

**BUTTE COUNTY AFFORDABLE HOUSING
DEVELOPMENT CORPORATION
Board of Directors Regular Meeting
2039 Forest Avenue
Chico, CA 95928**

MEETING AGENDA

August 17, 2017
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 the Board of Directors to make reasonable arrangements.

NEXT RESOLUTION NO. 17-1C

ITEMS OF BUSINESS

1. ROLL CALL
2. AGENDA AMENDMENTS
3. CONSENT CALENDAR
 - 3.1 Minutes of Meeting on May 18, 2017.
 - 3.2 BCAHDC- Financial report
 - 3.3 Tax Credit & Cordillera Apartments report
4. CORRESPONDENCE
5. REPORTS FROM PRESIDENT
 - 5.1 Butte County Affordable Housing Development Corporation (BCAHDC) Budget – Adoption of FY 2018 BCAHDC General Fund Proposed Operating Budget.
Recommendation: Resolution No. 17-1C
 - 5.2 Cordillera Apartments Budget – Adoption of FY 2018 Cordillera Apartments Operating Budget.
Recommendation: Resolution No. 17-2C

- 5.3 Account Authorization – Authorization to establish Walker Commons L.P, reserves account at Banner Bank.

Recommendation:

Resolution 17-3C

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 – November 16, 2017.

13. ADJOURNMENT

**BUTTE COUNTY AFFORDABLE HOUSING
DEVELOPMENT CORPORATION**

Board of Directors Meeting

2039 Forest Avenue
Chico, CA 95928

MEETING MINUTES

May 18, 2017

President Mayer called the meeting of Butte County Affordable Housing Development Corporation (BCAHDC) to order at 2:05 p.m.

1. ROLL CALL

Present for Directors: Kate Anderson, Patricia Besser, Roger Hart, Anne Jones and David Pittman.

Others Present: President Ed Mayer, Chief Financial Officer Sue Kemp, Secretary Marysol Perez, Larry Guanzon, Tamra Young, and Frankie Brown, resident of Walker Commons Apartments, Chico.

2. AGENDA AMENDMENTS

None.

3. CONSENT CALENDAR

Director Hart moved that the Consent Calendar be accepted as presented. Director Anderson seconded. The vote in favor was unanimous.

4. CORRESPONDENCE

None.

5. REPORTS FROM PRESIDENT

- 5.1 Gridley Springs I Apartments Audit Report – The Gridley Springs I Apartments audited financial statement for the year ended December 31, 2016 was presented. The 2016 year ended with a surplus of \$69,487. Despite the comprehensiveness of the data shared with the auditor, there were no questioned costs or findings. Ongoing transitions are occurring at the property: USRG changed hands, becoming a national property management company, moving operations to Texas; and there was a recent change in site manager change. Incidentally, there was a

recent drive-by shooting at the property, leaving bullet holes in the exterior of two units; gang activity suspected, the incident is subject to an open investigation.

MOTION

Director Anderson moved that the Gridley Springs I Apartments audit report be accepted as presented. Director Pittman seconded. The vote in favor was unanimous.

- 5.2 Harvest Park Apartments Audit Report – The Harvest Park Apartments audited financial statements for the year ended December 31, 2016 were presented. Financials, operations, and tenant files were all reviewed and found to be in compliance. The property maintained steady occupancy rates throughout the year. Despite the comprehensiveness of the data shared with the auditor, there were no questioned costs or findings. Director Hart noted that the audits being considered were prepared by two different accounting firms. Chief Financial Officer Kemp informed that in the tax-credit partnerships, different partners take on differing roles, depending on the partnership. In the case of Gridley Springs I, the property’s Admin General Partner, Dawson Holdings, is responsible for procuring the property’s audit. In the case of Harvest Park Apartments, the BCAHDC, as Managing General Partner, is responsible for production of the property audit.

MOTION

Director Pittman moved that the Harvest Park Apartments audit report be accepted as presented. Director Jones seconded. The vote in favor was unanimous.

- 5.3 1200 Park Avenue Apartments Audit – The 1200 Park Avenue Apartments audited financial statements for the year ended December 31, 2016 were presented. Financials, operations, and tenant files were all reviewed and found to be in compliance. Chief Financial Officer Kemp noted highlights from the audit; positive cash flow in 2016, the property is accruing income; 2016 was noted to be a better operational year. President Mayer added that the credit is due to current site manager Roberto Rojas; he has stabilized the property and has maintained steady occupancy rates. Director Hart inquired about the current status of previous trespassing, vandalism and car break ins. Deputy Executive Director Guanzon said the trespassing and vandalism issues have gotten better, adding there has been no incidents regarding violence or graffiti, or car break-ins either. Director Pittman inquired about the total number of parking spots available; in addition Director Besser asked if there was an extra charge for parking spaces to tenants. President Mayer response was that there are a total of 35 covered parking spaces and there is no additional charge to the tenants for parking. Despite the comprehensiveness of the data shared with the auditor, there were no questioned costs or findings.

MOTION

Director Anderson moved that the 1200 Park Avenue Apartments audit be accepted as presented. Director Hart 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 DIRECTORS

None.

10. MATTERS INITIATED BY DIRECTORS

Director Pittman brought forward news from the Oroville dam spillway. The long term construction project has brought 300-500 construction workers to the Oroville area. He is wondering if there has been any discussion within the county as to how the housing needs of the workers will impact the community? Executive Director Mayer indicated he'd contact the County to find out about any such discussion.

11. EXECUTIVE SESSION

None.

12. DIRECTOR'S CALENDAR

Next Meeting – August 17, 2017.

13. ADJOURNMENT

Director Anderson moved that the meeting be adjourned. Director Jones seconded. The meeting was adjourned at 2:46 p.m.

Dated: May 18, 2017.

Edward S. Mayer, President

ATTEST:

Marysol Perez, Secretary

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BCAHDC GENERAL FUND
BALANCE SHEET
June 30, 2017

***** A S S E T S *****

Current Assets

Cash-Unrestricted	139,042
Accounts Receivable-Misc	27,023
Tenant Security Deposits	0
Investments-Unrestricted	250,000
Investments-Restricted	0
Interprogram Due From Cordillera	423
Total Current Assets	416,488

Fixed Assets

Land	0
Buildings	0
Appliances - Dwelling units	0
Accumulated Depreciation	0
Total Fixed Assets	0

Other Assets

Prepaid Expenses	0
Organizational Costs, Net of Amortization	0
Note Receivable - Chico Valley View Partners	300,000
Investment in 1200 Park Avenue, L.P.	-402
Investment in Chico Harvest Park, L.P.	-140
Investment in DHI-DFA Gridley Springs Associates, L.P.	-3
Investment in Walker Commons, L.P.	198,792
Total Other Assets	498,247

TOTAL ASSETS

914,735

***** LIABILITIES AND EQUITY *****

Current Liabilities

Accounts Payable	51,887
Accrued Interest Payable	0
Interprogram Due to Cordillera	200,000 <i>for CVVP loan</i>
Accrued Fees due to HACB	20,350
CVVP Interest Reserves	0
Total Current Liabilities	272,237

Long-Term Liabilities

Long-Term Debt, Net of Current	0
Total Long-Term Liabilities	0

TOTAL LIABILITIES

272,237

Equity

Prior Year Equity Balance	660,042
Retained Earnings	-17,544
Total Equity	642,498

TOTAL EQUITY

642,498

TOTAL LIABILITIES AND EQUITY

914,735

**BCAHDC - GENERAL FUND
OPERATING STATEMENT
October 1, 2016 to June 30, 2017**

	<u>2017</u> <u>Budget</u>	<u>2017</u> <u>Actuals</u>	<u>Variance</u>
REVENUE			
Investment Income	1,800	10,787	-8,987
Misc. Income	0	6,727	-6,727
Partnership Fees*	<u>37,779</u>	<u>47,673</u>	<u>-9,894</u>
TOTAL REVENUE	39,579	65,187	-25,608
EXPENSES			
Audit & Accounting Fees	3,000	2,688	312
Corporate Services	18,500	7,923	10,577
Consulting Fees	5,000	0	5,000
Legal Expenses	3,000	0	3,000
Misc. Admin. Expenses	1,000	0	1,000
Outside Management Fees**	40,700	72,050	-31,350
Partnership Losses	500	0	500
Taxes and Fees	<u>80</u>	<u>70</u>	<u>10</u>
TOTAL EXPENSES	71,780	82,731	-10,951
NET INCOME	<u>-32,201</u>	<u>-17,544</u>	<u>-14,657</u>

* Partnership Fees: includes 1/4 of CY 2016 & 2/4 of CY 2017 fees due from LP's + \$19,351.25 added fees from 2016 excess cash flow from 1200 Park Avenue, LP

** Outside Mgt Fees: Updated to include both 4/4 of CY 2016 fees paid to HACB and 2/4 CY 2017 fees due and payable to HACB (one time catch to accrual based accounting)

MEMO

Date: August 11, 2017

To: BCAHDC Board of Directors

From: Larry Guanzon, Deputy Executive Director

Subject: Status Report – LIHTC Properties & Cordillera Apartments

- Walker Commons Apartments, Chico (56 units, LIHTC, senior/disabled)
- 1200 Park Avenue Apartments, Chico (107 units, LIHTC, senior)
- Harvest Park Apartments, Chico (90 units, LIHTC, family)
- Gridley Springs I Apartments, Gridley (32 units, LIHTC, family)
- Cordillera Apartments, Chico (20 units, family)

Walker Commons Apartments, Chico (56 units, LIHTC, Senior & Disabled, MGP: BCAHDC, PM: AWI) – The property at this time has three (3) vacancies. The resident garden area has been fenced and we are waiting for the new wrought iron gate to be installed, necessitated by destructive impacts from the homeless, including sanitation issues and loss of plants. Phase I Roofing replacements are being bid for completion yet this year, initiating roofing work at the property. Trimming and removal of trees on the east side of the property will be accomplished before roofs are replaced. ADA parking lot improvements and buildings siding replacements are scheduled for 2018. AWI hired a maintenance tech for the property; Bob Dufault will be working 25 hours per week at Walker Commons. Management is working with AWI on a transition plan to move the property to a no-smoking status by year end.

1200 Park Avenue Apartments, Chico (107 units, LIHTC, Senior, MGP: BCAHDC, PM: Winn Residential) – This property currently has no (0) vacancies. The property has stabilized under the work of current Site Manager Roberto Rojas. As you are aware, Mr. Rojas has been promoted to Regional Property Manager by Winn Residential. The good news is Roberto will be hiring, interviewing and supervising the new on-site manager, as well as supervising operations at Harvest Park Apartments, Chico, also managed by Winn Residential. A new resident manager has been interviewed and the paperwork for employment is in the process. The complex is seeing a resurgence of its past pigeon issues; Hunter's Pest Control has been retained to resolve. We have had three (3) HVAC units go out in the last 30 days. As the property ages we are seeing an increase in such replacements. This summer's extreme heat has not helped. Winn Residential has requested a management fee increase; we are investigating current market management fees and structures, and seek to have a new property management agreement for consideration in September, to be effective October 1, 2017 with approval from BCAHDC and the Limited Partner.

Harvest Park Apartments, Chico (90 units, LIHTC, Family, MGP: BCAHDC, PM Winn Residential) – Harvest Park currently has one (1) vacancy. The property continues operations per budget. A new on-site manager has been hired, Sarah Bercher. Landscape irrigation issues arose as some ground cover plantings died. It was determined that irrigation timers were at fault, stemming from initial construction. New timers, plants and ground cover will be planted to replace the ones that have died.

Gridley Springs I Apartments, Gridley (24 units, LIHTC, Family, MGP: BCAHDC, PM: US Residential) – There currently is one (1) vacancy at the property. Please see the brief USRG monthly owner’s report, following. BCAHDC’s partner at the property, Dawson Holdings, seeks to replace under-performing US Residential property management, something with which HACB staff agrees. Dawson Holdings is considering taking the property under its own management, which would not be objected to by HACB staff, particularly considering the companion Gridley Springs II property.

Cordillera Apartments, Chico (20 units, Family, Owner: BCAHDC, PM: RSC Assoc.) The property has no (0) vacancies and has had full occupancy since October of 2016. Please find RSC Associates’ monthly report following. We have planned to make capital improvements as cash flow allows: replacing patios railings and exterior windows, and completing exterior painting, all targeted to upgrade the property’s curb appeal and valuation.

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WALKER COMMONS

BALANCE SHEET

March 31, 2017

***** A S S E T S *****

Current Assets

Cash - Unrestricted	288,564
Cash - Restricted Reserves	288,000
Cash - Tenant Security Deposits	24,742
Accounts Receivable - Misc.	0
Accounts Receivable - Tenants	1,271
Allowance for Doubtful Accounts	-2,295
Prepaid Expenses	9,948
Total Current Assets	610,230

Fixed Assets

Land	600,000
Buildings	2,711,451
Furniture and Equipment	75,044
Accumulated Depreciation	-1,556,689
Total Fixed Assets	1,829,806

Other Assets

Fees net of amortization	5,000
Total Other Assets	5,000

TOTAL ASSETS 2,445,036

***** LIABILITIES AND EQUITY *****

Current Liabilities

Accounts Payable	1,388
Accrued Liabilities	11,334
Accrued Interest Payable - Current	7,500
Prepaid Rent	2,323
Tenant Security deposits	24,742
Total Current Liabilities	47,287

Long-Term Liabilities

Accrued Interest Payable - Net of Current	86,382
Long-Term Debt - Note Payable	500,000
Total Long-Term Liabilities	586,382

TOTAL LIABILITIES 633,669

Equity

Partner's Equity	1,616,070
Retained Earnings	193,929
Total Equity	1,809,999

TOTAL EQUITY 1,809,999

TOTAL LIABILITIES AND EQUITY 2,443,668

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WALKER COMMONS INCOME STATEMENT

June 30, 2017

**YTD %
50.00**

	Month to Date			Year to Date			% used
	Actual	Budget	Remaining	Actual	Budget	Remaining	
REVENUES							
Potential Dwelling Rent	32,682	32,635	47	195,410	391,620	-196,210	49.90
Vacancy Loss	0	-653	653	-2,387	-7,832	5,445	30.48
Manager's Unit - moved to expense	0	0	0	0	0	0	0.00
Net Dwelling Rent	32,682	31,982	700	193,023	383,788	-190,765	50.29
Tenant Charges	65	375	-311	655	4,500	-3,845	14.55
Laundry Revenue	399	225	174	1,291	2,700	-1,409	47.81
Investment Income	15	25	-10	89	300	-211	29.76
TOTAL REVENUES	33,160	32,607	553	195,058	391,288	-196,230	49.85
EXPENSES							
Advertising	0	46	-46	0	550	-550	0.00
Audit Fee	381	381	0	2,284	4,568	-2,284	50.00
Credit & Collection Expense	37	67	-30	128	800	-672	15.98
Franchise Tax Board Fee	0	67	-67	800	800	0	100.00
Insurance-Liability/Property	661	661	0	3,968	7,936	-3,968	50.00
Legal Fees	0	63	-63	0	750	-750	0.00
Management Fees	2,184	2,296	-112	13,104	27,552	-14,448	47.56
Misc. Admin. Costs	74	208	-134	270	2,500	-2,230	10.80
Office Supplies	596	292	304	5,386	3,500	1,886	153.90
Partnership Expense	625	625	0	3,750	7,500	-3,750	50.00
Property Taxes & Assessments	0	10	-10	55	120	-65	46.03
Resident Services/Supplies	214	250	-36	595	3,000	-2,405	19.82
Security Services	0	33	-33	0	400	-400	0.00
Telephone	289	120	169	1,688	1,440	248	117.19
Training	320	67	253	1,698	800	898	212.29
Total Admin Costs	5,381	5,185	197	33,726	62,216	-28,490	54.21
Site Manager: Salary & Free Rent	3,112	3,585	-473	14,326	43,014	-28,688	33.30
Site Maintenance: Salary	0	3,181	-3,181	0	38,176	-38,176	0.00
Payroll Taxes & Benefits	1,040	0	1,040	4,076	0	4,076	0.00
Total Salary and Benefits	4,152	6,766	-2,614	18,402	81,190	-62,788	22.67
Electricity	497	533	-36	3,196	6,400	-3,204	49.93
Gas	65	125	-60	958	1,500	-542	63.88
Water and Sewer	2,102	2,167	-65	11,354	26,000	-14,646	43.67
Total Utilities-Project	2,664	2,825	-161	15,508	33,900	-18,392	45.75
Landscape Maintenance	1,167	1,875	-708	6,507	22,500	-15,993	28.92
Maintenance Materials	130	625	-495	5,391	7,500	-2,109	71.89
Other Maintenance Contracts	912	625	287	7,427	7,500	-73	99.03
Trash Removal	200	206	-6	800	2,472	-1,672	32.36
Unit Turnover Maintenance	123	0	123	453	0	453	0.00
Total Maintenance Costs	2,532	3,331	-799	20,579	39,972	-19,393	51.48
Capital Improvements (Expensed)	170	833	-663	5,129	10,000	-4,871	51.29
Extraordinary Maintenance	0	0	0	0	0	0	0.00
Depreciation & Amortization	5,435	6,074	-640	32,607	72,892	-40,285	44.73
Interest Expense-Chico	1,250	1,250	0	7,500	15,000	-7,500	50.00
Bad Debt-Tenants	-100	208	-308	2,108	2,500	-392	84.31
Total Other Expenses	6,755	8,366	-1,611	47,344	100,392	-53,048	47.16
TOTAL EXPENSES	21,484	26,472	-4,988	135,559	317,670	-182,112	42.67
RETAINED EARNINGS	11,676	6,135	5,541	59,500	73,618	-14,118	80.82
+ Deprec & Amort	5,435	6,074	-640	32,607	72,892	-40,285	44.73
- Capital Improvements/Replcmnts	0	4,167	-4,167	0	50,000	-50,000	0.00
- Debt Payments	0	0	0	0	0	0	0.00
- Transfer to Reserves	933	0	933	5,600	0	5,600	0.00
NET CASH FLOW	16,177	8,043	8,135	86,507	96,510	-10,003	89.64

Walker Commons
For the Month Ended July 31, 2017
Statement of Income & Cash Flow

	Current Activity	Current Budget	Current Variance	YTD Activity	YTD Budget	YTD Variance
Rental Income						
Gross Rents	\$ 32,682.00	\$ 32,635.00	\$ 47.00	\$ 228,500.00	\$ 228,445.00	\$ 55.00
Vacancies	(1,412.00)	(652.67)	(759.33)	(3,799.00)	(4,568.67)	769.67
Rent Adjustments	(19.50)	0.00	(19.50)	(427.08)	0.00	(427.08)
Manager's Unit	(601.00)	(601.00)	0.00	(4,207.00)	(4,207.00)	0.00
Total Tenant Rent	\$ 30,649.50	\$ 31,381.33	\$ (731.83)	\$ 220,066.92	\$ 219,669.33	\$ 397.59
Other Project Income:						
Laundry Income	\$ 0.00	\$ 225.00	\$ (225.00)	\$ 1,290.89	\$ 1,575.00	\$ (284.11)
Interest Income	0.00	25.00	(25.00)	0.00	175.00	(175.00)
Restricted Reserve Interest Incom	.21	0.00	.21	.48	0.00	.48
Late Charges	0.00	0.00	0.00	129.90	0.00	129.90
Other Tenant Income	\$ 332.00	\$ 375.00	\$ (43.00)	\$ 466.87	\$ 2,625.00	\$ (2,158.13)
Miscellaneous Income	\$ 50.00	\$ 0.00	\$ 50.00	\$ 530.00	\$ 0.00	\$ 530.00
Other Project Income	\$ 382.21	\$ 625.00	\$ (242.79)	\$ 2,418.14	\$ 4,375.00	\$ (1,956.86)
Total Project Income	\$ 31,031.71	\$ 32,006.33	\$ (974.62)	\$ 222,485.06	\$ 224,044.33	\$ (1,559.27)
Project Expenses:						
Maint. & Oper. Exp. (Fr Page 2)	\$ 4,729.35	\$ 6,849.99	\$ (2,120.64)	\$ 30,330.35	\$ 47,949.99	\$ (17,619.64)
Utilities (From Pg 2)	3,402.87	3,030.99	371.88	19,710.89	21,216.99	(1,506.10)
Administrative (From Pg 2)	5,173.19	5,807.50	(634.31)	33,388.54	40,652.50	(7,263.96)
Taxes & Insurance (From Pg 2)	749.33	671.33	78.00	4,772.54	4,699.33	73.21
Other Taxes & Insurance (Fr Page	1,440.04	971.50	468.54	6,316.20	6,800.50	(484.30)
Other Project Expenses	227.11	590.84	(363.73)	9,234.49	4,135.84	5,098.65
Total O&M Expenses	\$ 15,721.89	\$ 17,922.15	\$ (2,200.26)	\$ 103,753.01	\$ 125,455.15	\$ (21,702.14)
Mortgage & Owner's Expense						
Mortgage Payment	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Interest Expense - City of Chico	\$ 1,250.00	\$ 1,250.00	\$ 0.00	\$ 13,750.00	\$ 8,750.00	\$ 5,000.00
Reporting / Partner Management F	625.00	625.00	0.00	4,375.00	4,375.00	0.00
Capital Improvements - Exterior Pa	0.00	4,166.67	(4,166.67)	0.00	29,166.67	(29,166.67)
Transfer - Reserves	933.34	933.33	.01	6,533.38	6,533.33	.05
Total Mortgage & Owner's Exp.	\$ 2,808.34	\$ 6,975.00	\$ (4,166.66)	\$ 24,658.38	\$ 48,825.00	\$ (24,166.62)
Total Project Expenses	\$ 18,530.23	\$ 24,897.15	\$ (6,366.92)	\$ 128,411.39	\$ 174,280.15	\$ (45,868.76)
Net Profit (Loss)	\$ 12,501.48	\$ 7,109.18	\$ 5,392.30	\$ 94,073.67	\$ 49,764.18	\$ 44,309.49

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1200 PARK AVENUE L.P.
BALANCE SHEET
June 30, 2017

***** A S S E T S *****

Current Assets

Cash - Operating	123,314	
Cash - Petty Cash	0	
Cash - Replacement Reserve	257,599	
Cash - Security Deposits	38,128	
Accounts Receivable-Tenants	-6,372	<i>WINN to correct against Income</i>
Accounts Receivable-Other	1,003	
Prepaid Expenses	3,497	
Total Current Assets	417,169	

Fixed Assets

Land	629,523	
Buildings	18,374,883	
Furniture & Equipment	134,847	
Accumulated Depreciation	-5,143,843	
Total Fixed Assets	13,995,410	

Other Assets

Tax Credit & Organizational Fees, Net of Amort.	47,155	
Total Other Assets	47,155	

TOTAL ASSETS 14,459,734

***** L I A B I L I T I E S A N D E Q U I T Y *****

Current Liabilities

Accounts Payable	156	
Accrued Expenses	17,439	
Accrued Interest Payable - Current	36,750	
Prepaid Rent	7,932	<i>WINN to correct against Income</i>
Tenant Security & Key Deposits	36,203	
Total Current Liabilities	98,480	

Long-Term Liabilities

Accrued Partnership Fees	6,063	
Accrued Interest Payable - Net of Current	540,203	
Loan Payable - HACB	1,104,578	
Loan Payable - City of Chico	3,675,000	
Loan Payable - CITIBANK/Berkadia	1,948,425	
Total Long-Term Liabilities	7,274,269	

TOTAL LIABILITIES 7,372,749

Equity

Partner's Equity	7,279,218	
Retained Earnings	-192,233	
Total Equity	7,086,985	

TOTAL EQUITY 7,086,985

TOTAL LIABILITIES AND EQUITY 14,459,734

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1200 PARK AV INCOME STATEMENT

June 30, 2017

YTD %
50.00

	Month to Date			Year to Date			% used
	Actual	Budget	Remaining	Actual	Budget	Remaining	
REVENUES							
Potential Dwelling Rent	59,388	61,095	-1,707	371,586	733,140	-361,554	50.68
Vacancy Loss	0	-1,000	1,000	-2,092	-11,994	9,902	17.44
Rent Free Unit - see Maint Salaries	0	0	0	0	0	0	0.00
Net Dwelling Rent	59,388	60,096	-707	369,494	721,146	-351,652	51.24
Tenant Charges	0	369	-369	1,810	4,425	-2,615	40.90
Laundry Income	1,000	1,000	0	5,610	12,000	-6,390	46.75
Interest Income	6	6	0	49	74	-25	65.70
TOTAL REVENUES	60,395	61,470	-1,076	376,963	737,645	-360,682	51.10
EXPENDITURES							
Audit Fee	0	381	-381	4,518	4,568	-50	98.91
Franchise Tax Fee	0	67	-67	0	800	-800	0.00
Insurance-Property/Liability/Flood	1,327	1,338	-11	8,880	16,058	-7,178	55.30
Legal Expense	0	100	-100	430	1,200	-770	35.83
Management Fee	2,716	3,028	-312	18,944	36,333	-17,389	52.14
Marketing & Renting Expenses	21	142	-121	571	1,704	-1,133	33.51
Misc. Administrative	-182	609	-791	1,129	7,313	-6,184	15.44
Office Supplies & Contracts	287	961	-674	5,060	11,529	-6,469	43.89
Property Taxes	22	22	0	135	264	-129	51.08
Resident Supplies	137	499	-363	986	5,989	-5,003	16.46
Telephone	585	645	-60	5,433	7,740	-2,307	70.20
Travel & Training	0	121	-121	672	1,457	-785	46.09
Total Administrative Costs	4,914	7,913	-2,999	46,758	94,955	-48,197	49.24
Administrative Salaries	-1,006	3,141	-4,147	19,366	37,694	-18,328	51.38
Maintenance Salaries	5,793	4,346	1,447	22,819	52,154	-29,335	43.75
Payroll Taxes & Fringe Benefits	2,624	3,147	-524	16,509	37,767	-21,258	43.71
Total Salary & Benefits	7,411	10,635	-3,224	58,694	127,615	-68,921	45.99
Electricity	3,636	3,950	-314	19,707	47,400	-27,693	41.58
Gas	159	72	87	953	865	88	110.12
Water & Sewer	886	3,583	-2,698	20,501	43,000	-22,499	47.68
Total Utilities	4,681	7,605	-2,924	41,160	91,265	-50,105	45.10
Elevator Maintenance	0	689	-689	3,012	8,273	-5,261	36.41
Janitorial Maint. & Supplies	201	1,713	-1,511	3,416	20,550	-17,134	16.62
Landscape Maint. & Supplies	1,635	1,338	297	7,745	16,060	-8,315	48.23
Maintenance Supplies	857	500	357	1,602	6,000	-4,398	26.70
Maint. Repairs Contracts	541	1,344	-803	3,613	16,130	-12,517	22.40
Security Contract & Supplies	1,467	638	830	4,044	7,652	-3,608	52.85
Unit Turnover Costs	54	367	-313	54	4,400	-4,346	1.22
Trash Removal	1,219	850	369	5,740	10,200	-4,460	56.27
Total Maintenance Costs	5,974	7,439	-1,465	29,226	89,265	-60,039	32.74
Bad Debt Expense	0	175	-175	555	2,100	-1,545	26.43
Capital Improvements (Expensed)	0	2,058	-2,058	394	24,700	-24,306	1.59
Depreciation & Amortization	38,983	38,983	0	233,896	467,792	-233,896	50.00
Interest Expense-Mortgage	11,550	11,517	33	69,618	138,199	-68,581	50.37
Total Other	50,532	52,733	-2,200	304,463	632,791	-328,328	48.11
TCM & SM Fees (prior yr excess cash)	0	0	0	19,351	0	19,351	0.00
Accr. Interest-City of Chico	6,125	6,125	0	36,750	73,500	-36,750	50.00
Accr. Interest-HACB	4,455	4,581	-126	26,731	54,971	-28,240	48.63
Accr. Interest-Def Dev Fee	0	0	0	0	0	0	0.00
Accr. Annual Admin & Social Serv. Fees	3,030	1,011	2,019	6,063	12,131	-6,068	49.98
Total Accrued Expenses	13,610	11,717	1,893	88,895	140,602	-51,707	63.22
TOTAL EXPENSES	87,122	98,041	-10,919	569,196	1,176,493	-607,297	48.38
RETAINED EARNINGS	-26,728	-36,571	9,843	-192,233	-438,848	246,615	43.80
+ Depreciation & Amortization	38,983	38,983	0	233,896	467,792	-233,896	50.00
- Capital Expenditures (Assets)	-3,107	0	-3,107	-8,667	0	-8,667	0.00
- Loan Principal Payments	3,645	3,656	-12	21,550	43,877	-22,327	49.12
+ Accrued Expenses	13,610	11,717	1,893	88,895	140,602	-51,707	63.22
- Reserve Usage/Payments	-2,675	-623	-2,052	-16,067	-7,471	-8,596	215.06
NET OPERATING CASH FLOW	16,438	9,850	6,589	84,273	118,198	-33,925	71.30

Balance Sheet (With Period Change)**HARVEST PARK**

Period = Jun 2017

Book = Accrual,Audit ; Tree = bs first

	Balance Current Period	Beginning Balance	Net Change
ASSETS			
CASH UNRESTRICTED			
Cash - Operating	72,187	58,791	13,395
Petty Cash	500	500	0
Cash - Reserve	12,927	12,194	733
TOTAL CASH UNRESTRICTED	85,613	71,485	14,128
DEVELOPMENT CASH			
Cash - Development	72,844	72,844	0
TOTAL DEVELOPMENT CASH	72,844	72,844	0
CASH RESTRICTED			
Cash - Security Deposit	52,500	54,200	-1,700
TOTAL CASH RESTRICTED	52,500	54,200	-1,700
RESIDENT A/R			
Reserve for Uncollectible A/R	-16,983	-16,983	0
Accounts Receivable -Residents	5,761	7,747	-1,986
TOTAL RESIDENT A/R	-11,222	-9,236	-1,986
SUBSIDY A/R			
AR Subsidy Suspense Clearing	-299	-3,470	3,171
Accounts Receivable - Local Housing Authority	1,195	4,869	-3,674
TOTAL SUBSIDY A/R	896	1,399	-503
DEFERRED ORGANIZATIONAL EXP			
Tax Credit Fee	44,727	44,727	0
Amortization Tax Credit Fee	-8,954	-8,954	0
TOTAL DEFERRED ORG EXP	35,773	35,773	0
RESERVE FOR REPLACEMENT			
Escrow - Replacement Reserve	91,924	89,592	2,332
TOTAL RESERVE FOR REPLACEMENT	91,924	89,592	2,332
MORTGAGE ESCROW DEPOSITS			
Escrow - Taxes	2,361	2,349	13
Escrow - Tax Payment	-2,323	-2,323	0
Escrow - Insurance	42,756	40,084	2,672
Escrow - Insurance Payment	-27,444	-27,444	0
Escrow Operations	250,000	250,000	0
Escrow - Other	1,625	1,625	0
Escrow - Equity Accounts	3,207	3,207	0
Esc-Capital Interest Account	6,039	6,039	0
Escrow - Loan Account	20,833	20,833	0
TOTAL MORTGAGE ESCROW DEPOSITS	297,053	294,369	2,685
PROPERTY AND EQUIPMENT			
Land	1,375,634	1,375,634	0
Building	11,974,275	11,974,275	0
Building Improvements	2,082,769	2,082,769	0
Carpet Flooring	22,951	22,951	0
Furniture & Fixtures	1,288,474	1,288,474	0
Appliances	2,044	2,044	0

Balance Sheet (With Period Change)

Period = Jun 2017

Book = Accrual,Audit ; Tree = bs first

	Balance Current Period	Beginning Balance	Net Change
TOTAL PROPERTY AND EQUIPMENT	16,746,146	16,746,146	0
ACCUMULATED DEPRECIATION			
Res for Deprec - Building	-2,089,128	-2,089,128	0
TOTAL ACCUMULATED DEPRECIATION	-2,089,128	-2,089,128	0
PREPAID EXPENSES AND DEPOSITS			
Prepaid Insurance	20,583	22,870	-2,287
Prepaid Benefits	1,048	1,048	0
Prepaid Real Estate Taxes	0	387	-387
TOTAL PREPAID EXPENSES AND DEPOSITS	21,632	24,306	-2,674
TOTAL ASSETS	15,304,033	15,291,750	12,283
LIABILITIES			
MORTGAGE NOTES PAYABLE			
Mortgage Payable -1st Mortgage	-8,775,000	-8,779,167	4,167
Debt Issuance Costs #1	447,994	447,994	0
Accum Amort - Debt Issuance Costs #1	-129,370	-129,370	0
TOTAL MORTGAGE NOTES PAYABLE	-8,456,376	-8,460,543	4,167
ACCOUNTS PAYABLE			
Accounts Payable-Project Impr	-11,260	-11,260	0
Accounts Payable - Entity	-5,328	-5,328	0
Accounts Payable - Other	-5,950	-5,950	0
A/P Trade	95	-261	356
TOTAL ACCOUNTS PAYABLE	-22,443	-22,799	356
ACCRUED EXPENSES			
Accrued Expenses	0	-21	21
Accrued Mortgage Interest	-11,402	-11,402	0
Accrued Interest #2	-714,354	-714,354	0
Accrued Interest #4	-17,505	-16,237	-1,268
Accrued Management Fee Payable-Other	-3,223	-3,223	0
Accrued Auditing Fee	-11,300	-11,300	0
Accrued Workers Com	-13,513	-12,683	-831
Accrued Utility Expense	-10,920	-10,920	0
Accrued Investor Service Fee	-35,500	-35,500	0
Accrued Incentive Mgmt Fee	-20,000	-20,000	0
Accrued Asset Management Fee	-12,173	-12,173	0
Accrued Expense Payroll	-3,384	-3,384	0
TOTAL ACCRUED EXPENSES	-853,274	-851,197	-2,078
OTHER LIABILITIES			
Loan Payable	-4,250,000	-4,250,000	0
Loan Payable	-646,248	-646,248	0
Escheatment Liabilities	-131	-131	0
TOTAL OTHER LIABILITIES	-4,896,380	-4,896,380	0
SECURITY DEPOSIT LIABILITY			
Security Deposit Liability	-51,000	-52,700	1,700

Balance Sheet (With Period Change)

Period = Jun 2017

Book = Accrual,Audit ; Tree = bs first

	Balance Current Period	Beginning Balance	Net Change
TOTAL SEC DEPOSIT LIABILITY	-51,000	-52,700	1,700
PREPAID REVENUE			
Prepaid Rent	-4,545	-4,009	-536
TOTAL PREPAID REVENUE	-4,545	-4,009	-536
TOTAL LIABILITIES	-14,284,018	-14,287,627	3,609
PARTNERS EQUITY			
CONTRIBUTIONS/DISTRIBUTIONS			
Distribution to Owners	192,123	192,123	0
TOTAL DISTRIBUTIONS	192,123	192,123	0
PARTNERS EQUITY			
Partner's Equity	1,280,215	1,280,215	0
Partner's Equity - Related	-3,194,300	-3,194,300	0
Syndication Costs	40,573	40,573	0
Retained Earnings	661,375	677,267	-15,892
TOTAL PARTNERS EQUITY	-1,212,138	-1,196,246	-15,892
TOTAL PARTNERS EQUITY	-1,020,015	-1,004,123	-15,892
TOTAL LIAB AND PARTNER EQUITY	-15,304,033	-15,291,750	-12,283

Budget Comparison

Period = Jun 2017

Book = Accrual ; Tree = is_cashbal1

HARVEST PARK BUDGET COMPARISON

	PTD Actual	PTD Budget	Variance	% Var	YTD Actual	YTD Budget	Variance	% Var	Annual
OPERATING INCOME									
Rental Income	67,879	68,251	-372	-1	412,971	409,506	3,465	1	819,012
Vacancy	-3,398	-1,449	-1,949	-135	-13,901	-9,055	-4,846	-54	-17,748
Bad Debt	0	0	0	N/A	-2,651	-1,000	-1,651	-165	-2,000
Other Income	575	755	-180	-24	-4,845	3,905	-8,750	-224	7,810
TOTAL OPERATING INCOME	65,056	67,557	-2,501	-4	391,573	403,356	-11,783	-3	807,074
OPERATING EXPENSES									
Renting Expenses	41	283	242	86	1,505	1,939	434	22	3,608
Administrative Expenses	17,422	8,267	-9,155	-111	72,963	64,057	-8,906	-14	111,990
Utility Expense	6,099	6,068	-31	-1	33,504	32,833	-670	-2	66,366
Operating and Maint Exp	201	8,334	8,132	98	45,118	56,415	11,298	20	112,392
Taxes and Insurance	5,751	5,439	-312	-6	33,315	35,088	1,773	5	69,700
Activities	0	488	488	100	2,772	2,228	-544	-24	4,856
TOTAL OPERATING EXPENSES	29,514	28,879	-635	-2	189,176	192,561	3,385	2	368,913
NET OPERATING INCOME (LOSS)	35,542	38,678	-3,136	-8	202,397	210,795	-8,398	-4	438,162
NON OPERATING INCOME (EXPENSES)									
Financial Expenses	-19,650	-18,397	-1,253	-7	-119,478	-110,488	-8,989	-8	-220,795
Income from Investments	0	1	-1	-100	0	6	-6	-100	11
Mortgagor Income (Expenses)	0	0	0	N/A	0	0	0	N/A	-39,051
TOTAL NON OPER INCOME (EXPENSES)	-19,650	-18,396	-1,254	-7	-119,478	-110,483	-8,995	-8	-259,834
TAXABLE INCOME (LOSS)	15,892	20,282	-4,390	-22	82,920	100,313	-17,393	-17	178,327
CASH FLOW ADJUSTMENTS:									
Mortgage Payable	-4,167	-4,167	0	0	-25,000	-25,000	0	0	-50,000
Capital Expenditures	0	-2,000	2,000	100	-9,384	-5,500	-3,884	-71	-7,000
Res for Replacement Funding	-2,332	-2,333	0	0	-13,995	-13,998	3	0	-27,996
Reserve for Replacement Interest	0	0	0	100	0	-3	3	100	-5
Accrued Interest on Deferred Loans	1,268	0	1,268	N/A	-19,788	0	-19,788	N/A	0
Mortgagor Expenses	0	0	0	N/A	0	0	0	N/A	39,051
TOTAL CASH FLOW ADJUSTMENTS:	-5,231	-8,500	3,269	38	-68,167	-44,501	-23,666	-53	-45,950
NET CASH FLOW	10,660	11,782	-1,121	-10	14,753	55,812	-41,059	-74	132,377

Gridley Springs I

Balance Sheet

Period = Jun 2017

Current Balance

10000-00	ASSETS	
10005-00	Cash and Cash Equivalents	
10021-00	USRG Operating Cash	117,148.44
10040-00	Cash - Property Level Security Deposits	13,082.79
10087-00	Cash - First Republic Distribution	22,756.00
10285-00	Cash - Operating Reserve	85,000.00
10286-00	Cash - USDA Reserve	30,671.80
10295-00	Cash - Operating Deficit Reserve	120,000.00
10330-00	Cash - Reserve	65,691.58
10345-00	Cash - Restricted Reserve	20.00
10999-00	Total Cash and Cash Equivalents	<u>454,370.61</u>
11005-00	Restricted Cash	
11020-00	Deposits - Insurance Escrow	2,290.58
11050-00	Deposits - Replacement Reserve	247,767.55
11999-00	Total Restricted Cash	<u>250,058.13</u>
13000-00	Real Estate Inventory	
14000-00	Rental Real Estate	
14005-00	Land	
14010-00	Rental RE - Land	149,957.00
14015-00	Total Land	<u>149,957.00</u>
14019-00	Rental Real Estate	
14020-00	Rental RE - Land Improvements	165,810.00
14030-00	Rental RE - Buildings	3,137,787.00
14070-00	Rental RE - Furniture & Fixtures	373,940.00
14086-00	Total Rental Real Estate	<u>3,677,537.00</u>
14089-00	Accumulated Depreciation	
14090-00	Rental RE - Accumulated Depreciation	-481,860.00
14095-00	Total Accumulated Depreciation	<u>-481,860.00</u>
14199-00	Net Rental Real Estate	<u>3,345,634.00</u>
14999-00	Real Estate Inventory and Net Rental Real Estate	<u>3,345,634.00</u>
16007-00	Accounts Receivable	
17010-00	A/R - Base Rent	2,238.08
17030-00	A/R - Section 8 (HAP Contract)	20,517.39
17230-00	A/R - Other Management Fees	340.00
17990-00	A/R - Miscellaneous	100.00
17999-00	Total Accounts Receivable	<u>23,195.47</u>
18000-00	Other Assets	
18005-00	Prepaid Expenses	
18070-00	Prepaid Property Insurance	8,097.87
18990-00	Prepaid - Other	6,400.00
18999-00	Total Prepaid Expenses	<u>14,497.87</u>
19005-00	Deposits and Other Assets	
19060-00	Deposits - Utility	200.00
19499-00	Total Deposits and Other Assets	<u>200.00</u>
19550-00	Deferred Financing Expenses	
19600-00	Deferred Borrowing Costs	66,675.00
19603-00	TCAC Fees	20,129.00
19625-00	Intangible Assets - Amort	-1,667.00
19632-00	Less: Accum Amortization	-1,342.00
19899-00	Total Deferred Financing Expenses	<u>83,795.00</u>

Friday, July 07, 2017
03:00 PM

Balance Sheet

Period = Jun 2017

Book = Accrual ; Tree = usr_bs

		<u>Current Balance</u>
19950-00	Total Other Assets	98,492.87
19999-00	TOTAL ASSETS	<u>4,171,751.08</u>
20010-00	LIABILITIES	
21005-00	Trade Accounts Payable	
21012-00	A/P - Trade Accounts - Yardi	7,492.31
21020-00	Total Trade Accounts Payable	<u>7,492.31</u>
22000-00	Accrued Interest	
22005-00	Accrued Interest - 1st Mortgage	
22010-00	Accrued Interest - 1st Mortgage	1,347.00
22018-00	Total Accrued Interest - 1st Mortgage	<u>1,347.00</u>
22024-00	Accrued Interest - Other	
22025-00	Accrued Interest - 3rd Mortgage	111,800.00
22030-00	Accrued Interest - USDA	1,572.00
22340-00	LP Asset Mgmt Fee Payable	2,652.00
22998-00	Total Accrued Interest - Other	<u>116,024.00</u>
22999-00	Total Accrued Interest	<u>117,371.00</u>
24000-00	Accounts Payable and Other Liabilities	
24020-00	Accrued Property Expenses	1,719.94
24038-00	Accrued Developer Fee	159,702.00
24991-00	Accrued Expense - Other	-240.00
25010-00	Prepaid Rent	1,282.00
25999-00	Total Accounts Payable and Other Liabilities	<u>162,463.94</u>
26001-00	Tenant Security Deposits	
26010-00	Security Deposits	13,082.79
26020-00	Security Deposits - Refunds Pending	-898.67
26029-00	Total Tenant Security Deposits	<u>12,184.12</u>
26702-00	Mortgages and Notes Payable	
26703-00	Mortgage Notes Payable	
26709-99	1st Mortgage Principal	
26710-00	1st Mortgage Principal - Residential	1,075,453.13
26728-00	Total 1st Mortgage Principal	<u>1,075,453.13</u>
26729-99	2nd Mortgage Principal	
26730-00	2nd Mortgage Principal - Residential	342,866.62
26739-00	Total 2nd Mortgage Principal	<u>342,866.62</u>
26759-99	Other Mortgage Principal	
26760-00	4th Mortgage Principal - Residential	2,080,000.00
26775-00	Total Other Mortgage Principal	<u>2,080,000.00</u>
26779-00	Total Mortgage Notes Payable	<u>3,498,319.75</u>
26780-00	Debt Issuance Costs	
26782-00	Accum Amort - Deferred Financing Charges	3,795.00
26789-00	Total Debt Issuance Costs	<u>3,795.00</u>
26900-00	Total Mortgages and Notes Payable Other	<u>3,502,114.75</u>
27230-00	TOTAL LIABILITIES	<u>3,801,626.12</u>
27500-00	EQUITY	
27505-00	Shareholder Equity	
28110-00	Retained Earnings	

Balance Sheet

Period = Jun 2017

Book = Accrual ; Tree = usr_bs

		Current Balance
28200-00	Net Income/(Loss)	35,150.75
28260-00	Retained Earnings - Beginning of Year	-571,210.14
28759-00	Total Retained Earnings	-536,059.39
28799-00	Partnership Capital	
28822-00	Capital - Limited Partner	926,184.00
28830-07	Capital - Syndication	-20,000.00
28840-00	Owners Capital - Distributions	80,159.35
28840-31	Capital - To/From Owner - Audit Entry	-80,159.00
28910-00	Total Partnership Capital	906,184.35
28995-00	Total Shareholder Equity	370,124.96
29998-00	TOTAL EQUITY	370,124.96
29999-00	TOTAL LIABILITIES & EQUITY	4,171,751.08

Income Statement Summary
Gridley Springs
U.S. Residential Group LLC
As of June, 2017

Square Feet:	25,500
Units:	32

Tree: wc_is2

Revenue	June				Year-To-Date			
	Actual	%	Budget	Variance	Actual	%	Budget	Variance
Rent Per Schedule	\$ 23,072	105.3%	\$ 23,540	\$ (468)	\$ 140,860	105.3%	\$ 141,240	\$ (380)
Leases (Under) Over	(1,166)	-5.3%	(1,339)	173	(7,072)	-5.3%	(8,345)	1,273
Gross Possible Rent	21,906	100.0%	22,201	(295)	133,788	100.0%	132,895	893
Vacancy Loss	-	0.0%	-	-	(2,961)	-2.2%	(1,412)	(1,549)
Other Rental Losses	-	0.0%	-	-	(45)	0.0%	-	(45)
Total Rental Losses	-	0.0%	-	-	(3,006)	-2.2%	(1,412)	(1,594)
Net Rental Revenue	21,906	100.0%	22,201	(295)	130,782	97.8%	131,483	(701)
Other Revenue	393	1.8%	370	23	2,375	1.8%	2,220	155
Total Revenue	22,299	101.8%	22,571	(272)	133,157	99.5%	133,703	(546)
Operating Expenses								
Salaries	4,231	19.3%	3,386	(844)	21,788	16.3%	20,318	(1,469)
Management Fees	1,550	7.1%	1,600	50	9,300	7.0%	9,600	300
Property Administration	595	2.7%	678	83	6,246	4.7%	11,068	4,822
Leasing	12	0.1%	-	(12)	83	0.1%	250	167
Utilities	1,877	8.6%	1,488	(389)	11,418	8.5%	13,037	1,619
Services	2,927	13.4%	2,350	(577)	13,990	10.5%	12,850	(1,140)
Cleaning & Decorating	-	0.0%	-	-	1,464	1.1%	1,362	(102)
Repairs & Maintenance	291	1.3%	151	(140)	1,424	1.1%	906	(518)
Property Taxes	118	0.5%	342	224	707	0.5%	2,050	1,343
Hazard Insurance	736	3.4%	732	(4)	4,395	3.3%	4,392	(3)
Total Operating Expenses	12,337	56.3%	10,728	(1,609)	70,813	52.9%	75,833	5,020
Net Operating Income	9,962	45.5%	11,844	(1,882)	62,344	46.6%	57,869	4,474
Property Replacement								
Recurring	1,643	7.5%	652	(991)	3,327	2.5%	3,131	(196)
Non Recurring	-	0.0%	-	-	1,729	1.3%	-	(1,729)
Total Property Replacements	1,643	7.5%	652	(991)	5,056	3.8%	3,131	(1,925)
Interest Expense	3,682	16.8%	3,699	17	22,108	16.5%	22,194	86
Non-Operating Expenses	33	0.2%	-	(33)	29	0.0%	-	(29)
Net Income	\$ 4,605	21.0%	7,493	(2,888)	\$ 35,151	26.3%	32,545	2,606

Gridley Springs
MONTHLY OPERATING STATEMENT
July 2017

Number of Units: 32
Square Feet: 25,500

Gridley Springs
Gridley, CA 95948

U.S. RESIDENTIAL GROUP LLC

Monthly Status/Narrative Report

Property: Gridley Springs I	Month/Year: June 2017
Location/Address: 210 Ford Ave	Total Sq. Feet/Units:
Management Company: US Residential	Phone: 530-846-6201
Prepared By: Dwayne Wesley	Reviewed By: Dan Lisenby

Prior Month Occupancy: 100.00%

Month End Occupancy 100.00%

Staff:

Operations at the property are secure with Dwayne Wesley as Community Manager. At this time the Maintenance position is open for hire.

Major Developments during Period Affecting Property:

The operating period closed with the property at 100.00% occupancy. At the end of the month three units are on notice. Two units are still placed with the property's attorney for eviction. This was the result of a shooting that occurred on property on 05/12/2017. At this time a court date is still pending scheduling. (1) Prospect file pre-approved.

During this period management focus centered on compliance interviews for annual household certifications on tax credit and rural development reporting. And compiling information and obtaining items for 2018 budget.

Prioritized Management Goals:

1. Maintain Occupancy percentage.
2. Process move-ins timely and strictly follow application guidelines.
3. Daily inspection of property and vacant units to ensure cleanliness and to monitor ready unit inventory.
4. Complete re-certifications in a timely manner.
5. Collect on delinquent rent.
6. Maintain curb appeal.
7. Provide prompt response to all maintenance issues and emergencies.

Gridley Springs I Apartments
Monthly Income Statement Variances
July 2017

Revenue (Negative Variance)

The unfavorable variance is due to uncollected rent associated with two pending evictions.

Operating Expenses (Positive Variance)

Salary Expense (Positive Variance)

Property Administration (Negative Variance)

The unfavorable variance is due cost associated with site travel expense for maintenance help.

Leasing Expense (Negative Variance) <6.17>

Utilities (Positive Variance)

Service Expense (Positive Variance)

Cleaning and Decorating (Positive Variance)

Repairs and Maintenance (Negative Variance)

The unfavorable variance is due to cost associated with supplies for work orders.

Recurring Replacements (Positive Variance)

Non- Recurring Replacements (N/A)

Income Statement Summary
Gridley Springs
U.S. Residential Group LLC
As of July, 2017

Square Feet:	25,500
Units:	32

Tree: wc_ls2

	July				Year-To-Date			
	Actual	%	Budget	Variance	Actual	%	Budget	Variance
Revenue								
Rent Per Schedule	\$ 23,102	106.9%	\$ 23,540	\$ (438)	\$ 163,962	105.5%	\$ 164,780	\$ (818)
Leases (Under) Over	(1,492)	-6.9%	(1,297)	(195)	(8,564)	-5.5%	(9,642)	1,078
Gross Possible Rent	21,610	100.0%	22,243	(633)	155,398	100.0%	155,138	260
Vacancy Loss	-	0.0%	-	-	(2,961)	-1.9%	(1,412)	(1,549)
Other Rental Losses	-	0.0%	-	-	(45)	0.0%	-	(45)
Total Rental Losses	-	0.0%	-	-	(3,006)	-1.9%	(1,412)	(1,594)
Net Rental Revenue	21,610	100.0%	22,243	(633)	152,392	98.1%	153,726	(1,334)
Other Revenue	331	1.5%	370	(39)	2,706	1.7%	2,590	116
Total Revenue	21,941	101.5%	22,613	(672)	155,098	99.8%	156,316	(1,218)
Operating Expenses								
Salaries	2,287	10.6%	3,386	1,099	24,075	15.5%	23,705	(370)
Management Fees	1,600	7.4%	1,600	-	10,900	7.0%	11,200	300
Property Administration	820	3.8%	678	(142)	7,067	4.5%	11,746	4,679
Leasing	6	0.0%	-	(6)	89	0.1%	250	161
Utilities	3,485	16.1%	983	(2,502)	13,183	8.5%	14,020	837
Services	2,326	10.8%	2,100	(226)	16,315	10.5%	14,950	(1,365)
Cleaning & Decorating	45	0.2%	246	201	1,509	1.0%	1,608	99
Repairs & Maintenance	761	3.5%	151	(610)	2,185	1.4%	1,057	(1,128)
Property Taxes	118	0.5%	342	224	825	0.5%	2,392	1,567
Hazard Insurance	736	3.4%	732	(4)	5,131	3.3%	5,124	(7)
Total Operating Expenses	12,184	56.4%	10,218	(1,966)	81,277	52.3%	86,051	4,774
Net Operating Income	9,757	45.2%	12,396	(2,638)	73,821	47.5%	70,265	3,556
Property Replacement								
Recurring	142	0.7%	777	635	3,469	2.2%	3,908	439
Non Recurring	-	0.0%	-	-	1,729	1.1%	-	(1,729)
Total Property Replacements	142	0.7%	777	635	5,198	3.3%	3,908	(1,290)
Interest Expense	3,681	17.0%	3,699	18	25,789	16.6%	25,893	104
Non-Operating Expenses	16	0.1%	-	(16)	45	0.0%	-	(45)
Net Income	\$ 5,918	27.4%	7,919	(2,001)	\$ 42,789	27.5%	40,464	2,325

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CORDILLERA APTS
BALANCE SHEET
June 30, 2017

***** A S S E T S *****

Current Assets

Cash - Unrestricted	127,487	
Accounts Receivable-Misc	0	
Accounts Receivable-Tenants	1,512	
Interprogram Due from General Fund	200,000	<i>CVVP Loan</i>
Tenant Security Deposits	9,600	
Investments - Unrestricted	0	
Investments - Restricted	0	
Total Current Assets	338,599	

Fixed Assets

Land	188,299	
Buildings	581,961	
Appliances - Dwelling units	10,722	
Accumulated Depreciation	-416,128	
Total Fixed Assets	364,854	

Other Assets

Prepaid Expenses	4,086	
Total Other Assets	4,086	

TOTAL ASSETS	707,539
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***** LIABILITIES AND EQUITY *****

Current Liabilities

Accounts Payable	0	
Interprogram Due to General Fund	423	
Accrued Interest Payable	236	
Prepaid Rent	171	
Tenant Security Deposits	9,000	
Total Current Liabilities	9,830	

Long-Term Liabilities

Long-Term Debt, Net of Current	28,347	
Total Long-Term Liabilities	28,347	

TOTAL LIABILITIES	38,177
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Equity

Prior Year Equity Balance	630,244	
Retained Earnings	39,118	
Total Equity	669,362	

TOTAL EQUITY	669,362
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TOTAL LIABILITIES AND EQUITY	707,539
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CORDILLERA INCOME STATEMENT

June 30, 2017

YTD %
75.00

	Month to Date			Year to Date			% used
	Actual	Budget	Remaining	Actual	Budget	Remaining	
Gross Potential Rent	13,735	13,733	2	123,570	164,800	-41,230	74.98
Manager's Unit - moved to expense	0	0	0	0	0	0	0.00
Vacancy Loss	0	-368	368	0	-4,410	4,410	0.00
Rebates	0	0	0	0	0	0	0.00
Net Dwelling Rent	13,735	13,366	369	123,570	160,390	-36,820	77.04
Tenant Charges	223	129	93	1,975	1,550	425	127.43
Laundry Revenue	175	150	25	1,561	1,800	-239	86.73
Other Income	0	0	0	0	0	0	0.00
Investment Income	7	84	-77	139	1,012	-873	13.69
TOTAL REVENUES	14,140	13,729	411	127,245	164,752	-37,507	77.23
Resident Manager Expense	1,146	1,108	39	9,690	13,290	-3,600	72.91
Advertising	0	33	-33	0	400	-400	0.00
Audit	69	25	44	69	300	-231	22.95
Bad Debts	0	140	-140	0	1,680	-1,680	0.00
Credit and Collection Expense	0	38	-38	30	450	-420	6.67
Legal Expense	0	100	-100	0	1,200	-1,200	0.00
Management Fees (RSC)	665	639	27	6,036	7,663	-1,627	78.77
Management Fees (HACB)	600	600	0	5,400	7,200	-1,800	75.00
Consulting Fees	0	0	0	0	0	0	0.00
Office Supplies	0	77	-77	651	924	-273	70.41
Other Admin. Expense	0	8	-8	25	100	-75	25.00
Property Taxes	0	50	-50	679	600	79	113.19
Resident Activities	0	33	-33	0	400	-400	0.00
Telephone	130	122	8	1,162	1,464	-302	79.37
Total Admin Costs	2,611	2,973	-362	23,742	35,671	-11,929	66.56
Electricity	0	232	-232	1,178	2,784	-1,606	42.30
Gas	0	458	-458	3,301	5,500	-2,199	60.01
Water	451	700	-249	3,400	8,400	-5,000	40.48
Sewer	460	477	-18	3,677	5,727	-2,050	64.20
Total Utilities-Project	911	1,868	-957	11,555	22,411	-10,856	51.56
Unit Turnover Maintenance	0	1,442	-1,442	3,209	17,300	-14,091	18.55
Grounds Maintenance	1,055	707	348	5,971	8,480	-2,509	70.42
Routine Maintenance Contracts	807	1,595	-788	15,713	19,140	-3,427	82.10
Capital Improv/Replacements	0	4,294	-4,294	3,800	51,531	-47,731	7.37
Trash-Project	0	587	-587	5,440	7,044	-1,604	77.23
Total Maintenance Costs	1,862	8,625	-6,762	34,134	103,495	-69,361	32.98
Interest Expense	47	24	24	236	283	-47	83.46
Insurance-Liab/Auto/Prop	908	801	107	4,414	9,614	-5,200	45.91
Total Other Expenses	955	825	130	4,650	9,897	-5,247	46.99
TOTAL EXPENSES	6,339	14,289	-7,951	74,081	171,474	-97,393	43.20
RETAINED EARNINGS	7,802	-560	8,362	53,164	-6,722	59,886	-790.89
- Principal Payments	0	-186	186	0	-2,236	2,236	0.00
- Capital Improvements-Assets	0	0	0	0	0	0	0.00
NET CASH FLOW	7,802	-746	8,548	53,164	-8,958	62,122	-593.48
Depreciation & Amortization	2,809	0	2,809	14,046	0	14,046	0.00



August 10, 2017

Mr. Ed Mayer, Executive Director
Housing Authority of the County of Butte
2039 Forest Avenue, Suite 10
Chico, CA 95928

RE: CORDILLERA APARTMENTS

Dear Ed:

Please find enclosed for your review the following financial information for the month that ended July 31, 2017. This statement is accompanied by the following financial statements for the Cordillera Apartments.

1. Project Cash Flow and Bank Account Summary, Budget Comparison, General Ledger, Trial Balance and Tenant Rent Roll.
2. 12 Month Income Statement
3. 2016/2017 Performance Review.
4. 2016/2017 Turnover Analysis.
5. Capital Improvement Summary.

Cordillera Apartments ended the month of July with no vacant units as the property had no new move-ins or move-outs.

The total rental income for the month of July was \$12,691.00 which was under budget by \$224.00. This variance was mainly due to higher unpaid rent. The total service income for the month came to \$294.04 which was better than budget by \$143.04. This brought the total income for the month of July to \$12,985.04 and \$80.96 lower than budget for the reasons previously mentioned.

Moving on to the monthly expenses, you will see that the renting expenses totaled \$77.46 which was right in line with budget. Total administrative expenses came to \$1,619.67 and under budget by \$233.33. The utility expenses totaled \$2,747.52 which was over budget by \$121.52 due to higher electricity and gas expenses which was offset by the lack of the receipt of the exterminator bill. There were no apartment turnover expenses for the month that were budgeted at a total of \$2,530.00. Total maintenance expenses came to \$2,240.58, under budget by \$379.42. This variance was mainly due to higher than expected repairs – labor offset by all other categories

Mr. Ed Mayer, Executive Director
Chico, California

August 10, 2017
Page 2

being at or below budget. This brought the net operating income for the month to \$6,299.81 and better than budget by \$2,939.81 for the reasons described above.

There were no capital improvement costs for the month but they were budgeted at a total of \$4,900.00. We have not had the turnover activity that we had projected so far this year. Under the financial expenses, we did not receive the capital replacement reserve reimbursement that was budgeted at a credit of \$12,000.00. This brought the net project cash flow to \$6,299.81, less than budget by \$4,160.19.

As you review the Cash Balance Summary on of Page 3 of the Cash Flow Statement for July, you will see that the property ended the month with total cash on hand of \$20,620.44 which consisted of \$3,000.00 in the general checking account, \$17,610.13 in the general savings account and \$10.31 in the replacement reserve account. This balance reflects a \$15,000.00 distribution to you from the general savings account during July. The net reduction in the general savings account of \$8,700.19 is the net difference of the \$15,000.00 distribution and the July transfer of \$6,299.37 plus the June interest of \$.44.

Please give me a call if you have any questions regarding the Cordillera Apartments.

Sincerely yours,

CORDILLERA APARTMENTS



Richard Gillaspie
Property Manager

RG:cb
Enclosures

CORDILLERA APARTMENTS

2016 - 2017 PERFORMANCE REVIEW

CA08pr

	OCT.	NOV.	DEC.	JAN.	FEB.	MAR.	APR.	MAY.	JUN.	JUL.	AUG.	SEPT.	TOTAL
TOTAL INCOME 2011/12	13740	8981	14399	12323	12237	12777	13239	12465	13476	10538	12580	10722	147,476
TOTAL INCOME 2012/13	11389	11484	11819	11973	14126	11965	13079	12349	13616	10181	14489	9926	146,396
TOTAL INCOME 2013/14	12142	11712	11065	11430	14576	11920	11848	11872	12906	12019	11183	11554	144,226
TOTAL INCOME 2014/15	13264	11964	11308	10500	9853	9942	10261	11854	13959	13236	12927	11227	140,293
TOTAL INCOME 2015/16	10964	11839	12711	13063	13605	13294	11700	11879	13338	12835	13897	12887	152,013
TOTAL INCOME 2016/17	12897	13454	13984	13050	14438	13207	12429	13865	13308	12985			133,716
VARIANCE	1933	1615	1273	-13	833	-87	729	2085	-30	150			8,488

	OCT.	NOV.	DEC.	JAN.	FEB.	MAR.	APR.	MAY.	JUN.	JUL.	AUG.	SEPT.	TOTAL
2011/12 VACANCY LOSS	-275	-275	-275	-487	-960	0	0	0	-614	0	0	-144	-3,030
2012/13 VACANCY LOSS	-685	-1416	-1987	-982	-320	0	-68	0	0	0	0	-114	-5,571
2013/14 VACANCY LOSS	-685	-1085	-685	-228	-128	-93	-1357	-731	-55	-685	-685	-685	-7,102
2014/15 VACANCY LOSS	-732	-376	0	-2,509	-3677	-2737	-2550	-1370	-611	0	0	1225	-13,337
2015/16 VACANCY LOSS	0	-695	-400	23	0	0	-348	-118	-701	-303	0	-45	-2,584
2016/17 VACANCY LOSS	0	0	0	0	0	0	0	0	0	0			0
VARIANCE	0	695	400	-23	0	0	348	118	701	303			2,540

	OCT.	NOV.	DEC.	JAN.	FEB.	MAR.	APR.	MAY.	JUN.	JUL.	AUG.	SEPT.	TOTAL
2011/12 UNPAID RENTS	-1439	-2314	2437	-490	-316	724	507	-422	1415	-474	-98	-1626	-2,096
2012/13 UNPAID RENTS	-1974	-747	-519	66	2182	-213	-26	-150	299	-1595	-278	-1674	-4,631
2013/14 UNPAID RENTS	-1762	-188	-179	-1539	1407	-637	598	0	-250	0	0	-420	-2,971
2014/15 UNPAID RENTS	493	-1190	-2278	588	1301	1	-11	-554	85	475	432	-2162	-2,822
2015/16 UNPAID RENTS	-1094	-302	205	-16	823	-1640	-142	-1307	1698	-66	-430	135	-2,137
2016/17 UNPAID RENTS	-275	-550	-95	512	1220	-18	-755	605	-83	-305			257
VARIANCE	819	-248	-300	527	398	1622	-613	1912	-1780	-238			2,098

	OCT.	NOV.	DEC.	JAN.	FEB.	MAR.	APR.	MAY.	JUN.	JUL.	AUG.	SEPT.	TOTAL
2011/12 TOTAL OPER. EXP.	5812	4388	4790	5734	10995	9035	6164	5620	5046	9300	7339	5746	79,970
2012/13 TOTAL OPER. EXP.	8538	9295	6483	8170	6966	5661	5398	7233	7178	5882	6259	9323	86,386
2013/14 TOTAL OPER. EXP.	10653	11934	13419	6836	6025	5393	8312	8774	12084	5946	11078	5747	106,201
2014/15 TOTAL OPER. EXP.	9777	7662	8765	7841	8345	13740	6859	6171	14768	7212	6035	10136	107,310
2015/16 TOTAL OPER. EXP.	7689	6815	13488	10215	5574	8094	11930	9206	11314	8233	7254	8134	107,925
2016/17 TOTAL OPER. EXP.	6951	6078	7857	6823	6924	6880	11809	5761	4565	6685			70,334
VARIANCE	-738	-736	-5611	-3391	1350	-1214	-120	-3445	-6749	-1548			-22,203

	OCT.	NOV.	DEC.	JAN.	FEB.	MAR.	APR.	MAY.	JUN.	JUL.	AUG.	SEPT.	TOTAL
2011/12 TOTAL NOI	7928	4592	9609	6589	1241	3742	7076	6845	8429	1238	5241	4975	67,506
2012/13 TOTAL NOI	2850	2189	5337	3803	7160	6305	7681	5116	6438	4299	8230	603	60,010
2013/14 TOTAL NOI	1489	-222	-2354	4595	8551	6527	3535	3098	822	6073	104	5766	37,985
2014/15 TOTAL NOI	3487	4302	2543	2659	1508	-3798	3402	5682	-810	6024	6893	1090	32,983
2015/16 TOTAL NOI	3275	5025	-757	2848	8031	5201	-230	2673	2023	4601	6643	4753	44,087
2016/17 TOTAL NOI	5946	7376	6127	6227	7514	6328	619	8204	8743	6300			63,383
VARIANCE	2670	2351	6884	3378	-517	1127	849	5530	6720	1698			30,691

August 17, 2017

MEMO

To: BCAHDC Board of Directors

From: Sue Kemp, CFO 

Subject: FY 2018 BCAHDC General Fund Proposed Operating Budget

The FY 2018 BCAHDC General Fund Operating Budget is attached for your review and approval.

BCAHDC receives Partnership Fees as the managing general partner (MGP) for four (4) tax credit partnerships and the revenue sources are noted at the bottom of the budget.

BCAHDC contracts with the Housing Authority for the performance of its MGP duties as well as for Corporate Services related to the essential functions of the organization. The detail of the Outside Management Fees expense is noted at the bottom of the budget.

The Revenue was adjusted to an Accrual Basis in FY 2016 and the Outside Management Fees to HACB were updated to an Accrual Basis in FY 2017. In FY 2018 the Income and Fees are both accrued as both earned and payable. In FY 2017, BCAHDC received an additional \$19,351 in partnership fees from the 1200 Park Avenue LP 2016 excess cash flow. This amount is variable, depending on cash flow, and is not budgeted as potential revenue. Investment Income includes interest earned on the CVVP loan for the Chico Valley View Apartments. Misc. Income includes the loan fee from CVVP and donations from the public.

Consulting Fees and Legal Expenses were budgeted to provide for the eventuality of future development activity, although none is planned at this time.

The excess cash balance at the beginning of FY 2018 is estimated at \$489,000.

I will be happy to answer your questions at the meeting.

Recommend Adoption of Resolution 17-1C

BUTTE COUNTY AFFORDABLE HOUSING
DEVELOPMENT CORPORATION

RESOLUTION NO. 17-1C

APPROVAL OF THE BUTTE COUNTY AFFORDABLE HOUSING DEVELOPMENT
CORPORATION OPERATING BUDGET FOR F/Y 2018

WHEREAS, Butte County Affordable Housing Development Corporation (BCAHDC) approves its Operating Budget on an annual basis; and

WHEREAS, the Board of Directors of BCAHDC has reviewed the BCAHDC General Fund budget as proposed and found the budget to be in the best interest of the BCAHDC;

THEREFORE, BE IT RESOLVED by the Board of Directors of the Butte County Affordable Housing Development Corporation to hereby approve and adopt the Butte County Affordable Housing Development Corporation General Fund Budget for fiscal year 2018, extending from October 1, 2017 through September 30, 2018, such Operating Budget attached to and made a part of this Resolution No. 17-1C.

Dated: August 17, 2017.

Edward S. Mayer, President

ATTEST:

Marysol Perez, Secretary

**BCAHDC - GENERAL FUND
PROPOSED OPERATING BUDGET
October 1, 2017 to September 30, 2018**

	2018 Proposed Budget	2017 Approved Budget	2017 Estimated Actuals	2016 Audited Actuals	Variance 2017 Actual 2018 Budget	Notes
REVENUE						
Investment Income	1,732	1,800	14,978	838	-88.4%	Bank Acct interest/LP Gains/CVVP Loan
Misc. Income	480	0	6,500	480	-92.6%	LP gains/donations
Partnership Fees*	37,992	37,779	57,310	60,266	-33.7%	2016 Accrual catch up/ 2017 high fees
TOTAL REVENUE	40,204	39,579	78,788	61,584	-49.0%	
EXPENSES						
Audit & Accounting Fees	3,000	3,000	2,938	2,649	2.1%	Annual tax returns are higher
Corporate Services	18,500	18,500	17,500	12,463	5.7%	HACB contracted services
Consulting Fees	5,000	5,000	0	0	0.0%	placeholder
Legal Expenses	3,000	3,000	0	0	0.0%	placeholder
Misc. Admin. Expenses	1,000	1,000	0	0	0.0%	supplies, postage, bank fees
Outside Management Fees**	40,700	40,700	81,400	29,700	-50.0%	2017 Accrual catch up
Partnership Losses	500	500	0	119	0.0%	estimated booked LP losses
Taxes and Fees	80	80	70	60	14.3%	CA filing fees
TOTAL EXPENSES	71,780	71,780	101,908	44,990	-29.6%	
NET INCOME	-31,576	-32,201	-23,120	16,594	36.6%	

* Partnership Fees:

1200 Park Ave LP \$7,292; Walker Commons \$7,500; Gridley Springs I \$3,200; Harvest Pk \$20,000

** Outside Management Fees:

1200 Park Ave LP \$10,000; Walker Commons \$7,500; Gridley Springs I \$3,200; Harvest Pk \$20,000

Note: Distributions from partnership cash flows are excluded from the budget.

August 17, 2017

MEMO

To: BCAHDC Board of Directors

From: Sue Kemp, CFO 

Subject: FY 2018 Cordillera Apartments Proposed Operating Budget

The FY 2018 Cordillera Apartments Proposed Operating Budget is attached for your review and approval.

The budget for operations and maintenance is prepared by RSC in collaboration with HACB management.

Capital Improvements include estimated non-routine maintenance; balcony replacements/repairs; asphalt work; appliances; and tree work.

As owner of Cordillera Apartments, BCAHDC has certain asset management responsibilities which are carried out by contract with the Housing Authority for an annual Management Fee of \$7,200.

The estimated excess cash balance at the beginning of FY 2018 is approximately \$327,000.

I will be happy to answer your questions at the meeting.

Recommend Adoption of Resolution 17-2C

BUTTE COUNTY AFFORDABLE HOUSING
DEVELOPMENT CORPORATION

RESOLUTION NO. 17-2C

APPROVAL OF THE BUTTE COUNTY AFFORDABLE HOUSING DEVELOPMENT
CORPORATION OPERATING BUDGET FOR CORDILLERA APARTMENTS F/Y 2018

WHEREAS, Butte County Affordable Housing Development Corporation (BCAHDC) approves its Operating Budget on an annual basis; and

WHEREAS, BCAHDC, as owner of Cordillera Apartments, 37-53 Cameo Drive, Chico, California, prepares the operating budget for Cordillera Apartments incorporating estimated operational costs provided by Cordillera Apartments property manager, RSC Associates; and

WHEREAS, the Board of Directors of BCAHDC has reviewed the budget as proposed and determined the budget to be in the best interest of the Cordillera Apartments property and BCAHDC;

THEREFORE, BE IT RESOLVED by the Board of Directors of the Butte County Affordable Housing Development Corporation, acting as owner of Cordillera Apartments, 37-53 Cameo Drive, Chico, California, to hereby approve and adopt the Cordillera Apartments Operating Budget for fiscal year 2018, extending from October 1, 2017 through September 30, 2018, such Operating Budget attached to and made a part of this Resolution No. 17-2C.

Dated: August 17, 2017.

Edward S. Mayer, President

ATTEST:

Marysol Perez, Secretary

BUTTE COUNTY AFFORDABLE HOUSING DEVELOPMENT CORPORATION
PROPOSED OPERATING BUDGET
CORDILLERA APTS
October 1, 2017 to September 30, 2018

	2018 Proposed Budget	2017 Approved Budget	2017 Estimated Actuals	2016 Audited Actuals	Variance 2017 Actual 2018 Budget	
REVENUE						
Gross Potential Rent	167,575	164,800	164,760	161,235	1.7%	rent increases
Resident Mgr's Apt	0	0	0	0	0.0%	moved to Res. Mgr. Expense
Vacancy Loss	-4,410	-4,410	-750	-2,584	488.0%	low vacancy in FY 2017
Net Rental Income	163,165	160,390	164,010	158,651	-0.5%	
Tenant Charges	1,550	1,550	2,634	13,332	-41.1%	
Interest Income	212	1,012	185	1,750	14.8%	includes interest on Reserves
Other Income	0	0	0	0	0.0%	
Laundry Income	1,800	1,800	1,920	997	-6.3%	unknown variance in 2016
TOTAL REVENUES	166,727	164,752	168,748	174,730	-1.2%	
EXPENDITURES						
Resident Manager's Expense	13,930	13,290	12,920	12,936	7.8%	Includes Res. Mgr. Free Rent
Advertising	400	400	0	0	0.0%	
Audit	450	300	420	397	7.1%	
Bad Debts	1,680	1,680	1,000	11,434	0.0%	large move out debt in 2016
Credit Reports	450	450	300	333	50.0%	
Legal Expense	1,200	1,200	0	0	0.0%	
Management Fee (RSC)	7,792	7,663	8,048	7,600	-3.2%	
Management Fee (HACB)	7,200	7,200	7,200	7,200	0.0%	
Consulting Fees	0	0	0	0	0.0%	
Office Supplies	924	924	867	879	6.5%	
Misc. Admin. Expense	100	100	75	64	33.3%	
Property Taxes	1,358	600	679	91	100.0%	2 units over income
Resident Activities	400	400	0	0	0.0%	
Telephone & Internet	1,584	1,464	1,549	1,440	2.2%	
TOTAL ADMINISTRATIVE	37,468	35,671	33,060	42,374	13.3%	
Electricity	2,153	2,784	1,766	2,810	21.9%	
Gas	5,146	5,500	4,951	3,586	3.9%	
Sewer	5,727	5,727	5,100	5,637	12.3%	
Water	8,400	8,400	6,015	5,515	39.6%	
TOTAL UTILITIES	21,426	22,411	17,833	17,548	20.1%	
Unit Turnover Maintenance	17,300	17,300	9,279	19,064	86.4%	low turnover in 2017
Landscape Maintenance	8,480	8,480	8,480	6,835	0.0%	
Routine Maintenance Contracts	19,140	19,140	20,951	33,053	-8.6%	
Capital Improvements-Expensed	51,531	51,531	25,067	54,581	105.6%	carryforward asphalt & balcony repairs from 2017
Trash Removal	5,472	7,044	7,253	6,669	-24.6%	new rates
TOTAL MAINTENANCE	101,923	103,495	71,030	120,202	43.5%	
Interest Expense, City Of Chico	261	283	315	306	-17.1%	
Property And Liability Insurance	6,180	9,614	5,885	6,627	5.0%	reduced premiums
TOTAL OTHER EXPENSES	6,441	9,897	6,200	6,933	3.9%	
TOTAL EXPENDITURES	167,258	171,474	128,123	187,057	30.5%	
NET INCOME (w/o depreciation)	-531	-6,722	40,626	-12,327	-101.3%	
- Subtract Principal Payments	-2,258	-2,236	-2,204	-2,235	2.4%	
+ Reserves Usage	2,789	31,331	0	14,562	0.0%	cap ex not completed in 2017
- Capital Improvements-Capitalized	0	0	0	0	0.0%	
NET CASH FLOW	0	22,373	38,422	0	-100.0%	

BUTTE COUNTY AFFORDABLE HOUSING DEVELOPMENT CORPORATION

RESOLUTION NO. 17-3C

AUTHORIZATION TO ESTABLISH WALKER COMMONS, L.P. RESERVES ACCOUNT
AT BANNER BANK

WHEREAS, Butte County Affordable Housing Development Corporation (BCAHDC), is Managing General Partner (MGP) of Walker Commons, L.P. (LP), owner of Walker Commons Apartments, 678 Buttonwillow Lane, Chico, California; and,

WHEREAS, BCAHDC, as MGP, acts as fiduciary agent for the LP; and,

WHEREAS, BCAHDC manages LP Reserves in such a manner that LP Reserve account amounts do not exceed FDIC insurance limits; and,

WHEREAS, BCAHDC has determined that LP Reserve account amounts currently exceed FDIC insurance limits and as a result seeks to distribute LP Reserve account monies in sufficient number of banking institution accounts such that no single LP Reserve account balance exceed the FDIC insurance limit; and,

WHEREAS, BCAHDC has determined it in its and the LP's best interest to establish a banking account at Banner Bank, 2485 Notre Dame Boulevard, Suite 775, Chico, CA 95928 (Bank); and,

WHEREAS, Bank requires a corporate banking resolution to establish such account;

THEREFORE, BE IT RESOLVED by the Board of Directors of the Butte County Affordable Housing Development Corporation, acting as Managing General Partner of Walker Commons, L.P., to authorize the establishment of a Walker Commons, L.P. Reserves account with Banner Bank, such authorization to include the representations and authorizations made on the Banner Bank Corporate Authorization Resolution, attached to and made a part of this Resolution No. 17-1C.

Dated: August 17, 2017.

Edward S. Mayer, President

ATTEST:

Marysol Perez, Secretary

RESOLUTION NO. 17-3C

CORPORATE AUTHORIZATION RESOLUTION

Banner Bank
 PO Box 907
 Walla Walla, WA 99362

By: Walker Commons, LP
 c/o Butte County Affordable Housing Development Corporation, MGP
 2039 Forest Avenue
 Chico, CA 95928

Referred to in this document as "Financial Institution"

Referred to in this document as "Corporation"

I, Marysol Perez, certify that I am Secretary (clerk) of the above named corporation organized under the laws of State of California, Federal Employer I.D. Number 68-0383083, engaged in business under the trade name of Walker Commons, LP, and that the resolutions on this document are a correct copy of the resolutions adopted at a meeting of the Board of Directors of the Corporation duly and properly called on August 17, 2017 (date). These resolutions appear in the minutes of this meeting and have not been rescinded or modified.

AGENTS Any agent listed below, subject to any written limitations, is authorized to exercise the powers granted as indicated below:

	Name and title or Position	Signature	Facsimile Signature (if used)
A.	<u>Marysol Perez, Secretary</u>	X _____	X _____
B.	<u>Edward Mayer, President</u>	X _____	X _____
C.	<u>Susanne Kemp, Chief Financial Officer</u>	X _____	X _____
D.	_____	X _____	X _____
E.	_____	X _____	X _____
F.	_____	X _____	X _____

POWERS GRANTED (Attach one or more Agents to each power by placing the letter corresponding to their name in the area before each power. Following each power indicate the number of Agent signatures required to exercise the power.)

Indicate A, B, C, D, E, and/or F	Description of Power	Indicate number of signatures required
<u>N/A</u>	(1) Exercise all of the powers listed in this resolution.	<u>N/A</u>
<u>B,C</u>	(2) Open any deposit or share account(s) in the name of the Corporation.	<u>1</u>
<u>A,B</u>	(3) Endorse checks and orders for the payment of money or otherwise withdraw or transfer funds on deposit with this Financial Institution.	<u>1</u>
<u>N/A</u>	(4) Borrow money on behalf and in the name of the Corporation, sign, execute and deliver promissory notes or other evidences of indebtedness.	<u>N/A</u>
<u>N/A</u>	(5) Endorse, assign, transfer, mortgage or pledge bills receivable, warehouse receipts, bills of lading, stocks, bonds, real estate or other property now owned or hereafter owned or acquired by the Corporation as security for sums borrowed, and to discount the same, unconditionally guarantee payment of all bills received, negotiated or discounted and to waive demand, presentment, protest, notice of protest and notice of non-payment.	<u>N/A</u>
<u>B, C</u>	(6) Other (describe) Enter into a written lease for the purpose of renting, maintaining, accessing and terminating a Safe Deposit Box in this Financial Institution.	<u>1</u>

LIMITATIONS OF POWERS The following are the Corporation's express limitations on the powers granted under this resolution.

EFFECT ON PREVIOUS RESOLUTIONS This resolution supersedes resolution dated ANY. If not completed, all resolutions remain in effect.

CERTIFICATION OF AUTHORITY

I further certify that the Board of Directors of the Corporation has, and at the time of adoption of this resolution had, full power and lawful authority to adopt the foregoing resolutions and to confer the powers granted to the persons named who have full power and lawful authority to exercise the same. (Apply seal below where appropriate.)

If checked, the Corporation is a non-profit corporation. In Witness Whereof, I have subscribed my name to this document and affixed the seal of the Corporation on _____ (date).

Attest by One Other Officer

Secretary

RESOLUTIONS

The Corporation named on this resolution resolves that,

1. The Financial Institution is designated as a depository for the funds of the Corporation and to provide other financial accommodations indicated in this resolution.
2. This resolution shall continue to have effect until express written notice of its rescission or modification has been received and recorded by the Financial Institution. Any and all prior resolutions adopted by the Board of Directors of the Corporation and certified to the Financial Institution as governing the operation of this corporations account(s), are in full force and effect until the Financial Institution receives and acknowledges an express written notice of its revocation, modification or replacement. Any revocation, modification or replacement of a resolution must be accompanied by documentation, satisfactory to the Financial Institution, establishing the authority for the changes.
3. The signature of an Agent on this resolution is conclusive evidence of their authority to act on behalf of the Corporation. Any Agent, so long as they act in a representative capacity as agents of the Corporation, is authorized to make any and all other contracts, agreements, stipulations and orders which they may deem advisable for the effective exercise of the powers indicated on page one, from time to time with the Financial Institution, subject to any restrictions on this resolution or otherwise agreed to in writing.
4. All transactions, if any, with respect to any deposits, withdrawals, rediscounts and borrowings by or on behalf of the Corporation with the Financial Institution prior to the adoption of this resolution are hereby ratified, approved and confirmed.
5. The Corporation agrees to the terms and conditions of any account agreement, properly opened by any Agent of the Corporation. The Corporation authorizes the Financial Institution, at any time, to charge the Corporation for all checks, drafts, or other orders, for the payment of money, that are drawn on the Financial Institution, so long as they contain the required number of signatures for this purpose.
6. The Corporation acknowledges and agrees that the Financial Institution may furnish at its discretion automated access devices to Agents of the Corporation to facilitate those powers authorized by this resolution or other resolutions in effect at the time of issuance. The term "automated access device" includes, but is not limited to, credit cards, automated teller machines (ATM), and debit cards.
7. The Corporation acknowledges and agrees that the Financial Institution may rely on alternative signature and verification codes issued to or obtained from the Agent named on this resolution. The term "alternative signature and verification codes" includes, but is not limited to, facsimile signatures on file with the Financial Institution, personal identification numbers (PIN), and digital signatures. If a facsimile signature specimen has been provided on this resolution, (or that are filed separately by the Corporation with the Financial Institution from time to time) the Financial Institution is authorized to treat the facsimile signature as the signature of the Agent(s) regardless of by whom or by what means the facsimile signature may have been affixed so long as it resembles the facsimile signature on file. The Corporation authorizes each Agent to have custody of the Corporation's private key used to create a digital signature and to request issuance of a certificate listing the corresponding public key. The Financial Institution shall have no responsibility or liability for unauthorized use of alternative signature and verification codes unless otherwise agreed in writing.

FOR FINANCIAL INSTITUTION USE ONLY:

Acknowledged and received on _____ (date) by _____ (initials) This resolution is superseded by resolution dated _____.

Comments: