

SUTTER COMMUNITY AFFORDABLE HOUSING

**1455 BUTTE HOUSE ROAD
YUBA CITY, CA 95993
(530) 671-0220**

February 19, 2025

TO:

Manny Cardoza, President
Gustavo Becerra, Secretary/Treasurer
Suzanne Gallaty, Board Member
Richard Grant, Board Member
Martha Griese, Board Member
Kimberly Butcher, Board Member
Brynda Stranix, Board Member

Sutter County Board of Supervisors
City Council, Yuba City
City Council, Live Oak
Brant Bordsen, Legal Counsel
Appeal-Democrat

NOTICE OF REGULAR MEETING February 25, 2025

You are hereby notified that the Sutter Community Affordable Housing Regular Board Meeting is scheduled for **Tuesday, February 25, 2025, at 12:00 PM at the Richland Neighborhood Center, 420 Miles Avenue, Yuba City, CA 95991.**



Gustavo Becerra
Secretary/Treasurer

SUTTER COMMUNITY AFFORDABLE HOUSING

**Regular Meeting of Board of Directors
Richland Neighborhood Center
420 Miles Avenue, Yuba City, CA 95991**

**Tuesday, February 25, 2025
12:00 PM**

AGENDA

- A. CALL TO ORDER: ROLL CALL
- B. PLEDGE OF ALLEGIANCE
- C. PUBLIC PARTICIPATION: Members of the public shall be provided with an opportunity to address the Board on items of interest that are within the subject matter jurisdiction of the Board. Any member of the audience who may wish to bring something before the Board that is not on the agenda may do so at this time; however, State law provides that no action may be taken on any item not appearing on the posted Agenda. Persons who wish to address the Board during public comment or with respect to an item that is on the agenda, will be limited to three (3) minutes.
- D. AWARDS AND PRESENTATIONS: NONE
- E. EXECUTIVE SESSION: NONE
May be held under California Government Code regarding pending and/or anticipated litigation, property acquisition, and/or personnel issues.
- F. CONSENT CALENDAR: All matters listed under Consent Calendar are considered to be routine and can be enacted in one motion. There will be no separate discussion of these items prior to the time that the Board votes on the motion unless members of the Board request specific items to be discussed or removed from the Consent Calendar for individual action.
 - 1. Recommend Approval of Minutes – September 4, 2024 pg. 1
 - 2. Recommend Approval of Minutes – September 24, 2024 pg. 4
 - 3. Resolution 25-59, Yolo/Heiken Collection Loss Write Off pg. 6

- 4. Recommend Approval of Omnibus Update pg. 8

- G. OLD BUSINESS: Discussion/Possible Action: NONE

- H. NEW BUSINESS: Discussion/Possible Action:
 - 5. Approval of New Board Member Anthony (Tony) Kurlan pg. 12
 Gustavo Becerra, Board Member

 - 6. Acceptance of Audit into Record pg. 13
 Marco Cruz, Chief Financial Officer

 - 7. Approval of FYE 2026 Budget pg. 29
 Marco Cruz, Chief Financial Officer

- I. ADMINISTRATIVE REPORT:
 - 8. Maintenance Update on Maple Park Phase 1, Town Center Senior pg. 33
 Manor, and Yolo/Heiken
 Tom Goodwin, Operations Manager

 - 9. Occupancy/Eligibility Update on Maple Park Phase 1, Kristen Court pg. 34
 Phase 1, Town Center Senior Manor, and Yolo/Heiken
 Pattra Runge, Occupancy Manager

 - 10. Finance Update pg. 35
 Marco Cruz, Chief Finance Officer

- J. DIRECTOR'S COMMENTS:

- K. NEXT MEETING: March 25, 2025

- L. ADJOURNMENT:

SUTTER COMMUNITY AFFORDABLE HOUSING
Minutes
Special Board Meeting
September 4, 2024

ITEM NO. A - CALL TO ORDER:

President Manny Cardoza called the meeting to order at 3:00 PM.

ITEM NO. A - ROLL CALL:

Board Members present were President Manny Cardoza, Members Gustavo Becerra, Suzanne Gallaty, Brynda Stranix, and Richard Grant. Board Member Martha Griese arrived later in the meeting. Vice-President Kimberly Butcher and Board Member Diane Hodges were absent.

ITEM NO. B. – PLEDGE OF ALLEGIANCE:

Board Member Richard Grant led the pledge of allegiance.

ITEM NO. C. – PUBLIC PARTICIPATION: NONE

ITEM NO. D. – AWARDS AND PRESENTATIONS: NONE

ITEM NO. E. – EXECUTIVE SESSION: NONE

ITEM NO. F.1 - CONSENT CALENDAR:

Board Member Suzanne Gallaty made a motion to approve the Consent Calendar as submitted. Board Member Richard Grant made the second. All were in favor by voice vote.

ITEM NO. G. – OLD BUSINESS: NONE

ITEM NO. H.2. – RESOLUTION 24-57- OD-FORM 2-LLC, AHSC LOAN RESOLUTION OF RICHLAND VILLAGE SCAH, LLC:

Board Member Gustavo Becerra stated this resolution was previously approved but needs to be revised to update the President's name.

Board Member Brynda Stranix made a motion to approve Resolution 24-57 – OD-Form 2 LLC, AHSC Loan Resolution of Richland Village SCAH, LLC. Board Member Richard Grant made the second. The following roll call vote was taken:

Vote: Ayes: President Manny Cardoza, Board Members Suzanne Gallaty, Gustavo Becerra, Richard Grant, Brynda Stranix, and Martha Griese

Nays: None

Abstain: None

Absent: Vice-President Kimberly Butcher and Board Member Diane Hodges

ITEM NO. H.3. – RECOMMEND APPROVAL OF FYE 2025 BUDGET REVISION:

Chief Financial Officer Marco Cruz explained there were a few budget errors that need to be corrected. He said there was miscellaneous income included in the Town Center’s financials. Mr. Cruz stated this money was a pass-through for developer’s fees and should not have been included. He said the other item was regarding insurance expenses. Mr. Cruz said the correct amount should have been \$14,869.00 not \$372.00

Board Member Suzanne Gallaty made a motion to approve the Town Center Senior Manor budget revisions to enable accurate comparisons of the FYE 2025 financials. Board Member Martha Griese made the second. The following roll call vote was taken:

Vote: Ayes: President Manny Cardoza, Board Members Suzanne Gallaty, Gustavo Becerra, Richard Grant, Brynda Stranix, and Martha Griese
Nays: None
Abstain: None
Absent: Vice-President Kimberly Butcher and Board Member Diane Hodges

ITEM NO. H.4. – ELECTION OF OFFICERS:

Board Member Gustavo Becerra said he would like to recommend the Board keep the officers as is due to the number of items in process for the various projects and signing requirements.

Board Member Gustavo Becerra made a motion to elect Manny Cardoza as President. Board Member Suzanne Gallaty made the second. The following roll call vote was taken:

Vote: Ayes: President Manny Cardoza, Board Members Suzanne Gallaty, Gustavo Becerra, Richard Grant, Brynda Stranix, and Martha Griese
Nays: None
Abstain: None
Absent: Vice-President Kimberly Butcher and Board Member Diane Hodges

Board Member Gustavo Becerra made a motion to elect Kimberly Butcher as Vice-President. Board Member Richard Grant made the second. The following roll call vote was taken:

Vote: Ayes: President Manny Cardoza, Board Members Suzanne Gallaty, Gustavo Becerra, Richard Grant, Brynda Stranix, and Martha Griese
Nays: None
Abstain: None
Absent: Vice-President Kimberly Butcher and Board Member Diane Hodges

ITEM NO. I.5 – MAINTENANCE UPDATE ON MAPLE PARK PHASE 1, TOWN CENTER SENIOR MANOR AND YOLO/HEIKEN:

Operations Manager Tom Goodwin said there was an inspection done at Maple Park with nothing noteworthy coming from those inspections.

Board Member Gustavo Becerra explained there is a new law that started January 2024 for buildings with five (5) doorways or more requiring inspections on balconies and open-air staircases where the weight loads are not made of metal and your building permits are six (6) years or older. He stated this will affect Maple Park, both phases, and Town Center Senior Manor. Mr. Becerra shared a consultant will be conducting these inspections.

ITEM NO. I.6 – OCCUPANCY/ELIGIBILITY UPDATE ON MAPLE PARK PHASE 1, KRISTEN COURT PHASE 1, TOWN CENTER SENIOR MANOR AND YOLO/HEIKEN:

Occupancy Manager Pattra Runge stated there is not a lot to report due to the lack of movement. She shared a few properties participated in National Night Out, unfortunately none of these properties did. Ms. Runge mentioned the City of Live Oak does a strong community event and it is not feasible to do one at Maple Park and the residents of Town Center Senior Manor meet quarterly for events.

ITEM NO. I.7 – FINANCE UPDATE:

Mr. Cruz went over the report provided in the packet. He said the tenant rent is slightly higher due to the low vacancy rate.

ITEM NO. J – DIRECTOR’S COMMENTS:

Board Member Suzanne Gallaty stated new accessible tubs are being installed at Town Center Senior Manor.

Board Member Martha Griese said she has officially retired from all jobs effective August 1, 2024.

Board Member Brynda Stranix mentioned there will be a Town Hall Swat Meeting on September 18, 2024. She said a survey has gone out and asked that if anyone has one to please fill it out and return it. Board Member Brynda Stranix also stated the Hogs and Hula fundraiser will be held on September 28, 2024, and on December 5, 2024, the Yuba Sutter Economic Development corporation will be celebrating their 30th anniversary.

Board Member Manny Cardoza said he took first place in the Fear Factory taco eating contest.

ITEM NO. K – NEXT MEETING: September 24, 2024

ITEM NO. L - ADJOURNMENT: The meeting was adjourned at 3:36 PM.

SUTTER COMMUNITY AFFORDABLE HOUSING
Minutes
Regular Board Meeting
September 24, 2024

ITEM NO. A - CALL TO ORDER:

President Manny Cardoza called the meeting to order at 12:01 PM.

ITEM NO. A - ROLL CALL:

Board Members present were President Manny Cardoza, Members Gustavo Becerra, Martha Griese, Suzanne Gallaty, Diane Hodges, Brynda Stranix, and Richard Grant. Vice-President Kimberly Butcher was absent.

ITEM NO. B. – PLEDGE OF ALLEGIANCE:

Board Member Martha Griese led the pledge of allegiance.

ITEM NO. C. – PUBLIC PARTICIPATION: NONE

ITEM NO. D. – AWARDS AND PRESENTATIONS: NONE

ITEM NO. E. – EXECUTIVE SESSION: NONE

ITEM NO. F.1 - CONSENT CALENDAR:

Board Member Brynda Stranix made a motion to approve the Consent Calendar as submitted. Board Member Suzanne Gallaty made the second. The following roll call vote was taken:

Vote: Ayes: President Manny Cardoza, Board Members Suzanne
Gallaty, Gustavo Becerra, Richard Grant, Brynda Stranix,
Diane Hodges, and Martha Griese

Nays: None

Abstain: None

Absent: Vice-President Kimberly Butcher

ITEM NO. G. – OLD BUSINESS: NONE

ITEM NO. H.2. – ACCEPTANCE OF AUDIT INTO RECORD:

Chief Financial Officer Marco Cruz stated the audit was clean with no findings. He went over the assets, liabilities, and income included in the audit.

Board Member Richard Grant made a motion to accept the audit into the record. Board Member Brynda Stranix made the second. The following roll call vote was taken:

Vote: Ayes: President Manny Cardoza, Board Members Suzanne Gallaty, Gustavo Becerra, Richard Grant, Brynda Stranix, Diane Hodges, and Martha Griese
Nays: None
Abstain: None
Absent: Vice-President Kimberly Butcher

ITEM NO. I. – ADMINISTRATIVE REPORT:

Board Member Gustavo Becerra stated Maple Park Phase I has been in operation for 13 years. He mentioned at year fifteen (15) the investor leaves and the ownership structure changes. Mr. Becerra said Legal Council has been obtained to review all the options. He explained the goal is to maintain the property as affordable housing.

ITEM NO. J – DIRECTOR’S COMMENTS:

Board Member Martha Griese said it is sad to see so many businesses closing.

Board Member Brynda Stranix mentioned there are many businesses struggling by the hotel fire that happened in Marysville. She also stated the Hogs and Hula fundraiser will be held this weekend.

Board Member Manny Cardoza said he took first place in the Fear Factory taco eating contest.

ITEM NO. K – NEXT MEETING: October 22, 2024

ITEM NO. L - ADJOURNMENT: The meeting was adjourned at 12:41 PM.

**SUTTER COMMUNITY
AFFORDABLE HOUSING**

RESOLUTION 25-59

A RESOLUTION OF THE BOARD OF DIRECTORS OF SUTTER COMMUNITY AFFORDABLE HOUSING, INC. AUTHORIZING YOLO/HEIKEN COLLECTION LOSS WRITE-OFF IN THE AMOUNT OF \$1,262.50

WHEREAS the Sutter Community Affordable Housing operates affordable housing projects Town Center and Yolo/Heiken pursuant to the laws of California and the City of Yuba City's Regulatory Agreement; and

WHEREAS operations of affordable housing includes the collection of monthly rental amounts; and

WHEREAS the Sutter Community Affordable Housing makes every attempt to collect outstanding balances; and

WHEREAS Exhibit A provides a list of uncollectible accounts for the period ending February 28, 2025, and is made a part of this resolution;

BE IT THEREFORE RESOLVED that the Board of Directors of the Sutter Community Affordable Housing authorizes the President to write-off as collection losses the tenant receivables listed on Exhibit A totaling \$1,262.50.

This Resolution is to take effect immediately.

This Resolution is presented at the Special Meeting of the Board of Directors, passed, and adopted this 25th day of February 2025 by the following vote:

AYES:

NAYS:

ABSTAINED:

ABSENT:

ATTEST:

Manny Cardoza, President

**Yolo - Yuba City
Collection Loss Write Off
Period: February 2025**

Tenant I.D.	Address	Date		Monthly Rent	Rent Owed	Late Fee's	Damages	Utilities	Legal Fee's	Total Owed	Payback Agreement
		Move In	Move Out								
T0035843	554 Yolo Street #C - Yuba City, CA 95991	11/06/2023	07/24/2024	\$ 997.00	\$ 348.00	\$ -	\$ 914.50	\$ -	\$ -	\$ 1,262.50	No
					\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	No
					\$ 348.00	\$ -	\$ 914.50	\$ -	\$ -	\$ 1,262.50	
										\$ 1,262.50	Total Write Off

Tenant I.D.
T0035843

Deceased *

Tenants listed with Payback Agreement's failed to honor the Agreement.

Utility costs incurred by PHA from tenant move-in date until transferred to tenant's name. Those charges are then billed to the tenant.

Exhibit A

**SUTTER COMMUNITY AFFORDABLE HOUSING
STAFF REPORT**

Date: February 25, 2025
To: Board of Directors
From: Marco Cruz, Chief Financial Officer

SUBJECT: Omnibus Assignment and Assumption Agreement Amendment

Background

On August 24, 2021, the Board of Directors approved an Omnibus Agreement with Regional Housing Authority (RHA). This instrument defined the reimbursement of development expenses and fees pass through from Sutter Community Affordable Housing to RHA.

2024 Additions/Deletions

Between Regional Housing Authority and Sutter Community Affordable Housing, Inc.:

Deletions: None

Additions: None

Recommendation

Staff recommends that Sutter Community Affordable Housing Board of Directors approve the 2024 Schedule A and B for the Omnibus Assignment and Assumption Agreement with Regional Housing Authority.

Prepared by:

Submitted by:



Marco A. Cruz, Chief Financial Officer



Gustavo Becerra, Executive Director

2024 SCHEDULE A

-Signature Page-

Effective for Calendar Year ending December 31, 2024

ASSIGNEE

REGIONAL HOUSING AUTHORITY

By: _____
Name: Gustavo Becerra
Title: Executive Director

ASSIGNOR(S)

NEW HAVEN-SCAH, LLC,
a California limited liability company

By: Sutter Community Affordable Housing,
a California non-profit public benefit corporation
Its: Manager

By: _____
Name: Manny Cardoza
Its: President

KRISTEN COURT III-SCAH, LLC,
a California limited liability company

By: Sutter Community Affordable Housing,
a California non-profit public benefit corporation
Its: Manager

By: _____
Name: Manny Cardoza
Its: President

RICHLAND VILLAGE-SCAH, LLC,
a California limited liability company

By: Sutter Community Affordable Housing,
a California non-profit public benefit corporation
Its: Manager

By: _____
Name: Manny Cardoza
Its: President

SUTTER COMMUNITY AFFORDABLE HOUSING,
a California non-profit public benefit corporation

By: _____
Name: Manny Cardoza
Its: President

2024 SCHEDULE B

-Assignor and Project Listing-

Assignor	Project
NEW HAVEN-SCAH, LLC	New Haven
KRISTEN COURT III-SCAH, LLC	Kristen Court Phase 3
RICHLAND VILLAGE-SCAH, LLC	Richland Village
SUTTER COMMUNITY AFFORDABLE HOUSING	New Haven Maple Park Phase 1 Kristen Court Phase 1 Kristen Court Phase 2 Kristen Court Phase 3 Richland Village

SUTTER COMMUNITY AFFORDABLE HOUSING

1455 BUTTE HOUSE ROAD
YUBA CITY, CA 95993
(530) 671-0220

BOARD OF DIRECTORS APPLICATION

Name: Anthony (Tony) Kurlan Home Phone: 530-923-7336
Address: 636 Anna Drive ^{Call} Bus. Phone: 714-599-6725
Yuba City, CA 95993
Occupation: Retired (Sales + Marketing Director)

Employer's Name: _____

Employer's Address: _____

PLEASE STATE YOUR QUALIFICATIONS AND/OR REASONS FOR WISHING TO SERVE AS A BOARD MEMBER. (Use additional sheets of paper if necessary)

Spent 4 years on RHC Board as
Commissioner. Always interested in
how to improve affordable housing

The Board of Directors meets every fourth Tuesday of each month. The meetings last no longer than two hours.

If appointed, will you be able to attend meetings regularly and devote the time necessary to fulfill your duties as a Board member? YES NO

Please attach a brief resume of experience and qualifications that will assist in evaluating your application.

Please see application to serve as
RHA Commissioner.

SUTTER COMMUNITY AFFORDABLE HOUSING

Financial Statements and Independent Auditors' Report

Year Ended March 31, 2024



smithmarion
connected . focused . understandable

SUTTER COMMUNITY AFFORDABLE HOUSING

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- t: (615) 309-8959
- f: (909) 825-9900
- 4068 rural plains circle #180
- franklin, tn 37064



Independent Auditors' Report

The Governing Body of
Sutter Community Affordable Housing

Report on the Financial Statements

Opinion

We have audited the financial statements of Sutter Community Affordable Housing (the Corporation), which comprise the statement of financial position as of and for the year ended March 31, 2024, and the related statements of activities, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the Corporation as of March 31, 2024, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with Auditing Standards Generally Accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Corporation and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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



In performing an audit in accordance with GAAS we:

(1) Exercise professional judgment and maintain professional skepticism throughout the audit; (2) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements; (3) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control. Accordingly, no such opinion is expressed; (4) Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements; (5) Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Corporation's ability to continue as a going concern for a reasonable period of time.

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Corporation's financial statements. The accompanying supplementary information is presented for the purpose of additional analysis and are not a required part of the basic financial statements.

That information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. That information has been subjected to the auditing procedures applied in the audit of the financial statements and certain other procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, that information is fairly stated in all material respects in relation to the financial statements as a whole.

September 13, 2024

SUTTER COMMUNITY AFFORDABLE HOUSING

Statement of Financial Position

March 31, 2024

Assets

Current assets

Cash	\$ 557,719
Net tenant accounts receivable	278
Investments in joint ventures and partnerships	3,284,698
Prepaid expenses	<u>11,639</u>
Total current assets	<u>3,854,334</u>

Tenant deposits held in trust 22,865

Notes and related interest receivable 893,258

Property and equipment, at cost

Land	45,061
Building	2,845,045
Furniture, equipment, and machinery	<u>1,838</u>
Total acquisition costs	2,891,944
Less: accumulated depreciation	<u>(2,167,360)</u>
Net fixed assets	<u>724,584</u>

Total Assets \$ 5,495,041

SUTTER COMMUNITY AFFORDABLE HOUSING

Statement of Financial Position

March 31, 2024

Liabilities and Net Assets

Current liabilities

Accounts payable	\$ 9,119
Prepaid rent	3,684
Unearned revenue - current	<u>328,500</u>
Total current liabilities	<u>341,303</u>

Tenant deposits held in trust (contra) 22,865

Non-current liabilities

Unearned revenue non-current 2,628,000

Notes and loans payable

Principal	2,156,956
Accrued interest payable	<u>1,516,638</u>
Total financing liability	3,673,594

Total liabilities 6,665,762

Net assets without donor restriction (1,170,721)

Total Liabilities and Net Assets **\$ 5,495,041**

SUTTER COMMUNITY AFFORDABLE HOUSING

Statements of Activities
Year Ended March 31, 2024

Income

Net rental income	\$ 336,507
Financial	103
Other	<u>391,960</u>
Total income	728,570

Expenses

Administrative	65,847
Utilities	36,192
Operating and maintenance	87,681
Taxes and insurance	24,016
Financial	59,909
Tenant services	<u>8,431</u>
Total expenses	282,076

Profit (loss) before depreciation and amortization	446,494
Less: depreciation and amortization	<u>(106,697)</u>

Profit (loss) from operations	339,797
Less: entity expenses	<u>-</u>

Net Income (Loss) \$ 339,797

Net Assets without Donor Restriction

Beginning of year	\$ (1,510,518)
Net income (loss)	<u>339,797</u>
End of Year	<u><u>\$ (1,170,721)</u></u>

SUTTER COMMUNITY AFFORDABLE HOUSING

Statement of Cash Flows
Year Ended March 31, 2024

Cash flows from operating activities	
Net income (loss)	\$ 339,797
Adjustments to reconcile net income (loss) to net cash from (used for) operating activities:	
Depreciation	106,697
Interest accrual	59,909
Bad debt	3,343
Tax credit proceed loan	(328,500)
Changes in operating assets and liabilities:	
Accounts receivable	19,767
Prepaid expenses and other assets	(2,263)
Tenant security deposits	1,484
Accrued liabilities	(4,346)
Prepaid rent	366
Net cash from operating activities	<u>196,254</u>
Cash flows from investing activities	
Purchase of fixed assets	<u>(18,536)</u>
Net cash from investing activities	<u>(18,536)</u>
Net change in cash	177,718
Cash at beginning of period	<u>402,866</u>
Cash at End of Period	<u><u>\$ 580,584</u></u>
<i>Reconciliation to cash on statement of financial position:</i>	
Cash	\$ 557,719
Tenant deposits held in trust	<u>22,865</u>
Total Cash	<u><u>\$ 580,584</u></u>
<i>Cash paid during the year for:</i>	
Interest	\$ -

See accompanying notes.

SUTTER COMMUNITY AFFORDABLE HOUSING

Notes to Financial Statements

NOTE - 01 ORGANIZATION AND NATURE OF ACTIVITIES

Sutter Community Affordable Housing (the Corporation) is a not-for-profit corporation formed in 1997, in accordance with the not-for-profit statutes of the state of California. The Corporation was formed for the purpose of providing housing for low income families and elderly and handicapped persons who cannot afford decent, safe, and sanitary housing, by constructing, rehabilitation, owning, and operating housing units, and the sale or rental of the same to poor, underprivileged, handicapped and elderly, in conjunction with the state and federal low income housing programs, and to provide related facilities and services especially designed to meet the physical, social and psychological needs of said families and persons which will contribute to their health, security, happiness, and usefulness, and to thereby, inter alia, ameliorate the existing housing shortage, provide relief for the poor, distressed and underprivileged, lessen the burdens of the government, and combat community deterioration and juvenile delinquency.

NOTE - 02 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation of the Accompanying Financial Statements

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

The financial statements are in conformity with the provisions required by the Not-for-Profit Entities Presentation of Financial Statements topic of the FASB *Accounting Standards Codification (ASC)* 958-205. This statement established standards for external financial reporting for Not-for-Profit Organizations.

The Not-for-Profit Entities Presentation of Financial Statements topic of the FASB ASC primarily affects the display of the financial statements and requires that the amounts for each of two classes of net assets--with or without donor restrictions--be displayed in an aggregate statement of financial position and the amounts of change in each of those classes of net assets be displayed in a statement of activities. All assets held by the Corporation at March 31, 2024, are classified as without donor restrictions.

Accounting Method

The Corporation uses the accrual method of accounting, which recognizes income in the period earned and expenses when incurred, regardless of the timing of payments.

Estimates

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

Revenue Recognition

The Corporation rents apartment units on a year-to-year basis and recognizes revenues when earned. Rental income is shown at its maximum gross potential. Vacancy loss is shown as a reduction in rental income. Rental units occupied by employees are included in rental income and as an expense of operations.

Cash

Cash is defined as cash in demand deposit accounts as well as cash on hand.

SUTTER COMMUNITY AFFORDABLE HOUSING

Notes to Financial Statements

Restricted Deposits

All reserves of the Corporation are established by internal budgeting and are not required pursuant to any regulatory or debt agreements, therefore they are available for use without any prior approval from external entities.

Tenant Receivable and Bad Debt Policy

Tenant rent charges for the current month are due on the first of the month. Tenants who are evicted or move-out are charged with damages or cleaning fees, if applicable. Tenant receivables consist of amounts due for rental income or the charges for damages and cleaning fees. The Corporation does not accrue interest on the tenant receivable balances.

Tenant receivables are charged to bad debt expense when they are determined to be uncollectible based upon a periodic review of the accounts by management. Accounting principles generally accepted in the United States of America require that the allowance method be used to recognize bad debts; however, the effect of using the direct write-off method is not material to the financial statements. Bad debt expense for the year ended March 31, 2024, was \$3,343.

Property and Equipment/Investment in Real Estate

Property and equipment are stated at cost of acquisition or construction. The costs of maintenance and repairs are charged to expense as incurred. Depreciation is computed based on the straight-line method over the estimated useful lives of the assets.

The useful lives of the assets are estimated as follows:

Buildings	30 years
Equipment	5-10 years

Purchases of more than \$5,000 are capitalized, while purchases below the threshold are charged as expenses during the period in which they were incurred.

Impairments

The Corporation reviews its investment in real estate for impairment whenever events or changes in circumstances indicate that the carrying value of such property may not be recoverable. Recoverability is measured by a comparison of the carrying amount of the real estate to the future net undiscounted cash flow expected to be generated by the rental property, including any estimated proceeds from the eventual disposition of the real estate. If the real estate is considered to be impaired, the impairment to be recognized is measured at the amount by which the carrying amount of the real estate exceeds the fair value of such property. There were no impairment losses in 2024.

Advertising Costs

Advertising costs are expensed as incurred and are included in administrative expense in the statement of activities.

Fair Value

The Corporation is subject to the provisions of the Fair Value Measurement topic of the FASB ASC 820-10 which provides guidance for assets and liabilities which are required to be measured at fair value and requires expanded disclosure for fair value measurement. The standard applies whenever other standards require or permit assets or liabilities to be measured at fair value and does not require any new fair value measurements.

SUTTER COMMUNITY AFFORDABLE HOUSING

Notes to Financial Statements

The Fair Value Measurement did not have a material impact on the Corporation's financial statements for the year ended March 31, 2024.

Accounting for Uncertainty in Income Taxes

The Corporation is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code and state income tax and has been classified as an other-than private foundation. Accordingly, no provision for federal and state taxes on revenue and income has been recognized in the accompanying financial statements. Generally, the Federal and State tax returns were subject to examinations from the three years after the later of the original or extended due date or the date filed with the applicable tax authority.

Classification of Net Assets

Net assets of the Corporation are classified based on the presence or absence of donor-imposed restrictions. Net assets are comprised of two groups: *Net Assets without Donor Restrictions* – Amounts that are not subject to usage restrictions based on donor-imposed requirements. This class also includes assets previously restricted where restrictions have expired or been met; and *Net Assets with Donor Restrictions* – Assets subject to usage limitations based on donor imposed or grantor restrictions. These restrictions may be temporary or may be based on a particular use. Restrictions may be met by the passage of time or by actions of the Corporation. Certain restrictions may need to be maintained in perpetuity.

Earnings related to restricted net assets will be included in net assets without donor-restrictions unless otherwise unless specifically required to be included in donor-restricted net assets by the donor or by applicable state law.

The Corporation does not interpret the guidance in the standard to include amounts restricted for reserves as donor restricted. The Corporation believes that these amounts do not meet the spirit of the standard for such a classification or is there any industry standard indicating that others will treat these assets as donor restricted.

All net assets of the Corporation at March 31, 2024, were considered to be net assets without donor restrictions.

Subsequent Events

Management evaluated the activity of the Corporation through September 13, 2024, the date the financial statements were available to be issued.

NOTE - 03 LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The Corporation manages its liquidity by completing annual operating budgets that provide sufficient funds for general expenditures in meeting liabilities and other obligations as they become due and maintains reserves that may be drawn upon as needed during the year to manage cash flow and make necessary repairs. The Corporation's cash and cash equivalents are available within one year of the statement of financial position date to meet cash needs for general expenditures.

SUTTER COMMUNITY AFFORDABLE HOUSING

Notes to Financial Statements

NOTE - 04 NOTES PAYABLE

Notes payable are summarized as follows:

	Principal	Interest Payable
Redevelopment Agency (RDA) loan with the City of Yuba City, in the original amount of \$1,400,000, bearing simple interest at 3% per annum, payable from residual receipts, and matures March 2053. Secured by Towncenter Senior Manor apartments. Interest for the current year was \$39,708.	\$ 1,323,589	\$ 991,462
Home Investment Partnership (HOME) loan with the City of Yuba City, in the original amount of \$673,367, bearing simple interest at 3% per annum, payable from residual receipts, and matures March 2053. Secured by Town Center Senior Manor apartments. Interest for the current year was \$20,201.	673,367	525,176
Loan with the City of Yuba City, in the original amount of \$160,000, bearing no interest, payments deferred until maturity, and matures July 2056. Secured by Yolo/Heiken property. Interest for the current year was \$-.	<u>160,000</u>	<u>-</u>
Total	<u>\$ 2,156,956</u>	<u>\$ 1,516,638</u>

Principal payments on notes payable for the next five years and thereafter are estimated as follows:

	Principal
2025	\$ -
2026	-
2027	-
2028	-
2029	-
Thereafter	<u>2,156,956</u>
	<u>\$ 2,156,956</u>

SUTTER COMMUNITY AFFORDABLE HOUSING

Notes to Financial Statements

NOTE - 05 NOTES RECEIVABLE

Notes receivable were comprised of the following:

	Principal	Interest Receivable
State tax credit proceed loan receivable due from a related party, Live Oak Pacific Associates II, LP, a partnership in which the Corporation is named as the Managing General Partner of. The note is in the amount of \$1,100,458, bears no interest, and matures September 2064.	\$ 893,258	\$ -
Total	\$ 893,258	\$ -

NOTE - 06 BUSINESS RISKS AND CONCENTRATIONS

Housing Assistance Payments (HAP) Contract

The Corporation recorded \$202,555 of its revenues during the year ended March 31, 2024, from Regional Housing Authority under the terms of one or more HAP contracts which provide for rental assistance to the Corporation on behalf of low-income tenants who meet certain qualifications. The Corporation's future intentions and the future changes in HUD regulations and the appropriations of related funds are uncertain, and accordingly, it is not possible to determine the ultimate impact on the operations of the Corporation.

Geographic Location

The Corporation's operations and assets are concentrated in Yuba City, California.

Financial Instruments and Credit Risk

The Corporation maintains its cash in bank deposit accounts which, at times, may exceed federally insured limits. The Corporation has not experienced any losses in such accounts. The Corporation believes it is not exposed to any significant credit risk on cash and cash equivalents.

NOTE - 07 RELATED PARTIES AND MANAGEMENT AGREEMENT

Regional Housing Authority

The Corporation is managed by Regional Housing Authority (the Authority). The management agreement allows for a management fee to be paid to the Authority that is to be approved annually by the Board. Management fees total \$28,800 for the year ended March 31, 2024.

The Corporation's insurance coverage is provided for under consolidated policies issued through conventional insurance providers and maintained by the Authority.

In addition, the land on which the Town Center apartments are located is leased for a period of 55 years from the Authority for one dollar a year.

Live Oak Pacific Associates, LP

The Corporation earned a partnership management fee of \$5,600 for the year ended March 31, 2024, from Live Oak Pacific Associates, LP, a partnership in which the Corporation is named as the Managing General Partner with a 0.005% interest in.

SUTTER COMMUNITY AFFORDABLE HOUSING

Notes to Financial Statements

Live Oak Pacific Associates II, LP

The Corporation earned a partnership management fee of \$2,400 for the year ended March 31, 2024, from Live Oak Pacific Associates II, LP, a partnership in which the Corporation is named as the Managing General Partner of.

In addition, the Corporation has a note receivable with this entity. See Note 05 for further disclosure.

NOTE - 08 INVESTMENTS IN PARTNERSHIPS

The Corporation is a co-general partner in Maple Park Phase I, LP, as well as managing general partner in Live Oak Pacific Associates, LP, and Live Oak Pacific Associates II, LP. The Corporation's share of profit (loss) and capital is 0.003 percent, 0.005 percent, and 0.005 percent, respectively.

NOTE - 09 FUNCTIONAL EXPENSES

The Corporation provides low-income housing to its tenants. The cost of providing program services and supporting activities has been summarized on a functional basis in the table below. Expense directly attributable to a specific functional activity of the are reported as expenses of those functional activities. There are no functional expenses that require allocation between activities.

See breakdown below:

Expense Line	Rental Operations	Management and General	Fundraising	Total
Administrative	\$ 29,689	\$ 36,158	\$ -	\$ 65,847
Utilities	36,192	-	-	36,192
Operating and maintenance	87,681	-	-	87,681
Taxes and insurance	24,016	-	-	24,016
Financial	59,909	-	-	59,909
Tenant services	8,431	-	-	8,431
Depreciation and amortization	106,697	-	-	106,697
Total	\$ 352,615	\$ 36,158	\$ -	\$ 388,773

SUTTER COMMUNITY AFFORDABLE HOUSING

Schedule of Operating Revenues
Year Ended March 31, 2024

Revenues:

5120	Rent revenue - gross potential	\$ 133,952
5121	Tenant assistance payments	<u>202,555</u>
5100T	Total rent revenue	<u>336,507</u>
5152N	Net rental revenue (rent revenue less vacancies)	<u>336,507</u>
5410	Financial revenue - project operations	<u>103</u>
5400T	Total financial revenue	<u>103</u>
5910	Laundry and vending	198
5920	Tenant charges	4,443
5990	Miscellaneous revenue	<u>387,319</u>
5900T	Total other revenue	<u>391,960</u>
5000T	Total revenue	<u>\$ 728,570</u>

SUTTER COMMUNITY AFFORDABLE HOUSING

Schedule of Operating Expenses
Year Ended March 31, 2024

Expenses:

6204	Management consultants	\$ 3,675
6310	Office salary	14,287
6311	Office supplies	8,240
6320	Management fees	28,800
6350	Auditing	7,358
6370	Bad debts	3,343
6390	Miscellaneous	144
6263T	Total administrative expenses	<u>65,847</u>
6450	Electricity	8,666
6451	Water	6,048
6452	Gas	865
6453	Sewer	20,613
6400T	Total utilities expenses	<u>36,192</u>
6515	Supplies	8,530
6520	Contractor	63,312
6525	Garbage and trash	10,660
6570	Vehicle and equipment repairs	4,679
6500T	Total operating and maintenance expenses	<u>87,681</u>
6711	Payroll taxes	1,045
6720	Property insurance	14,251
6722	Worker's compensation	405
6723	Health insurance and other benefits	3,989
6790	Miscellaneous	4,326
6700T	Total taxes and insurances	<u>24,016</u>
6820	Interest on mortgage	59,909
6800T	Total financial expenses	<u>59,909</u>
6900-01	Salary	8,431
6900T	Total tenant service expenses	<u>8,431</u>
6000T	Total cost of operations	<u>\$ 282,076</u>

**SUTTER COMMUNITY AFFORDABLE HOUSING
STAFF REPORT (BUDGET)**

Date: February 25, 2025
To: Board of Directors
From: Marco Cruz, Chief Financial Officer

SUBJECT: Fiscal Year Ending 2026 Operating Budgets
RECOMMENDATION: Approve Operating Budgets

Background:

In accordance with sound fiscal management and programmatic requirements, the staff of Regional Housing Authority (RHA) creates Sutter Community Affordable Housing’s (SCAH) annual budget for the Board of Directors to review and approve. Revenues and expenses for the upcoming fiscal year are analyzed and estimated. While the most up to date projections are presented here actual performance may vary.

What are our programs, number of units and designations?

Town Center Senior Manor:

This is a 28-unit senior complex located in Yuba City, CA. Town Center is directly owned by SCAH and managed by the staff of RHA. Operating revenues provided by tenant rent and Housing Choice Voucher assistance. Town Center accepts Housing Choice Voucher that are *tenant-based*. These vouchers move with the tenant.

Yolo-Heiken:

This is a 5-unit family complex located in Yuba City, CA. Yolo-Heiken is directly owned by SCAH and managed by the staff of RHA. Operating revenues provided by tenant rent and Housing Choice Voucher assistance. Yolo-Heiken has Housing Choice Voucher *project-based* units. These vouchers stay with the project.

Low-Income Housing Tax Credit (LIHTC) Developments:

SCAH has partnered with various developers and fulfills the role of Managing General Partner to build low-income housing projects in Sutter County. These developments are funded with federal and State tax credits, State funding from the California Department of Housing & Community Development, and local funding. Except for Maple Park Phase 1, these developments are managed by an outside firm. Their budgets are not included with SCAH’s. Operating revenue includes tenant rents and in some cases Section 8 rental assistance subsidies.

Maple Park Phase-1	56 units (SCAH is a co-manager)
Kristen Court Phase-1	56 units
Kristen Court Phase-2	24 units
Kristen Court Phase-3	32 units
New Haven Court	40 units

FYI 2026 Budget Highlights

Revenues:

SCAH’s revenues are derived from tenant rent payments and rental subsidies from Section 8 vouchers. There is a small amount of washing machine income and reimbursements for tenant damages. For FYE 2025 we anticipate a 5% increase to rents for Yolo-Heiken and 5% for Town Center’s non-HOME units. Town Center’s HOME rents will increase about 5%. For FYE 2025 the expected vacancy rate for Town Center and Yolo-Heiken is 2% and 0% respectively.

Salaries and Benefits:

SCAH directly reimburses RHA’s staffing salaries and benefits to manage the property. The budget includes 3.5% wage increases and a 9% increase to health benefits. California’s minimum wage has increased to \$16.50/hr increasing our onsite manager costs. Maintenance staffing is reimbursed through per visit trip charges and an 8% increase is expected.

Insurance:

Insurance continues to rise at a rapid pace due to wildfires and a lack of reinsurers. SCAH’s insurance rose 12% over prior years which continues its double-digit trend though lower than the 30% from the prior year.

Other Expenses:

For FYE 2026, general and administrative expenses increased by 5%. Maintenance supply and contract costs rose by 8% with some items such as plumbing increasing by 10%. In FYE 2025, we had unexpected balcony repairs, significantly impacting Yolo-Heiken. These inspections will occur again in six years.

Capital Expenditures:

Town Center:

Sprinkler:	\$60,000
A/C Wire Upgrade	\$25,000
Stair treads	\$40,000
Stair Inspections/repairs	\$6,000
Stripe and seal	\$8,000
<u>Elevator Repair:</u>	<u>\$125,000</u>
Total	\$264,000

Yolo-Heiken:

Stair Inspections/repairs	\$5,000
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RECOMMENDATION:

It is recommended that the Board of Directors of the Sutter Community Affordable Housing approve the FYE 2026 operating budget.

Prepared by:

Submitted by:



Marco A. Cruz, Chief Financial Officer



Gustavo Becerra, Executive Director

Town Center Senior Manor

Period = Apr 2025-Mar 2026

		Trailing 12 Months	FYE 2026 Budget	Increase/(Decrease)
3000-00-000	INCOME			
3199-00-000	NET TENANT INCOME	290,521.02	307,908.00	17,386.98
3699-00-000	OTHER INCOME	-20,113.28	-20,592.00	-478.72
3999-00-000	TOTAL INCOME	270,407.74	287,316.00	16,908.26
4000-00-000	EXPENSES			
4199-00-000	ADMINISTRATIVE EXPENSES	52,204.61	52,473.47	268.86
4299-00-000	TENANT SERVICES EXPENSES	8,427.64	9,608.00	1,180.36
4399-00-000	UTILITY EXPENSES	42,868.33	44,986.00	2,117.67
4499-00-000	MAINTENANCE EXPENSES	66,728.42	83,400.00	16,671.58
4599-00-000	GENERAL EXPENSES	17,033.58	15,744.00	-1,289.58
4899-00-000	FINANCING EXPENSES	59,908.68	59,909.00	0.32
5999-00-000	NON-OPERATING ITEMS	169,466.47	152,796.00	-16,670.47
8000-00-000	TOTAL EXPENSES	420,767.73	418,916.47	-1,851.26
9000-00-000	NET INCOME	-150,859.99	-131,600.47	19,259.52

Yolo Heiken

Period = Apr 2025-Mar 2026

		Trailing 12 Months	FYE 2026 Budget	Increase/(Decrease)
3000-00-000	INCOME			
3199-00-000	NET TENANT INCOME	70,077.21	75,740.00	5,662.79
3699-00-000	OTHER INCOME	3,371.86	4,680.00	1,308.14
3999-00-000	TOTAL INCOME	73,449.07	80,420.00	6,970.93
4000-00-000	EXPENSES			0
4199-00-000	ADMINISTRATIVE EXPENSES	9,907.83	11,840.76	1,932.93
4399-00-000	UTILITY EXPENSES	7,272.17	7,670.00	397.83
4499-00-000	MAINTENANCE EXPENSES	14,120.48	11,220.00	-2,900.48
4599-00-000	GENERAL EXPENSES	2,956.10	2,832.00	-124.10
5999-00-000	NON-OPERATING ITEMS	14,785.27	13,536.00	-1,249.27
8000-00-000	TOTAL EXPENSES	50,955.85	47,098.76	-3,857.09
9000-00-000	NET INCOME	22,493.22	33,321.24	10,828.02

DATE: February 25, 2025
TO: Board of Directors
FROM: Tom Goodwin, Operations Manager

SUBJECT: Maintenance and Operations Update

- Total work orders for October, November, December 2024 were 112.
- The prior report completed total were 142
- Total number of work orders by projects:
Break down as follows:

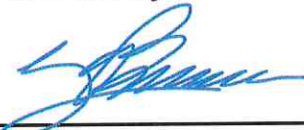
Priority & Category	Maple Park	Town Center	Yolo	TOTAL
Emergency	13	3	2	18
Make Ready's	3			3
Routine	70	21	6	97
Scheduled				0
Pest			1	1
Cancelled				0
HQS	8			8
Total Property	86	24	8	118
Pending	6			6
Completed	80	24	8	112

Prepared By:

Tom Goodwin

Tom Goodwin, Operations Manager

Submitted By:



Gustavo Becerra, Executive Director

SUTTER COMMUNITY AFFORDABLE HOUSING

STAFF REPORT

Date: February 25, 2025
To: Board of Directors
From: Pattra Runge, Occupancy Manager

SUBJECT: Quarterly Occupancy (Q3 2024-2025) report for quarter ending December 31, 2024

RECOMMENDATION: None - Update Only

FISCAL IMPACT: None - Informational Only

Sutter Community Affordable Housing

Development	Units Available	Units Leased October	Units Leased November	Units Leased December
Town Center (Yuba City)	27	27	27	27
Yolo-Heiken (Yuba City)	5	5	5	5
Maple Park I (Live Oak)	55	52	52	52
Kristen Court I (Live Oak)	55	52	53	53
Kristen Court II (Live Oak)	24	21	22	23
Kristen Court III (Live Oak)	32	28	28	29
New Haven Court (Yuba City)	39	39	38	37

Currently, the following property waitlists are open: Kristen Court (all phases). Vacancies continue to be filled within an approximate 30-day turn-around period.

Prepared by:


Pattra Runge
Occupancy Manager
Regional Housing Authority

Submitted by:


Gustavo Becerra
Executive Director
Regional Housing Authority

**SUTTER COMMUNITY AFFORDABLE HOUSING
STAFF REPORT**

Date: February 25, 2025
To: Board of Directors
From: Marco Cruz, Chief Financial Officer

SUBJECT: Financial Review (April 2024-December 2024)

Town Center Senior Manor

INCOME STATEMENT APRIL-DECEMBER

	Town Center Actual	Town Center Budget	Town Center Variance
REVENUE	\$220,186	\$215,856	\$4,330
OPERATING EXPENSES	\$137,610	\$162,435	\$24,825
OPERATING REVENUE	\$82,576	\$53,421	\$29,155
NON-OPERATING EXPENSES	\$71,862	\$76,077	\$4,215
NET INCOME	\$10,713	(\$22,656)	\$33,369

TOWN CENTER BALANCE SHEET

	Mar 2024 Balance	Dec 2024 Balance	Net Change
CASH	\$373,645	\$430,595	\$56,950
ACCOUNTS AND NOTES RECEIVABLE	\$253	(\$717)	(\$970)
OTHER CURRENT ASSETS	\$10,194	\$90	(\$10,104)
FIXED ASSETS (NET)	\$602,512	\$554,730	(\$47,782)
TOTAL ASSETS	\$986,604	\$984,698	(\$1,906)
CURRENT LIABILITIES	\$1,547,902	\$1,548,681	\$779
NONCURRENT LIABILITIES	\$1,996,956	\$1,996,956	\$0
RETAINED EARNINGS	(\$2,558,254)	(\$2,560,939)	(\$2,685)
TOTAL LIABILITIES AND EQUITY	\$986,604	\$984,698	(\$1,906)

Town Center’s revenues are above budget due to less vacancies than budgeted. Operating expenses are below budget in all areas, including salaries, administrative, and maintenance costs. Total cash increased by \$56,950 year to date.

Yolo-Heiken

INCOME STATEMENT APRIL-DECEMBER

	Yolo-Heiken Actual	Yolo-Heiken Budget	Yolo-Heiken Variance
REVENUE	\$57,131	\$47,393	\$9,738
OPERATING EXPENSES	\$28,028	\$25,001	(\$3,027)
OPERATING REVENUE	\$29,103	\$22,392	\$6,711
NON-OPERATING EXPENSES	\$5,693	\$5,976	\$283
NET INCOME	\$23,410	\$16,416	\$6,994

YOLO-HEIKEN BALANCE SHEET

	Mar 2024 Balance	Dec 2024 Balance	Net Change
CASH	\$139,502	\$167,545	\$28,043
ACCOUNTS AND NOTES RECEIVABLE	\$25	\$1,656	\$1,631
OTHER CURRENT ASSETS	\$1,445	\$10	(\$1,435)
FIXED ASSETS (NET)	\$121,769	\$116,076	(\$5,693)
TOTAL ASSETS	\$215,758	\$285,288	\$69,530
CURRENT LIABILITIES	\$4,404	\$5,455	\$1,051
NONCURRENT LIABILITIES	\$160,000	\$160,000	\$0
RETAINED EARNINGS	\$98,337	\$119,833	\$21,496
TOTAL LIABILITIES AND EQUITY	\$215,758	\$285,288	\$69,530

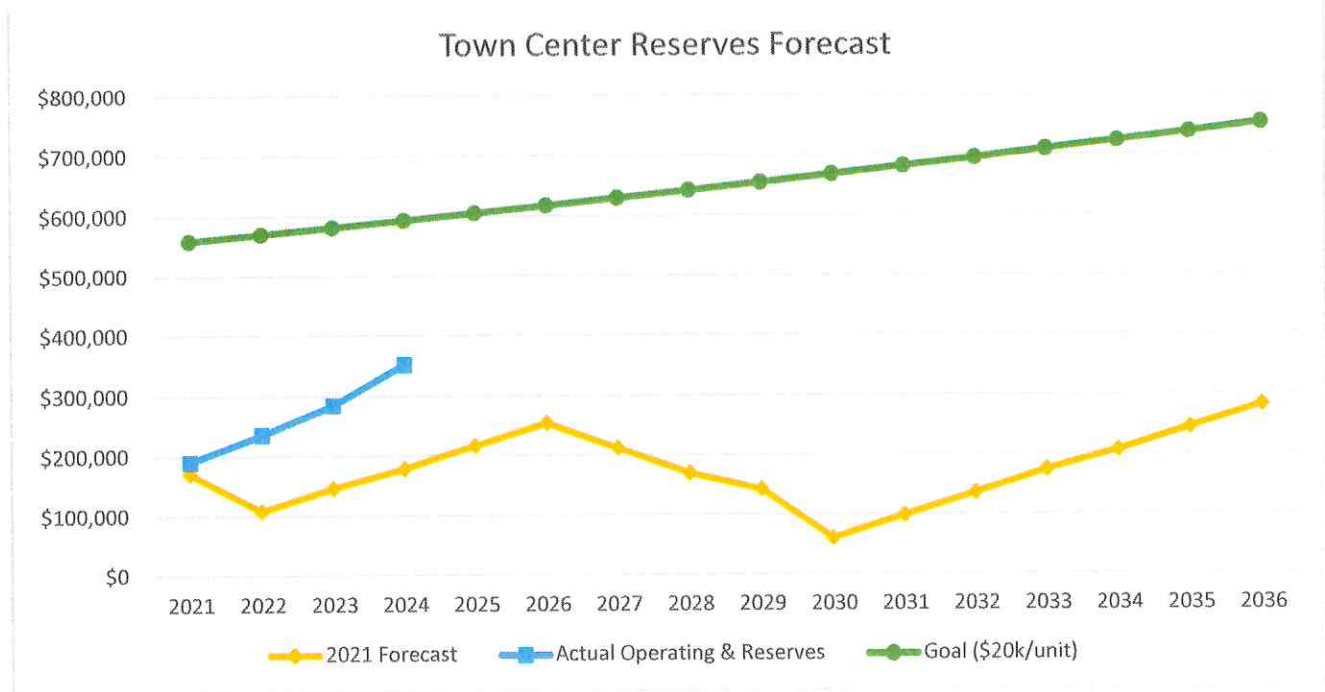
Yolo-Heiken’s revenues are higher than expected due to low vacancy. Administrative expenses were lower than budgeted but were offset by higher maintenance expenses. Balcony inspections and higher than expected work orders caused a YTD negative variance. Its cash position has increased by \$28,043 since the start of the fiscal year.

RESERVE ACCOUNTS:

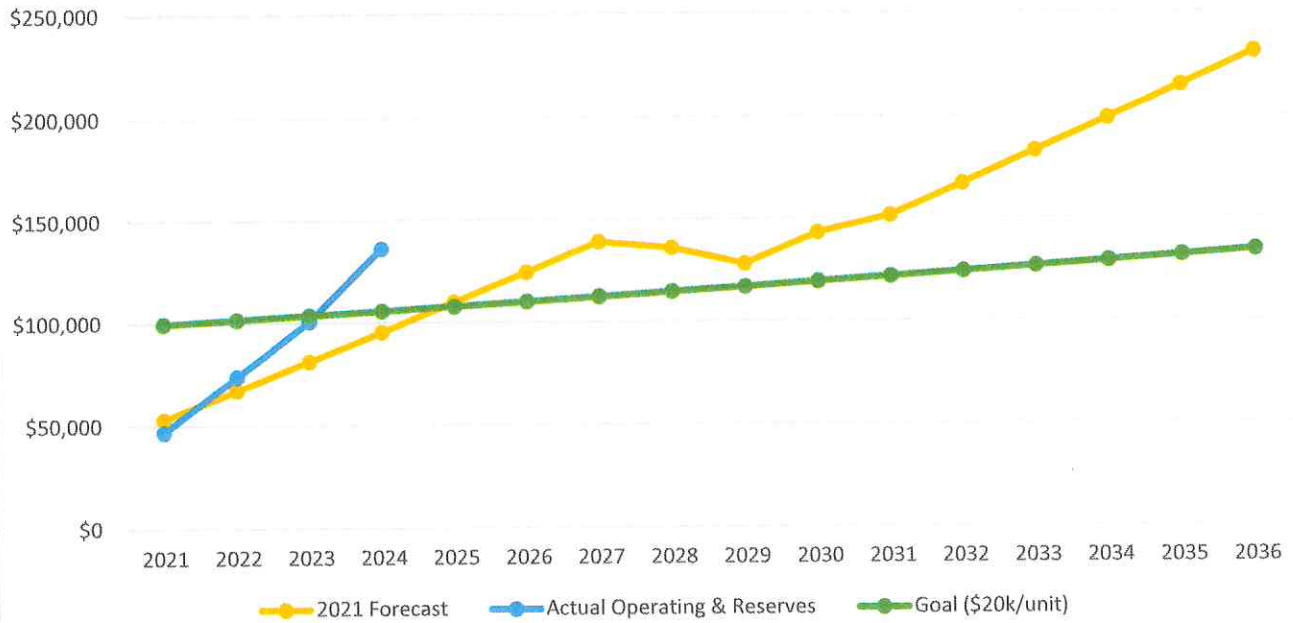
	Mar 2024	Dec 2024	Inc/(Decr)
TC Operations Reserve	\$227,351	\$265,828	\$38,477
TC Replacement Reserve	\$98,503	\$98,518	\$15
Yolo-Heiken Operating Reserve	\$113,889	\$137,107	\$23,219

UPDATED RESERVE ACCOUNTS:

Staff annually updates the Town Center and Yolo-Heiken’s reserves forecasts. Town Center’s reserves are higher than originally forecasted as elevator maintenance was not necessary in 2024. This expenditure has been pushed forward to 2025.



Yolo Reserves Forecast



Prepared by:

Marco Cruz

Marco A. Cruz, Chief Financial Officer

Submitted by:

Gustavo Becerra

Gustavo Becerra, Executive Director