

BANYARD MANAGEMENT

**Board of Directors Meeting**

2039 Forest Avenue  
Chico, CA 95928

MEETING MINUTES

May 20, 2021

President Mayer called the meeting of Banyard Management to order at 2:04 p.m.

*(Pursuant to current State Public Health directives to shelter-in-place and practice social distancing, and as authorized by Governor Gavin Newsom's Executive Orders N-25-20 and N-29-20, This Board of Directors meeting observed "social distancing" protocols, and was conducted via teleconference and web-conference. Meeting notice and public participation was addressed consistent with the State Governor's COVID-19 Executive Order, providing for Brown Act exceptions.)*

1. ROLL CALL

Present for the Directors: Charles Alford, Theresa Ayers, Laura Moravec, and David Pittman. Director Ayers attended by means of web-conference. *Director Anderson arrived at 2:10 pm. via web-conference.*

Others Present: President Ed Mayer, Chief Financial Officer Sue Kemp, Secretary Marysol Perez, Larry Guanzon, Jerry Martin and Angie Little. Chief Financial Officer Kemp attended by means of web-conference.

2. AGENDA AMENDMENTS

President Mayer brought forward an agenda amendment relating to Agenda Item 5.1, regarding the Chico Commons Audit Report, as the recommendation for the agenda item was listed incorrectly, action only requires a motion, not resolution. Director Moravec moved to change recommendation from resolution to motion. Director Pittman seconded. The vote in favor was unanimous.

3. CONSENT CALENDAR

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

4. CORRESPONDENCE

None.

5. REPORTS FROM PRESIDENT

- 5.1 Chico Commons Audit Report – The Chico Commons audited financial statements for the year ended December 31, 2020 were presented. Chico Commons is a well-located family property that has been a consistently performing property with no debt. Chief Financial Officer Kemp gave some highlights from the report: operating expenses a little bit higher, but operating income was similar, the net income was almost \$115,000 for the year. There were no findings or questions by the auditors.

**\*MOTION\***

Director Moravec moved to accept Chico Commons FY2020 Audit Report as presented. Director Ayers seconded. The vote in favor was unanimous.

- 5.2 Chico Commons - Chico Commons has a substantial amount of cash flow at \$274,836, and currently a low Replacement Reserves balance of \$54,144. It is the responsibility of Managing General Partner, Banyard Management, to determine where and how surplus cash flow is distributed. Staff is recommending holding back \$200,000 for deposit into Replacement Reserves. The remainder of the balance would be distributed to the Partners as outlined in the Limited Partnership Agreement; which would be consistent with the past 5-year history of distributions. Director Alford asked what the interest rate is on the reserves account. Chief Financial Officer Kemp replied the interest rate is 0.03%. Director Pittman recommended thumbnail pictures of the property and other HACB properties for reference as it would not only help directors/commissioners, but members of the public who look at board reports visualize the property being discussed.

**\*MOTION\***

Director Pittman moved to approve the withholding of \$200,000 from 2020 Operational Surplus Cash Flow and depositing it into the Chico Commons' Replacement Reserves account, and distribution of remaining surplus funds as recommended. Director Moravec seconded. The vote in favor was unanimous.

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 – August 19, 2021.**

13. ADJOURNMENT

Director Moravec moved that the meeting be adjourned. Director Anderson seconded. The meeting was adjourned at 2:15 p.m.

Dated: May 20, 2021.

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Edward S. Mayer, President

ATTEST:

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Marysol Perez, Secretary