget	Current Variance	YTD Activity	YTD Budget	YTD Variance
Fire/Alarm Services	\$ 187.26	\$ 579.33	\$ (392.07)	\$ 593.79	\$ 2,317.33	\$ (1,723.54)
Capital Improvements - Other	0.00	7,262.50	(7,262.50)	(4,305.72)	29,050.00	(33,355.72)
Capital Improvements - Flooring	4,993.23	979.17	4,014.06	15,740.20	3,916.67	11,823.53
Capital Improvements - Appliance	1,594.12	875.00	719.12	3,744.51	3,500.00	244.51
Carpet Cleaning	0.00	61.67	(61.67)	100.00	246.67	(146.67)
HVAC Repairs	0.00	651.08	(651.08)	1,599.00	2,604.33	(1,005.33)
Cable Service	79.55	49.92	29.63	318.20	199.67	118.53
Tenant Services	0.00	41.67	(41.67)	0.00	166.67	(166.67)
Total Maint. & Operating Exp.	\$ 23,420.69	\$ 24,707.08	\$ (1,286.39)	\$ 75,033.58	\$ 98,828.33	\$ (23,794.75)
Utilities:						
Electricity	\$ 688.92	\$ 800.17	\$ (111.25)	\$ 2,837.26	\$ 3,200.67	\$ (363.41)
Water	1,133.52	2,754.83	(1,621.31)	4,939.17	11,019.33	(6,080.16)
Sewer	1,698.11	2,746.58	(1,048.47)	6,661.79	10,986.33	(4,324.54)
Heating Fuel/Other	1,830.68	1,691.33	139.35	8,186.19	6,765.33	1,420.86
Garbage & Trash Removal	1,372.90	1,910.00	(537.10)	8,784.50	7,640.00	1,144.50
Total Utilities	\$ 6,724.13	\$ 9,902.91	\$ (3,178.78)	\$ 31,408.91	\$ 39,611.66	\$ (8,202.75)
Administrative:						
Manager's Salary	\$ 3,501.85	\$ 4,939.00	\$ (1,437.15)	\$ 13,966.92	\$ 19,756.00	\$ (5,789.08)
Management Fees	3,960.00	3,600.00	360.00	14,400.00	14,400.00	0.00
Bad Debt Expense	0.00	1,153.83	(1,153.83)	4,236.00	4,615.33	(379.33)
Auditing	625.00	625.00	0.00	2,500.00	2,500.00	0.00
Legal	1,612.50	833.33	779.17	2,371.25	3,333.33	(962.08)
Other Administrative Expenses	0.00	14.58	(14.58)	0.00	58.33	(58.33)
Total Administrative Expense	\$ 9,699.35	\$ 11,165.74	\$ (1,466.39)	\$ 37,474.17	\$ 44,662.99	\$ (7,188.82)
Taxes & Insurance Reserve For:						
Real Estate Taxes	\$ 370.67	\$ 92.67	\$ 278.00	\$ 370.67	\$ 370.67	\$ 0.00
Property Insurance	2,892.24	2,674.50	217.74	10,698.00	10,698.00	0.00
Total Taxes & Insurance Expense	\$ 3,262.91	\$ 2,767.17	\$ 495.74	\$ 11,068.67	\$ 11,068.67	\$ 0.00
Other Taxes & Insurance:						
Payroll Taxes	\$ 651.96	\$ 865.83	\$ (213.87)	\$ 3,155.61	\$ 3,463.33	\$ (307.72)
Other Taxes, Fees & Permits	95.09	192.00	(96.91)	1,135.66	768.00	367.66
Bond Premiums	0.00	29.92	(29.92)	0.00	119.67	(119.67)
Worker's Compensation Insurance	334.51	766.25	(431.74)	1,274.30	3,065.00	(1,790.70)
Personnel Medical Insurance	22.60	890.17	(867.57)	160.42	3,560.67	(3,400.25)
Total Other Taxes & Insurance	\$ 1,104.16	\$ 2,744.17	\$ (1,640.01)	\$ 5,725.99	\$ 10,976.67	\$ (5,250.68)
Other Project Expenses						
Telephone & Answering Service	\$ 111.29	\$ 226.00	\$ (114.71)	\$ 671.31	\$ 904.00	\$ (232.69)
Internet Service	144.85	271.50	(126.65)	579.40	1,086.00	(506.60)

Chico Commons 549
For the Month Ended April 30, 2023
Statement of Income & Cash Flow

	Current Activity	Current Budget	Current Variance	YTD Activity	YTD Budget	YTD Variance
Advertising	\$ 0.00	\$ 54.17	\$ (54.17)	\$ 0.00	\$ 216.67	\$ (216.67)
Water/Coffee Service	6.34	0.00	6.34	12.68	0.00	12.68
Office Supplies & Expense	94.32	227.67	(133.35)	1,621.31	910.67	710.64
Postage	0.00	88.75	(88.75)	276.59	355.00	(78.41)
Toner/Copier Expense	131.90	188.08	(56.18)	284.90	752.33	(467.43)
Office Furniture & Equipment Expe	337.83	500.00	(162.17)	1,142.61	2,000.00	(857.39)
Travel & Promotion	0.00	70.92	(70.92)	0.00	283.67	(283.67)
Training Expense	187.44	64.67	122.77	187.44	258.67	(71.23)
Credit Checking	21.88	100.00	(78.12)	241.90	400.00	(158.10)
Total Other Project Expenses	\$ 1,035.85	\$ 1,791.76	\$ (755.91)	\$ 5,018.14	\$ 7,167.01	\$ (2,148.87)
Mortgage & Owner's Expense						
Mortgage Payment	\$ 2,604.17	\$ 2,604.17	\$ 0.00	\$ 10,416.68	\$ 10,416.67	\$.01
Reporting / Partner Management F	\$ 1,080.00	\$ 1,080.00	\$ 0.00	\$ 4,320.00	\$ 4,320.00	\$ 0.00
Transfer - Reserves	2,500.00	2,500.00	0.00	10,000.00	10,000.00	0.00
Total Mortgage & Owner's Exp.	\$ 6,184.17	\$ 6,184.17	\$ 0.00	\$ 24,736.68	\$ 24,736.67	\$.01
Total Expenses	\$ 51,431.26	\$ 59,263.00	\$ (7,831.74)	\$ 190,466.14	\$ 237,052.00	\$ (46,585.86)
Authorized Reserve - Other	\$ 0.00	\$ 12,433.33	\$ (12,433.33)	\$ 0.00	\$ 49,733.33	\$ (49,733.33)
Total Authorized Reserves	\$ 0.00	\$ 12,433.33	\$ (12,433.33)	\$ 0.00	\$ 49,733.33	\$ (49,733.33)

MEMO

Date: May 12, 2023

To: HACB Board of Commissioners

From: Larry Guanzon, Deputy Executive Director

Subject: Agenda Item 3.10 - Status Report – HACB Other-Owned Properties

- Alamont Apartments, Chico (30 units, family)
- Cordillera Apartments, Chico (20 units, family)
- Evanswood Estates, Oroville (31 units, family)
- Gridley Springs II, Gridley (24 units, family)
- Kathy Court Apartments, Paradise (12 units, family)
- Lincoln Apartments, Chico (18 units, family)
- Locust Apartments, Chico (10 units, family)
- Park Place Apartments, Oroville (40 units, senior)
- 2131 Fogg Ave, (1 single family house)
- 1744 Laurel St, Chico (1 single family house)

For Alamont, Cordillera, Evanswood, Kathy Court, Lincoln, Locust, and Park Place Apartments, please also see monthly reports provided by the property manager, RSC Associates Inc., following this memo. Please also find Sackett Corporation’s financials for Gridley Springs II.

Alamont Apartments, Chico (30 units, family, RSC) – There is one vacancy as of the first of May -all rent was collected for the month. The 2020A bond-identified needs have been completed. At the end of the 2nd quarter, YTD property income came in at \$7,766,95 more than budget, at \$200,203.95. Total YTD expenses are \$3,230.51 more than anticipated, bringing YTD NOI to \$17,960.16 less than budget, at \$97,430.84. YTD NOI is less than budget mostly due to bad debt “write off” expenses, totaling \$26,407.81. Work is underway to address needed roofing, HVAC, and veranda reconstruction improvements, estimated at \$150K.



Alamont Apartments, East Avenue, Chico

Cordillera/Cameo Apartments, Chico (20 units, family, RSC) - The property has no vacancy as of May 1st. There have been no turnovers in the last five months. Unpaid rents were confined to two small balances from two units where RSC is working to collect. YTD income comes in ahead of budget by \$2,086.33, at \$117,526.33. Total Operating Expenses are lower than budget by \$7,012.00+, bringing the YTD NOI to \$62,489.67, or \$9,098.67 more than budget.



Cordillera Apartments, Cameo Way, Chico

Evanswood Estates Apartments, Oroville (31 units, family, RSC) – The property has no vacancy. all rents have been collected for the month. One turnover was rented at the beginning of May. YTD total income is \$5,415 more than anticipated, at \$248,974. YTD Total Operating Expenses are \$15,400+ more than budget at \$148,337 - the variance is mostly attributed to bad debt and turnover expenses. YTD NOI is \$10,000+ less than budget, at \$100,637. Units #21, 25, and 33, purchased and tracked separately, were fully occupied, with no unpaid rents. YTD income and expenses were at budget, bringing their NOI to a little under projection, at \$10,425.



Evanswood Apartments, Table Mountain Boulevard, Oroville – before and after

The \$3 million exterior work at Evanswood Estates is about 75% complete. The work pace has picked up with good weather. A three-color scheme has been developed to provide variety.

Gridley Springs II, Gridley (24 units, Family, Sackett) The property has no vacancy and no 30-day notices. YTD income is down by approximately \$7,400 due to statutory rent limitations restricting rent increases in the 1st quarter. YTD expenses came to \$86,455, yielding \$12,823 less than budget. YTD NOI is \$5,300 more than budget, at \$22,348. Please find Sackett Corporation’s financials for GS II, as well as a short narrative, following.



Gridley Springs Apartments II, Ford Avenue, Gridley

Kathy Court Apartments, Paradise (12 units, family, RSC) – We continue to move forward in securing the CDBG–DR funding commitment from the Town of Paradise. Bid documents are near completion, as well as the CDBG-DR and Section 8 PBV NEPA reviews. Series 2020A bond funds, and PG&E Victims Trust lawsuit proceeds complete the financing package. Property Insurance is also being sought in anticipation of construction and operation; State Farm Insurance has pulled out of the Paradise market.



Kathy Court Apartments, Paradise - Rendering

Lincoln Apartments, Chico (18 units, family, RSC) – Lincoln Apartments has one vacancy. All rents have been collected, and there are no notices to vacate. The installation of 2020A bond-funded Capital Improvements, including water heaters, a refrigerator, exhaust hoods and GFCI installation is underway. YTD total income is ahead of budget by \$4,100. Total YTD Expenses are under budget by \$7,883, bringing YTD NOI to \$56,737, or \$12,018 more than budget.



Locust Apartments, Chico

Locust Apartments, Chico (10 units, family, RSC) – The property is fully occupied, with no turnover in four months. All rents were collected. Total income YTD is above budget by \$1,663.00+, at \$53,711.57. Total Expenses came in much higher than budget, due to bad debt write-offs, high utility costs, and turnover expenses aggravated by increased labor and material costs. YTD NOI came in below budget by \$7,532.40, at \$17,689.60. Capital Improvements continue with the replacement of water heaters, range hoods, and GFCI outlets, paid for by means of Series 2020A Bond proceeds.

Park Place Apartments, Oroville (40 units, senior, RSC) – The month saw one vacancy, but the unit has been re-rented. There are no notices to vacate. RSC’s narrative addresses rent collection - all units are current except two. Both involve Unlawful Detainers for failure to pay rent. YTD Total Income is \$8,407 more than budget. Expenses are below budget by \$8,181. Thus YTD NOI is \$16,589 more than budget, at \$112,927. Bond-funded work, including equipment and gazebo replacements, upgrade of the Community Room, and site path of travel improvements, are in process, with property management collecting bids.



Park Place Apartments, Oroville

2131 Fogg Ave, Oroville (SFH, HACB) – The single-family house is vacant, as of mid-April. Board action is agendized to remove the building in anticipation of a multi-family development initiative.

1744 Laurel St, Chico (SFH, HACB) – This single family 2-bedroom, 1 bath house is occupied. The rent is current for the month.

May 12, 2023

MEMO

To: Banyard Management Board of Directors

From: Hope Stone, CFO
Ed Mayer, President

Subject: Agenda Item 5.1 – Chico Commons Apartments, Chico, 2022 Audit Report

The Chico Commons 2022 Audit Report has been reviewed and provided for Board acceptance. There were no questioned costs, expenses, concerns or findings.

Comparing the 2022's audit to the 2021 audit reveals the following:

- Revenues increased \$33,315 (4%),
- Expenses increased \$82,449 (17%),
- Operating Income decreased \$49,134 (17%)
- Net income decreased \$58,052 (82%). This reduction was tied entirely to the increase in costs, and year over year depreciation.

The 2022 year saw revenues challenged by Covid-19 pandemic regulatory restrictions, and statutory forbearance of tenant rent obligations. Significant inflationary dynamics, including material supply chain issues, drove the increases in expenses.

Recommendation: Motion to approve the 2022 Chico Commons Apartments Audit Report

CHICO COMMONS, L.P.
(A California Limited Partnership)
COMPARATIVE FINANCIAL REPORT
December 31, 2022 and 2021

C O N T E N T S

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B O W M A N
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

To the Partners
Chico Commons, L.P.
(A California Limited Partnership)

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Chico Commons L.P. (A California Limited Partnership), which comprise the balance sheets as of December 31, 2022 and 2021, and the related statements of income partners' equity, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Partnership as of December 31, 2022 and 2021, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Partnership and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Partnership's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Partnership's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Partnership's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Bushman's Copy, L.L.P.

Stockton, California
March 10, 2023

CHICO COMMONS, L.P.
(A California Limited Partnership)

BALANCE SHEETS
December 31, 2022 and 2021

ASSETS	<u>2022</u>	<u>2021</u>
CURRENT ASSETS		
Cash and cash equivalents	\$ 219,298	\$ 179,381
Cash and cash equivalents - partnership reserve	200,117	200,021
Accounts receivable - tenant, net	7,496	13,298
Prepaid expenses	39,645	35,981
Total current assets	<u>466,556</u>	<u>428,681</u>
 RESTRICTED DEPOSITS AND FUNDED RESERVES		
Tax and insurance impounds	2,753	2,840
Tenant security deposits	44,775	43,775
Reserve for replacements	101,881	71,774
	<u>149,409</u>	<u>118,389</u>
 PROPERTY AND EQUIPMENT, at cost		
Land	607,476	607,476
Building and improvements	5,520,052	5,476,907
Furniture and equipment	215,616	205,916
	<u>6,343,144</u>	<u>6,290,299</u>
Less accumulated depreciation	<u>(3,960,340)</u>	<u>(3,796,704)</u>
	<u>2,382,804</u>	<u>2,493,595</u>
 OTHER ASSETS		
Syndication fees, net of accumulated amortization of \$147,059 and \$141,985 in 2022 and 2021, respectively	<u>55,776</u>	<u>60,847</u>
Total assets	<u><u>\$ 3,054,545</u></u>	<u><u>\$ 3,101,512</u></u>

CHICO COMMONS, L.P.
(A California Limited Partnership)

BALANCE SHEETS (Cont.)
December 31, 2022 and 2021

LIABILITIES AND PARTNERS' EQUITY	<u>2022</u>	<u>2021</u>
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	\$ 25,305	\$ 40,077
Accrued interest expense, current portion	<u>31,250</u>	<u>31,250</u>
Total current liabilities	<u>56,555</u>	<u>71,327</u>
 DEPOSIT LIABILITIES		
Tenant security deposits	<u>40,885</u>	<u>41,475</u>
 LONG-TERM LIABILITIES		
Accrued interest expense, less current portion	147,910	147,910
Note payable - Redevelopment Agency of the City of Chico	<u>625,000</u>	<u>625,000</u>
	<u>772,910</u>	<u>772,910</u>
Total liabilities	<u>870,350</u>	<u>885,712</u>
 PARTNERS' EQUITY		
	<u>2,184,195</u>	<u>2,215,800</u>
Total liabilities and partners' equity	<u>\$ 3,054,545</u>	<u>\$ 3,101,512</u>

CHICO COMMONS, L.P.
(A California Limited Partnership)

STATEMENTS OF INCOME
Years Ended December 31, 2022 and 2021

	2022	2021
REVENUE		
Tenant rental income	\$ 759,544	\$ 727,622
Tenant charges	10,717	3,806
Laundry	8,141	11,382
Interest income	286	223
Other income	5,949	8,289
Total revenue	784,637	751,322
 OPERATING AND MAINTENANCE EXPENSES		
Repairs and maintenance	211,840	171,239
Utilities	99,578	101,607
Wages and salaries	84,255	83,145
Property management fees	38,880	37,152
Services	10,853	12,295
Insurance	28,349	18,926
General and administrative	15,516	10,588
Payroll taxes and workers' compensation insurance	10,793	11,504
Professional fees	13,857	12,263
Bad debt expense	40,605	11,042
Health insurance and other employee benefits	872	292
Other taxes and licenses	3,440	6,336
Total operating and maintenance expenses	558,838	476,389
 Net operating income	225,799	274,933
 OTHER EXPENSES		
Interest expense	31,250	31,250
Depreciation expense	163,636	154,718
Amortization expense	5,071	5,071
Partnership management fee	12,960	12,960
Total other expenses	212,917	203,999
 Net income (loss)	\$ 12,882	\$ 70,934

CHICO COMMONS, L.P.
(A California Limited Partnership)

STATEMENTS OF PARTNERS' EQUITY
Years Ended December 31, 2022 and 2021

	Banyard Management	HACB	Total
Balance, December 31, 2020	\$ 276,904	\$ 1,911,548	\$ 2,188,452
Partner distributions	(22,011)	(21,575)	(43,586)
Net income (loss)	709	70,225	70,934
Balance, December 31, 2021	255,602	1,960,198	2,215,800
Partner distributions	(22,466)	(22,021)	(44,487)
Net income (loss)	129	12,753	12,882
Balance, December 31, 2022	\$ 233,265	\$ 1,950,930	\$ 2,184,195

CHICO COMMONS, L.P.
(A California Limited Partnership)

STATEMENTS OF CASH FLOWS
Years Ended December 31, 2022 and 2021

	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income (loss)	\$ 12,882	\$ 70,934
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:		
Depreciation and amortization	168,707	159,789
Change in assets and liabilities:		
Decrease (increase) in:		
Accounts receivable	5,802	494
Prepaid expenses	(3,664)	(15,689)
Increase (decrease) in:		
Accounts payable and accrued liabilities	(14,772)	32,167
Tenant security deposits	(590)	(100)
Net cash provided by (used in) operating activities	168,365	247,595
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property and equipment	(52,845)	(101,236)
Net cash provided by (used in) investing activities	(52,845)	(101,236)
CASH FLOWS FROM FINANCING ACTIVITIES		
Partners distributions	(44,487)	(43,586)
Net cash provided by (used in) financing activities	(44,487)	(43,586)
Increase (decrease) in cash, cash equivalents, and restricted cash	71,033	102,773
Cash, cash equivalents and restricted cash		
Beginning	497,791	395,018
Ending	\$ 568,824	\$ 497,791
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash payments for interest	\$ 31,250	\$ 31,250
CASH, CASH EQUIVALENTS AND RESTRICTED CASH SUMMARY		
Cash and cash equivalents	\$ 219,298	\$ 179,381
Cash and cash equivalents - partnership reserve	200,117	200,021
Tax and insurance impounds	2,753	2,840
Tenant security deposits	44,775	43,775
Reserve for replacements	101,881	71,774
	\$ 568,824	\$ 497,791

CHICO COMMONS, L.P.
(A California Limited Partnership)

NOTES TO FINANCIAL STATEMENTS

Note 1. Organization and Summary of Significant Accounting Policies

Chico Commons, L.P. (the “Partnership”), a California limited partnership, was formed in June 1991, to own, maintain and operate a 72-unit apartment complex, known as Chico Commons Apartments (the “Project”) in Chico, California. The Project qualified and has been allocated low-income housing tax credits pursuant to Internal Revenue Code Section 42, which regulates the use of the Project as to occupant eligibility and unit gross rent, among other requirements.

Pursuant to the Amended and Restated Agreement of Limited Partnership, the Partnership consists of a 1% General Partner, Banyard Management and a 99% Limited Partner, Housing Authority of the County of Butte (HACB).

A summary of significant accounting policies applied in the preparation of the accompanying financial statements follows:

Basis of presentation

The Partnership prepares its financial statements on the accrual basis of accounting consistent with accounting principles generally accepted in the United States of America.

Cash, cash equivalents and restricted cash

For purposes of reporting the statements of cash flows, the Partnership includes all cash and restricted cash accounts as cash.

Replacement reserve

Upon completion of the project, a reserve for replacements account was required to be established. The reserve includes any funds of the Partnership held by the Project lenders as a reserve for repairs and replacements. The reserve for replacement account is funded in twelve equal monthly installments at the rate of \$2,500 per month.

Accounts receivable

Accounts receivable are principally from tenants of the Partnership. The Partnership records an allowance for doubtful collections based on a review of outstanding receivables, historical collection information, and existing economic conditions. Management continues to conduct ongoing evaluations of its tenants and identifies those accounts that are determined to be uncollectible and writes them off. At December 31, 2022 and 2021, the allowance for doubtful accounts was \$14,835 and \$5,054, respectively.

CHICO COMMONS, L.P.
(A California Limited Partnership)

NOTES TO FINANCIAL STATEMENTS

Note 1. Organization and Summary of Significant Accounting Policies (Cont.)

Property and equipment

Depreciation of property and equipment is computed using the straight-line method over the following estimated useful lives:

	<u>Years</u>
Building and improvements	15 - 40
Furniture and fixtures	7 - 15

Expenditures for maintenance and repairs are expensed as incurred.

The Partnership reviews its long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying value of the property may not be recoverable. Recoverability is measured by a comparison of the carrying amount to the future net undiscounted cash flow expected to be generated and any estimated proceeds from the eventual disposition. If the long-lived asset is considered to be impaired, the impairment to be recognized is measured at the amount by which the carrying value amount exceeds the fair value as determined from an appraisal, discounted cash flows analysis, or other valuation technique. There were no impairment losses recognized for the years ended December 31, 2022 and 2021.

Amortization

Syndication costs are amortized over a forty year period, using the straight-line method.

Fair value of financial instruments

The carrying amount of financial instruments, including cash and cash equivalents, accounts receivable, prepaid expenses, accounts payable, and accrued liabilities approximate their value due to the short-term maturities of these instruments.

Rental revenue

Rental income attributable to residential leases is recorded when due from residents, generally upon the first day of each month. Leases are for a period of up to one year, with rental payments due monthly. Rental income is shown at its maximum gross potential. Vacancies and concessions are shown as a reduction in rental income. Other income is recorded when earned and consists primarily of laundry and other tenant charges.

CHICO COMMONS, L.P.
(A California Limited Partnership)

NOTES TO FINANCIAL STATEMENTS

Note 1. Organization and Summary of Significant Accounting Policies (Cont.)

Use of estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the report amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Income taxes

Income taxes on Partnership income are levied on the partners at the partner level. Accordingly, all profits and losses of the Partnership are recognized by each partner on its respective tax return.

Since tax matters are subject to some degree of uncertainty, there can be no assurance that the Partnership's tax returns will not be challenged by the tax authorities and that the Partnership or its partners will not be subject to additional tax, penalties, and interest as a result of such challenge. Generally, the Partnership's tax returns remain open for three to four years for income tax examination.

Subsequent events

Management has evaluated subsequent events through March 10, 2023, the date the financial statements were available to be issued.

Note 2. Related Parties Transactions

Partnership management fee

Pursuant to the Loan Agreement with the City of Chico, the Partnership agreed to pay the General Partner an annual fee of \$12,960. For the years ending December 31, 2022 and 2021, a partnership management fee of \$12,960 was paid.

CHICO COMMONS, L.P.
(A California Limited Partnership)

NOTES TO FINANCIAL STATEMENTS

Note 3. Long-Term Debt

Long-term debt consisted of the following at December 31:

	2022	2021
<p>Note payable to the City of Chico, issued in July 1995, in the amount of \$625,000. The loan is secured by land and buildings. The loan bears interest at a fixed rate of 5.00% simple interest and requires annual interest only payments. The note matures in June 2050. The Partnership incurred \$31,250 of interest expense during the years ended December 31, 2022 and 2021. At December 31, 2022 and 2021, accrued interest was \$179,160.</p>	<p>\$ <u>625,000</u></p>	<p>\$ <u>625,000</u></p>

Note 4. City of Chico Home Program Regulatory Agreement

In consideration of a grant and a loan made by the City of Chico, the Partnership has entered into a regulatory agreement with the City. These agreements set forth certain covenants, conditions, and restrictions regarding the manner in which the Partnership will hold and use the Project. Generally, the Partnership agrees that for a 55-year period following issuance of an unconditional certificate of occupancy, it will cause the Project to be used and held as a residence for low-income and very low-income tenants, subject to various covenants and conditions.

Note 5. Current Vulnerability Due to Certain Concentrations

The Partnership's sole asset is Chico Commons Apartments. The Partnership's operations are concentrated in the affordable housing real estate market. In addition, the Partnership operates in a heavily regulated environment. The operations of the Partnership are subject to the administrative directives, rules and regulations of federal, state and local regulatory agencies, including, but not limited to the State Housing Agency. Such administrative directives, rules and regulations are subject to change by an act of Congress or an administrative change mandated by the State Housing Agency. Such changes may occur with little notice or inadequate funding to pay for the related cost, including the additional administrative burden, to comply with a change.

May 12, 2023

MEMO

To: Banyard Management Board of Directors

From: Hope Stone, CFO
Ed Mayer, President

Subject: Agenda Item 5.2 - CY 2022 Chico Commons LP Partnership Distributions

The Chico Commons LP 2022 Residuals Receipts from operations are \$129,994 (see attached Chico Commons LP Surplus Cash analysis). The Agreement of Limited Partnership (LPA) provides for surplus cash distribution to the partners after the close of the year.

Section 4.k. of the Second Amendment to the LPA gives the Managing General Partner, Banyard Management, the authority to "...determine the amount and timing of distributions to partners and establish and maintain all required reserves...". HACB is the Investor Limited Partner in the partnership.

Chico Commons Apartments has positive cash flow, no hard debt service, substantial capital needs, and a Replacement Reserves balance of \$200,117.

Per authority determined in the LPA, as amended, staff recommends that the Board of Directors approve the deposit of \$98,744 into property Replacement Reserves, sourced from CY 2022 Surplus Cash Flow. The resulting Replacement Reserve balance would be approximately \$298,861, with no balance of funds distributed to the partners.

The recent history of Chico Commons LP distributions follows. Because of the property's substantial capital needs, it is recommended no partnership distributions be made this year.

2017	\$59,490
2018	\$53,656
2019	\$48,419
2020	\$43,586
2021	\$44,487
5-Year Average	\$49,928
2022 recommended	\$0.00

Recommendation: Motion to approve the deposit of \$98,744 from 2022 Chico Commons Apartments, Chico Operational Surplus Cash Flow into the Chico Commons Apartments Replacement Reserves account, and distribution of zero surplus finds to partners as described above.

CHICO COMMONS, L.P.
CALCULATION OF EXCESS CASH
CALENDAR YEAR ENDING DECEMBER 31, 2022

Profit/(Loss) from Operations	12,882.00
ADD: Depreciation; Amortization; Interest on debt issuance	168,707.00
NET CASH FLOW FROM OPERATIONS	181,589.00
SUBTRACT: Transfers to Replacement Reserves	-30,000.00
SUBTRACT: Capital Expenditures	-52,845.00
SUBTRACT: Mortgage Principal Payments	0.00
ADD: Interest Expense - City of Chico Loan	31,250.00
ADD: Transfers from Replacement Reserves	0.00
RESIDUAL RECEIPTS	129,994.00
Interest Payable to the City of Chico from Residual Receipts	-31,250.00
SUBTOTAL	98,744.00
PENDING BOARD APPROVAL TRANSFER TO RESERVES	-98,744.00
NET EXCESS CASH AVAILABLE FOR DISTRIBUTION	0.00

<u>Partner Distribution Details</u>		
Banyard Management - General Partner 50% of Excess Cash		0.00
Banyard Management - General Partner's Share of excess cash @ 1% of 50%	1.0%	0.00
HACB - Limited Partner's share of excess cash @ 99% of 50%	99.0%	0.00
TOTAL PARTNER DISTRIBUTIONS		0.00

Banyard	0.00
HACB	0.00

<u>Gain/Loss</u>	
Banyard	128.82
HACB	12,753.18
	12,882.00