

**BANYARD MANAGEMENT**  
**Board of Directors Meeting**  
2039 Forest Avenue  
Chico, CA 95928

**MEETING AGENDA**

July 21, 2016  
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.

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

**NEXT RESOLUTION NO. 16-3B**

**ITEMS OF BUSINESS**

1. ROLL CALL
2. AGENDA AMENDMENTS
3. CONSENT CALENDAR
  - 3.1 Minutes of Meeting on April 28, 2016.
  - 3.2 Banyard Management – Financial report
  - 3.3 Chico Commons – HACB report
4. CORRESPONDENCE
5. REPORTS FROM PRESIDENT
  - 5.1 Banyard Management Budget – Adopt FY2017 Banyard budget.

Recommendation:

Resolution No. 16-3B

*Banyard Management*  
*Board of Directors*  
*Agenda – Meeting of July 21, 2016*  
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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 – October 20, 2016.

13. ADJOURNMENT

**BANYARD MANAGEMENT  
Board of Directors Meeting**

2039 Forest Avenue  
Chico, CA 95928

**MEETING MINUTES**

April 28, 2016

President Mayer called the meeting of Banyard Management to order at 4:05 p.m.

1. ROLL CALL

Present for Directors: Kate Anderson, Patricia Besser, Larry Hamman, Roger Hart, Anne Jones, Clarence Lobo, and Laura Moravec.

Others Present: President Ed Mayer, Treasurer Sue Kemp, Secretary Tamra Young, and Larry Guanzon.

2. AGENDA AMENDMENTS

None.

3. CONSENT CALENDAR

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

4. CORRESPONDENCE

None.

5. REPORTS FROM PRESIDENT

- 5.1 Chico Commons Apartments, Chico – A mid-year budget revision was presented for approval. The budget revision is not required. However the proposed operating budget revision for Chico Commons was prepared by the new property management company US Residential Group (USRG), in collaboration with us. USRG projects a higher cash flow at year end due to anticipated savings in Site Management and Maintenance costs (Site Manager and Maintenance person will be split between Chico Commons and Walker Commons Apartments). Since this is the first year USRG has operated the property, there may be some variances

and their estimate maybe a little optimistic. However based upon their expertise in the field, USRG considers this a reasonable budget.

**\*RESOLUTION NO. 16-2B\***

Director Moravec moved that Resolution No. 16-2B be adopted by reading of title only: “APPROVAL OF REVISED OPERATING BUDGET FOR F/Y 2016 FOR CHICO COMMONS APARTMENTS, CHICO, CA”. Director Hart seconded. The vote in favor was unanimous.

- 5.3 Chico Commons Audit – The Chico Commons audited financial statements for the year ended December 31, 2015 were presented. The financials and tenant files are audited annually. Financials, operations, and tenant files were all reviewed and found to be in compliance. The project performed better in 2015 than 2014, in large part due to lower vacancy rate. Excess cash each year is used to replace siding at the property. However, \$53,738 in excess cash will be distributed to Housing Authority of the County of Butte and Banyard Management. Despite the comprehensiveness of the data shared with the auditor, there were no questioned costs or findings.

**\*MOTION\***

Director Hart moved that the Chico Commons audit be accepted as presented. Director Lobo 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 – July 21, 2016.

13. ADJOURNMENT

Director Lobo moved that the meeting be adjourned. Director Anderson seconded. The meeting was adjourned at 4:16 p.m.

Dated: April 28, 2016.

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Edward S. Mayer, President

ATTEST:

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Tamra C. Young, Secretary

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**BANYARD MANAGEMENT  
BALANCE SHEET  
May 31, 2016**

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

**Current Assets**

Cash - Unrestricted	172,949
<b>Total Current Assets</b>	<u>172,949</u>

**Other Assets**

Investment in Chico Commons, L.P.	392,668
<b>Total Other Assets</b>	<u>392,668</u>

<b>TOTAL ASSETS</b>	<u><u>565,617</u></u>
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\*\*\*\*\* LIABILITIES AND EQUITY \*\*\*\*\*

**Current Liabilities**

Accounts Payable	585
Accrued Liabilities - Other	<u>0</u>
<b>Total Current Liabilities</b>	<u>585</u>

<b>TOTAL LIABILITIES</b>	<u>585</u>
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**Equity**

Prior Year Equity Balance	572,993
Retained Earnings	<u>-7,961</u>
<b>Total Equity</b>	<u>565,032</u>

<b>TOTAL EQUITY</b>	<u>565,032</u>
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<b>TOTAL LIABILITIES AND EQUITY</b>	<u><u>565,617</u></u>
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# BANYARD-GEN. FUND INCOME STATEMENT

May 31, 2016

YTD %

66.67

	Month to Date			Year to Date			% used
	Actual	Budget	Remaining	Actual	Budget	Remaining	
REVENUES							
Partnership Income	1,080	1,080	0	8,640	12,960	-4,320	66.67
Investment Income	756	15	741	839	180	659	466.15
<b>TOTAL REVENUES</b>	<b>1,836</b>	<b>1,095</b>	<b>741</b>	<b>9,479</b>	<b>13,140</b>	<b>-3,661</b>	<b>72.14</b>
Audit Fee	0	58	-58	488	700	-212	69.73
Corporate Services	585	1,250	-665	8,312	15,000	-6,689	55.41
Consulting Fees	0	0	0	0	0	0	0.00
Legal Expenses	0	125	-125	0	1,500	-1,500	0.00
Misc. Administrative Costs	0	42	-42	0	500	-500	0.00
Outside Management Fees	1,080	1,080	0	8,640	12,960	-4,320	66.67
Partnership Losses	0	42	-42	0	500	-500	0.00
Taxes and Fees	0	0	0	0	0	0	0.00
<b>TOTAL EXPENSES</b>	<b>1,665</b>	<b>2,597</b>	<b>-932</b>	<b>17,440</b>	<b>31,160</b>	<b>-13,720</b>	<b>55.97</b>
<b>RETAINED EARNINGS</b>	<b>171</b>	<b>-1,502</b>	<b>1,673</b>	<b>-7,961</b>	<b>-18,020</b>	<b>10,059</b>	<b>44.18</b>

EGW

MEMO

Date: July 15, 2016

To: Board of Directors, Banyard Management

From: Larry Guanzon, HACB Housing Director *LG*

Subject: Status Report – Chico Commons Apartments

**Chico Commons Apartments, Chico** (72 units, LIHTC family, MGP: Banyard Management, PM: US Residential, Inc.) - Chico Commons is managed by US Residential Inc., our third-party property manager. USRG anticipates a savings in expenses as they implement their cost structure per the approved, revised budget. At this time, vacancy has risen to a total of five (5) units, but USRG reports they have numerous applications in the verification/process stage. Historically, during the summer month's we do see an increase in the movement of all rentals in the Chico Rental market.

All HVAC system's air conditioning ducts and coils have been cleaned by Climate Masters, to increase the useful life of all systems, and address air quality issues. The objective is to push out HVAC replacements until such time as the property can be re-financed, addressing the property's outstanding capital needs.

As cash flow allows, we are preparing for another round of siding replacements, scheduled to be bid within the next 90 days. We are also preparing for landscape upgrades and ADA common area improvements in 2016-17, following the DAC-generated accessibility transition plan.



**CHICO COMMONS**  
**BALANCE SHEET**  
**May 31, 2016**

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

**Current Assets**

Cash - Unrestricted	109,574
Accounts Receivable - Misc.	0
Accounts Receivable - Tenants	5,991
Cash - Savings - Tenant Security Deposits	41,160
Cash - Savings - Unrestricted	38,615
Cash - Savings - Restricted Reserves	115,168
Prepaid Expenses and Other Assets	3,410
<b>Total Current Assets</b>	<b>313,918</b>

**Fixed Assets**

Land	607,476
Buildings	5,215,780
Furniture and Equipment	175,661
Accumulated Depreciation	-3,079,085
<b>Total Fixed Assets</b>	<b>2,919,832</b>

**Other Assets**

Organizational Fees, Net of Amortization	89,727
<b>Total Other Assets</b>	<b>89,727</b>

**TOTAL ASSETS**

**3,323,477**

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

**Current Liabilities**

Accounts Payable	17,291
Accrued Interest Payable - Current	14,974
Tenant Security Deposits	41,360
Prepaid Rent	0
Long Term Debt - Current	133,713
Accrued liabilities - Other	12,652
<b>Total Current Liabilities</b>	<b>219,990</b>

**Long-Term Liabilities**

Accrued Interest Payable - Net of Current	147,885
Long-Term Debt, Net of Current - Capital	826,140
Long-Term Debt, Net of Current - Operating	0
<b>Total Long-Term Liabilities</b>	<b>974,025</b>

**TOTAL LIABILITIES**

**1,194,015**

**Equity**

Partner's Equity	2,073,544
Retained Earnings	55,918
<b>Total Equity</b>	<b>2,129,462</b>

**TOTAL EQUITY**

**2,129,462**

**TOTAL LIABILITIES AND EQUITY**

**3,323,477**

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## CHICO COMMONS INCOME STATEMENT

May 31, 2016

YTD %  
41.67

	Month to Date			Year to Date			% used
	Actual	Budget	Remaining	Actual	Budget	Remaining	
Potential Dwelling Rent	49,452	52,600	-3,148	259,696	631,200	-371,504	41.14
Vacancy Loss	1,330	-2,631	3,962	-8,460	-31,574	23,114	26.79
Rebates	0	0	0	-72	0	-72	0.00
Manager's Unit	-771	-744	-27	-2,339	-8,928	6,589	26.20
Net Dwelling Rent	50,011	49,225	787	248,825	590,698	-341,873	42.12
Tenant Charges	-249	2,083	-2,332	2,615	25,000	-22,385	10.46
Laundry Revenue	944	833	110	3,963	10,000	-6,037	39.63
Investment Income	10	17	-6	73	200	-127	36.66
<b>TOTAL REVENUES</b>	<b>50,716</b>	<b>52,158</b>	<b>-1,442</b>	<b>255,477</b>	<b>625,898</b>	<b>-370,421</b>	<b>40.82</b>
Advertising	0	83	-83	0	1,000	-1,000	0.00
Audit Fee	0	363	-363	4,350	4,350	0	100.00
Credit & Collection Expense	65	292	-227	244	3,500	-3,256	6.98
Franchise Tax Board	0	67	-67	800	800	0	100.00
Insurance-Liability/Property	852	740	112	4,151	8,885	-4,734	46.71
Legal	0	167	-167	60	2,000	-1,940	3.00
Management Fees	2,520	2,524	-4	12,118	30,284	-18,166	40.02
Misc. Administrative Costs	4,353	208	4,144	7,096	2,500	4,596	283.85
Office Supplies	844	67	778	2,234	800	1,434	279.24
Partnership Expense	1,080	1,080	0	5,400	12,960	-7,560	41.67
Property Taxes	2,906	480	2,426	2,906	5,760	-2,854	50.44
Resident Activities	0	300	-300	195	3,600	-3,405	5.42
Telephone	117	117	0	453	1,400	-947	32.32
Training & Travel	101	100	1	198	1,200	-1,002	16.50
<b>Total Admin Costs</b>	<b>12,838</b>	<b>6,587</b>	<b>6,251</b>	<b>40,205</b>	<b>79,039</b>	<b>-38,834</b>	<b>50.87</b>
Site Maintenance: Salary	3,355	1,650	1,705	7,529	19,800	-12,271	38.03
Site Manager: Salary	2,335	1,590	745	12,971	19,080	-6,109	67.98
Payroll Taxes & Benefits	2,399	1,186	1,213	5,643	14,237	-8,594	39.64
<b>Total Salary &amp; Benefits</b>	<b>8,089</b>	<b>4,426</b>	<b>3,663</b>	<b>26,143</b>	<b>53,117</b>	<b>-26,974</b>	<b>49.22</b>
Electricity	417	417	0	3,848	5,000	-1,152	76.96
Gas	1,067	1,067	0	7,223	12,800	-5,577	56.43
Water & Sewer	3,208	3,208	0	13,491	38,500	-25,009	35.04
<b>Total Utilities</b>	<b>4,692</b>	<b>4,692</b>	<b>0</b>	<b>24,562</b>	<b>56,300</b>	<b>-31,738</b>	<b>43.63</b>
Landscape Maintenance	1,050	1,050	0	5,083	12,600	-7,517	40.34
Maintenance Materials	638	346	293	3,143	4,150	-1,007	75.73
Trash Removal	400	400	0	1,660	4,800	-3,140	34.58
Other Maintenance Contracts	-4,876	702	-5,579	8,887	8,425	462	105.49
Unit Turnover Maintenance	0	1,286	-1,286	-709	15,427	-16,136	-4.60
<b>Total Maintenance Costs</b>	<b>-2,788</b>	<b>3,783</b>	<b>-6,571</b>	<b>18,063</b>	<b>45,402</b>	<b>-27,339</b>	<b>39.79</b>
Capital Improvements (expensed)	5,870	5,203	667	10,618	62,431	-51,813	17.01
Depreciation & Amortization	11,163	11,292	-128	55,817	135,500	-79,683	41.19
Interest Expense-City of Chico	2,604	2,604	0	13,021	31,250	-18,229	41.67
Interest Expense-HACB	1,953	1,854	99	10,403	22,252	-11,849	46.75
Tenant Bad Debt	0	2,084	-2,084	728	25,011	-24,283	2.91
<b>Total Other Expenses</b>	<b>21,591</b>	<b>23,037</b>	<b>-1,446</b>	<b>90,587</b>	<b>276,444</b>	<b>-185,857</b>	<b>32.77</b>
<b>TOTAL EXPENSES</b>	<b>44,422</b>	<b>42,525</b>	<b>1,896</b>	<b>199,559</b>	<b>510,302</b>	<b>-310,743</b>	<b>39.11</b>
<b>RETAINED EARNINGS</b>	<b>6,295</b>	<b>9,633</b>	<b>-3,338</b>	<b>55,918</b>	<b>115,596</b>	<b>-59,678</b>	<b>48.37</b>
+ Deprec & Amort	11,163	11,292	-128	55,817	135,500	-79,683	41.19
- Capital Improvements (capitalized)	-17	-6,250	6,233	-39,931	-75,000	35,069	53.24
- Debt Payments	-10,980	-11,143	163	-43,538	-133,713	90,175	32.56
- Transfer to/from Reserves	2,500	-3,750	6,250	-27,414	-45,000	17,586	60.92
<b>NET CASH FLOW</b>	<b>3,961</b>	<b>7,282</b>	<b>-3,320</b>	<b>55,680</b>	<b>87,383</b>	<b>-31,703</b>	<b>63.72</b>

BANYARD MANAGEMENT

RESOLUTION NO. 16-3B

APPROVAL OF BANYARD MANAGEMENT OPERATING BUDGET FOR F/Y 2017

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

WHEREAS, Banyard Management is Managing General Partner of Chico Commons LP, itself owner of the Chico Commons Apartments multi-family affordable housing property, Chico, California; and

WHEREAS, the Board of Directors of Banyard Management has reviewed the Operating Budget as proposed and determined the budget to be in the best interest of Banyard Management;

THEREFORE, BE IT RESOLVED by the Board of Directors of Banyard Management, Managing General Partner of Chico Commons LP, owner of the Chico Commons Apartments, Chico, California, to hereby approve and adopt the Banyard Management Operating Budget for fiscal year 2017, extending from October 1, 2016 through September 30, 2017, such Operating Budget attached to and made a part of this Resolution No. 16-3B.

Dated: July 21, 2016.

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Edward S. Mayer, President

ATTEST:

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Tamra C. Young, Secretary

**BANYARD MANAGEMENT**  
**PROPOSED OPERATING BUDGET**  
**October 1, 2016 to September 30, 2017**

	<b>2017 Proposed Budget</b>	<b>2016 Approved Budget</b>	<b>2016 Estimated Actuals</b>	<b>2015 Audited Actuals</b>	<b>Variance 2016 Actual 2017 Budget</b>	<u><i>Notes</i></u>
<b>Revenue</b>						
Investment income - unrestricted	180	180	180	146	0.0%	<i>Money market account interest</i>
Partnership Fees	12,960	12,960	12,960	13,284	0.0%	<i>Chico Commons MGP Fee</i>
<b>Total Revenue</b>	<b>13,140</b>	<b>13,140</b>	<b>50,532</b>	<b>88,948</b>	<b>-74.0%</b>	
<b>Expenditures</b>						
Audit Fee	900	700	900	586	0.0%	<i>increased fees</i>
Corporate Services	15,000	15,000	15,000	12,000	0.0%	<i>increased rates &amp; hours</i>
Consulting Fees	0	0	0	0	0.0%	<i>none planned</i>
Legal Expenses	1,500	1,500	0	0	0.0%	<i>placeholder</i>
Misc. Admin. Expenses	500	500	0	25	0.0%	<i>supplies, postage, bank fees</i>
Outside Management Fees	12,960	12,960	12,960	12,960	0.0%	<i>HACB - MGP Services</i>
Partnership Losses	500	500	500	0	0.0%	<i>Chico Commons</i>
Taxes and Fees	20	0	0	20	0.0%	<i>CA filing fees (every 2 years)</i>
<b>Total Expenditures</b>	<b>31,380</b>	<b>31,160</b>	<b>29,360</b>	<b>25,591</b>	<b>6.9%</b>	
<b>Net Income</b>	<b>-18,240</b>	<b>-18,020</b>	<b>21,172</b>	<b>63,357</b>	<b>-186.2%</b>	

*Estimated Beg. Reserve Balance 172,000*

*Estimated End Reserve Balance 153,760*