



## AGENDA

ISLAND CITY DEVELOPMENT  
Special Meeting  
December 3, 2019 at 3:00 PM  
Housing Authority of the City of Alameda  
Conference Room  
701 Atlantic Avenue, Alameda

1. CALL TO ORDER & ROLL CALL
2. PUBLIC COMMENT (Non-Agenda)
3. CONSENT CALENDAR **(Action)**
  - a. Approval of Minutes – November 8, 2019 Meeting, **Page 1**
4. NEW BUSINESS
  - a. Accept the 2020 Budget for Sherman and Buena Vista LP, **Page 4 (Action)**
  - b. Accept the 2020 Budget for Everett and Eagle LP, **Page 11 (Action)**
5. NON-AGENDA (Public Comment)
6. WRITTEN COMMUNICATIONS
7. ORAL COMMUNICATIONS – BOARD MEMBERS AND STAFF
8. ADJOURNMENT

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### NOTES:

- If you need special assistance to participate in the meetings of the Island City Development Board of Directors, please contact Stacey Wilson at (510) 747-4307 (TTY/TRS: 711) or [swilson@alamedahsg.org](mailto:swilson@alamedahsg.org). Notification 48 hours prior to the meeting will enable the Island City Development Board of Directors to make reasonable arrangements to ensure accessibility.
- Documents related to this agenda are available for public inspection and copying at the Office of the Housing Authority, 701 Atlantic Avenue, during normal business hours.
- Know Your RIGHTS Under The Ralph M. Brown Act: Government's duty is to serve the public, reaching its decisions in full view of the public. The Board of Directors exists to conduct the business of its constituents. Deliberations are conducted before the people and are open for the people's review. In order to assist Island City Development's efforts to accommodate persons with severe allergies, environmental illnesses, multiple chemical sensitivity or related disabilities, attendees at public meetings are reminded that other attendees may



be sensitive to various chemical based products. Please help Island City Development accommodate these individuals.

**IF YOU WISH TO ADDRESS THE BOARD:**

- Anyone wishing to address the Board on agenda items or business introduced by Board members may speak for a maximum of three (3) minutes per agenda item when the subject is before the Board. Please file a speaker's slip with the Board President. Upon recognition by the President, approach the rostrum and state your name.
- Lengthy testimony should be submitted in writing and only a summary of pertinent points presented verbally.
- Applause and demonstrations are prohibited during Board meetings.



**MINUTES**  
***Draft until approved***  
ISLAND CITY DEVELOPMENT  
Regular Meeting  
November 8, 2019 at 9:30 AM  
Independence Plaza, - Community Room, 703 Atlantic Avenue, Alameda

1. CALL TO ORDER & ROLL CALL

*President Cooper called the meeting to order at 9:33 a.m. The following Board Members were present: Director Cooper, Director Weinberg and Secretary/Treasurer Basta. Staff in Attendance: Louie So, Kathleen Mertz, Stacey Wilson.*

2. PUBLIC COMMENT (Non-Agenda) (None)

3. CONSENT CALENDAR (Action)

a. Approve Minutes of the Board of Directors Meeting Held July 23, 2019, **Page 1**

b. Authorize the President, or Designee, to Execute a Services Agreement Amendment with the Housing Authority of the City of Alameda, **Page 3**

c. Accept the Report on Banking Activity of Island City Development, **Page 5**

*Director Weinberg moved to accept all items on the Consent Calendar, Director Basta seconded. The motions carried unanimously.*

4. NEW BUSINESS

a. Accept the Annual Report and Audited Financial Statements for Fiscal Year Ending 12/31/2018, **Page 7 (Action)**

*Director Weinberg moved to accept the annual report and audited financial statements for fiscal year ending 12/31/2018. Director Basta seconded. The motion carried unanimously.*

b. Approve the Federal and State Tax Returns for the Fiscal Year Ending 12/31/2018, **Page 32 (Action)**

*Director Weinberg moved to approve the federal and state tax returns for the fiscal year ending 12/31/2018. Director Basta seconded. The motion carried unanimously.*

c. Approve and Adopt the Budget for Fiscal Year 2020, **Page 76 (Action)**

*The Board discussed clarifications to the budget, including that there will be more discussion regarding 1) the developer fee with the AHA Board of Commissioners, and 2) new project transfers from AHA to ICD during feasibility. Director Weinberg moved to approve and adopt the budget for fiscal year 2020. Director Basta seconded. The motion carried unanimously.*

- d. Authorize the President, or Designee, to Execute a Third Services Agreement Amendment with Holthouse, Carlin and Van Trigt LLP, **Page 79 (Action)**

*Director Cooper requested a clarification of the HCVT accounting charges, both retroactive and future, be reflected in the minutes to support the increase in contract compensation. The charges are outlined below.*

<i>Initial Contract</i>	<i>\$100,000</i>
<i>*Audit and consulting services, including development projects and tax credits, for ICD. 3 years, 2016-2018.</i>	
<i>Additional work:</i>	<i>\$90,475</i>
<i>*Work related to the partnership audits for 2018; accounting services performed during finance staff transition; cost certification updates based on investor feedback; balance of the 2018 audit for ICD, Everett and Eagle LP, and Sherman and Buena Vista LP.</i>	
<i>Future work:</i>	<i>\$63,150</i>
<i>*2019 audit and tax fees for ICD, Everett and Eagle LP, Sherman and Buena Vista LP, Del Monte Senior LLC, 2437 Eagle Avenue LLC, 2216 Lincoln AHA LLC, AHA Islander GP LLC, Constitution and Eagle LP, and Rosefield LLC.</i>	
<b>Total:</b>	<b>\$253,625</b>

*Director Weinberg moved to authorize the President, or Designee, to execute a third services agreement amendment with Holthouse, Carlin and Van Trigt LLP. Director Basta seconded. The motion carried unanimously.*

- e. Approve the Authorizing Resolution Regarding Purchasing Authority for Island City Development, **Page 81 (Action)**

*The Board discussed the purchase authority of AHA and ICD. Director Cooper stated that in the event these limits are changed by the AHA Board, it will also automatically apply to ICD. Director Weinberg moved to approve the authorizing Resolution regarding purchasing authority for Island City Development, with the addition of the sentence: "In the event that the purchase authority limits or policies are changed by the AHA Board, said changes will automatically apply to ICD." Director Basta seconded. Director Cooper issued roll call, all were in favor, and the motion carried unanimously.*

5. NON-AGENDA (Public Comment) (none)
6. WRITTEN COMMUNICATIONS (none)
7. ORAL COMMUNICATIONS – BOARD MEMBERS AND STAFF (none)

*Board members and staff discussed the availability of the Directors for a special ICD*

*Meeting to be held in December. The date was confirmed to be Tuesday, December 3, 2019 at 3:00 p.m.*

8. ADJOURNMENT

*The meeting was adjourned at 10:06 a.m.*

Respectfully submitted,

**Draft until approved**  
Janet Basta  
Secretary

To: Board of Directors  
Island City Development

From: Candace Latigue, Asset Manager

Date: November 7, 2019

Re: Accept the 2020 Budget for Sherman and Buena Vista LP

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## **BACKGROUND**

Island City Development is the general partner and responsible for the general management of the affairs of Sherman and Buena Vista LP, a Low Income Housing Tax Credit (LIHTC) project known as Littlejohn Commons. Littlejohn Commons was Placed In Service in September 2018 and converted to permanent financing in February 2019. California Community Reinvestment Corporation (CCRC) is the senior lender and National Equity Fund (NEF) is the limited partner. This is the first year ICD is reviewing the operating budget because previously the operating budget was included in the project's financial projections for development. Annually, the ICD Board of Directors will be asked to approve and accept the project's annual operating budget.

## **DISCUSSION**

The operating budget includes a projection of the upcoming fiscal/calendar year's operating revenue and expenses including staff salaries, utilities, maintenance, debt service payments and reserves. Asset Management's oversight is to ensure compliance with applicable regulatory agreements and financial performance. Asset Management has worked with the John Stewart Company (JSCO), the 3<sup>rd</sup> Party Property Management Company. Asset Management finds this budget acceptable. However, NEF and CCRC still have to review and approve the budget before it is finalized. Staff will bring any investor requested revisions over 10% back to the Board of Directors.

## **FISCAL IMPACT**

A summary of key facts for the 2020 Budget are as follows:

### Littlejohn Commons: 31 units, Senior Community

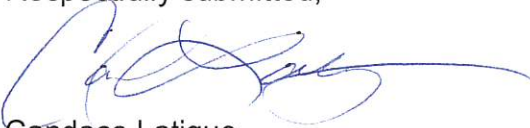
- Financing- City HOME, AHA, CCRC, NEF, PBV
- Total Revenue \$596,800
- Total Operating Expenses/ PUPY: \$ 248,884/\$8,029
- Proposed Rent Schedule
  - AHA HCV/PBV Payment Standards effective date 6/2/19
    - 1 bedroom \$1,876
  - TCAC Rent Levels/ Non- Assisted Units
    - 60% income level for 1 bedroom \$1,192
  - Utility Allowance \$149/1 bedroom unit

- Account Balances as of October 31, 2019
  - Operating Account \$132,632
  - FDIC Account \$200,167
  - Security Deposits Account \$21,750
  - Operating Reserves \$254,710
  - Replacement Reserves \$10,333
  
- The budget assumes a vacancy rate of 1%.
- The Debt Service Coverage Ratio (DSCR) is 1.38.

**RECOMMENDATION**

Accept the 2020 Budget for Sherman and Buena Vista LP.

Respectfully submitted,



Candace Latigue  
Asset Manager

Attachment: Littlejohn Commons 2020 Operating Budget

**Littlejohn Commons**  
**Annual Operating Budget for the Year Ending**  
**December 31, 2020**

Forecast based on Current Forecast

Proposed

Acct#	Account Name	2019 Budget Annual	2020 Percent Increase (Decrease)	2020 Budget Annual
<b>PROJECT REVENUE</b>				
<b>Gross Income Potential</b>				
5120-000	Rental Revenue -Tenant	311,028.00	-52.70%	147,108.00
5122-000	Housing Authority Income	270,792.00	67.74%	454,236.00
<b>Total Gross Income Potential</b>		581,820.00	3.36%	601,344.00
<b>Vacancies and Concessions</b>				
5220-000	Vacancy - Residential	29,091.00	-82.77%	5,011.20
<b>Total Vacancies and Concessions</b>		29,091.00	-82.77%	5,011.20
<b>Financial Revenue</b>				
<b>Total Financial Revenue</b>		0.00	0.00%	0.00
<b>Other Income</b>				
5910-000	Laundry Revenue	2,000.00	-76.62%	467.62
5990-000	Miscellaneous Revenue	0.00	0.00%	
<b>Total Other Income</b>		2,000.00	-76.62%	467.62
<b>TOTAL REVENUE</b>		<b>554,729.00</b>	<b>7.58%</b>	<b>596,800.42</b>
<b>PROJECT EXPENSES</b>				
<b>Marketing Expenses</b>				
6210-000	Advertising	455.00	-100.00%	0.00
6250-000	Marketing-Credit Reports	250.00	120.80%	552.00
6280-000	Rent Up Expenses	0.00	0.00%	645.00
<b>Total Marketing Expenses</b>		705.00	69.79%	1,197.00
<b>Administrative Expenses</b>				
6311-000	Office Expenses	4,163.00	-74.06%	1,080.00
6313-000	Postage & Copies	0.00	0.00%	120.00
6314-000	Copier Lease	0.00	0.00%	2,400.00
6319-000	Payroll Processing Fee	1,444.00	-15.17%	1,225.00
6320-000	Management Fees	20,460.00	0.00%	20,460.00
6330-000	Payroll - Manager	29,198.00	13.82%	33,233.09
6331-000	Administrator's Unit	0.00	0.00%	20,088.00
6335-000	Compliance Monitoring	0.00	0.00%	800.00
6340-000	Legal/Mediation Expenses	826.00	-58.84%	340.00
6350-000	CPA/Audit Services	15,000.00	0.00%	15,000.00
6351-000	Bookkeeping Services	3,534.00	0.03%	3,535.00
6360-000	Tel. & Answering Service	7,200.00	-32.47%	4,862.40



**Littlejohn Commons**  
**Annual Operating Budget for the Year Ending**  
**December 31, 2020**

Forecast based on Current Forecast

Proposed

<b>Acct#</b>	<b>Account Name</b>	<b>2019 Budget Annual</b>	<b>2020 Percent Increase (Decrease)</b>	<b>2020 Budget Annual</b>
6385-000	Mileage/Travel	400.00	-57.51%	169.95
6390-000	Misc. Admin. Expenses	10,000.00	-98.00%	200.00
6392-000	Seminars / Training	800.00	78.50%	1,428.00
6396-000	Computer Charges	1,430.00	25.87%	1,800.00
<b>Total Administrative Expenses</b>		<b>94,455.00</b>	<b>13.01%</b>	<b>106,741.44</b>
<b>Utilities</b>				
6450-000	Electricity	5,992.00	51.04%	9,050.61
6451-000	Water	4,978.00	7.74%	5,363.21
6452-000	Gas	1,512.00	-43.12%	860.05
6453-000	Sewer	4,978.00	135.09%	11,702.72
6453-020	Storm Drain	0.00	0.00%	572.14
<b>Total Utilities</b>		<b>17,460.00</b>	<b>57.78%</b>	<b>27,548.73</b>
<b>Operating and Maintenance Expenses</b>				
6510-000	Payroll - Maintenance	28,332.00	-2.50%	27,624.24
6515-000	Janitorial Supplies	200.00	560.00%	1,320.00
6519-000	Pest -Supp & Contracts	2,893.00	-39.85%	1,740.00
6525-000	Garbage Removal	14,886.00	-35.82%	9,554.28
6532-000	Security Supplies	200.00	-100.00%	0.00
6533-000	Fire Protection Expenses	4,500.00	-18.89%	3,650.00
6537-000	Landscape Contracts	5,460.00	14.22%	6,236.65
6541-000	Repairs Materials/Supp	4,545.00	-21.16%	3,583.37
6542-000	Repairs Contract	0.00	0.00%	3,000.00
6545-000	Elevator Maintenance	5,856.00	-43.65%	3,300.00
6560-000	Deco/Painting Contract	1,000.00	-57.26%	427.45
6561-000	Deco/Painting Supplies	240.00	-57.08%	103.00
<b>Total Operating and Maintenance Expenses</b>		<b>68,112.00</b>	<b>-11.12%</b>	<b>60,538.99</b>
<b>Taxes and Insurance</b>				
6710-000	Real Estate Taxes	8,000.00	-100.00%	0.00
6711-000	Payroll Taxes	4,900.00	17.86%	5,775.00
6720-000	Property Insurance	15,116.00	-19.78%	12,126.00
6721-000	Fidelity Bond	100.00	10.21%	110.21
6722-000	Workers Comp.	2,790.00	10.54%	3,084.00
6723-000	Health Ins. / EE Benefits	7,000.00	53.22%	10,725.65
6723-010	401K Matching/EE Benefit	500.00	139.47%	1,197.35
6790-000	Misc.Licenses/Permits	800.00	0.00%	800.00
<b>Total Taxes and Insurance</b>		<b>39,206.00</b>	<b>-13.74%</b>	<b>33,818.21</b>
<b>Non Deferred Financial Expense</b>				

**Littlejohn Commons**  
 Annual Operating Budget for the Year Ending  
 December 31, 2020

Forecast based on Current Forecast

Proposed


Acct#	Account Name	2019 Budget Annual	2020 Percent Increase (Decrease)	2020 Budget Annual
6820-000	Interest on Mortgage	248,440.00	-100.00%	
<b>Total Non Deferred Financial Expense</b>		248,440.00	-100.00%	0.00
<b>Service Expense</b>				
6980-000	Services - Classes	18,000.00	-100.00%	0.00
6980-010	Services - Res Functions	0.00	0.00%	500.00
6981-000	Services - Contract Fees	0.00	0.00%	18,540.00
<b>Total Service Expense</b>		18,000.00	5.78%	19,040.00
<b>Corporate Expenses</b>				
<b>Total Corporate Expenses</b>		0.00	0.00%	0.00
<b>Reserve Expenditures</b>				
<b>Total Reserve Expenditures</b>		0.00	0.00%	0.00
<b>TOTAL OPERATING EXPENSES</b>		<b>486,378.00</b>	<b>-48.83%</b>	<b>248,884.36</b>
<b>OPERATING INCOME (LOSS)</b>		<b>68,351.00</b>	<b>0.69</b>	<b>347,916.06</b>
<b>OTHER CASH REQUIREMENTS</b>				
	Reserve Funding	15,500.00	-100.00%	0.00
	Mortgage Principal	0.00	0.00%	252,004.44
	Fixed Asset Purchases	0.00	0.00%	0.00
	Other Cash Requirements:			
	Entry 1			0.00
	Entry 2			0.00
	Entry 3			0.00
<b>Total Cash (Requirements) Available</b>		15,500.00	1525.84%	252,004.44
<b>CASH FLOW</b>		<b>52,851.00</b>		<b>95,911.62</b>

Before allowance for Depreciation, amortization and Deferred Financial Expenses

<b>Debt Service Coverage Ratio</b>		
Principal and Interest	248,440.00	252,004.44
Reserves	15,500.00	0.00
NOI (Add int+reserve + Corp Expenses)	316,791.00	347,916.06
Debt Service Coverage	1.28	1.38
DCR Inc Reserves	1.20	1.38
DCR Inc. Reserves, P&I and Corp Exp	1.20	1.38
Vacancy Percentage	0.05	0.01

**Littlejohn Commons**  
 Annual Operating Budget for the Year Ending  
 December 31, 2020

Forecast based on Current Forecast  
 Proposed

Acct#	Account Name	2019 Budget Annual	2020 Percent Increase (Decrease)	2020 Budget Annual
	(Vacancy / Scheduled Gross)			
				
<b>TOTAL DEFERRED FINANCIAL EXPENSES</b>		0.00	0.00%	0.00
<b>Amortization and Depreciation</b>				
<b>Total Amortization and Depreciation</b>		0.00	0.00%	0.00
<b>NET CASH SURPLUS (DEFICIT)</b>		<b>52,851.00</b>	<b>-53.32%</b>	<b>95,911.62</b>
after allowance for deferred financial expenses, depreciation and amortization				

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To: Board of Directors  
Island City Development

From: Candace Latigue, Asset Manager

Date: November 7, 2019

Re: Accept the 2020 Budget for Everett and Eagle LP

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### **BACKGROUND**

Island City Development is the general partner and responsible for the general management of the affairs of Everett and Eagle LP, a Low Income Housing Tax Credit (LIHTC) project known as Everett Commons. Everett Commons was Placed in Service in December 2018 and converted to permanent financing in July 2019. JP Morgan Chase is the senior lender and Enterprise is the limited partner. This is the first year ICD is reviewing the operating budget because previously the operating budget was included in the project's financial projections for development. Annually, the ICD Board of Directors will be asked to approve and accept the project's annual operating budget.

### **DISCUSSION**

The operating budget includes a projection of the upcoming fiscal/calendar year's operating revenue and expenses including staff salaries, utilities, maintenance, debt service payments and reserves. Asset Management's oversight is to ensure compliance with applicable regulatory agreements and financial performance. Asset Management has worked with the John Stewart Company (JSCO), the 3<sup>rd</sup> Party Property Management Company. Asset Management finds this budget acceptable. However, Chase and Enterprise still have to review and approve the budget before it is finalized. Staff will bring any investor requested revisions over 10% back to the Board of Directors.

### **FISCAL IMPACT**

A summary of key facts for the 2020 Budget are as follows:

#### Everett Commons: 20 units, Adult/Family Community

- Financing- City HOME, AHA, Enterprise, Chase, PBV, County A1 Bond
- Total Revenue: \$521,974
- Total Operating Expenses/ PUPY: \$ 212,174/\$10,609
- Proposed Rent Schedule
  - AHA HCV/PBV Payment Standards effective date 6/2/19
    - 1 bedroom- \$1,876
    - 2 bedroom- \$2,338
  - TCAC Rent Levels/Non-Assisted Units
    - 60% income level for 1 bedroom \$1,246
    - 60% income level for 2 bedroom \$1,490
  - Utility Allowance \$149- \$217 for 1-3bedroom units

- Account Balances as of October 31, 2019
  - Operating Account \$209,205
  - Money Market Account \$150,000
  - Security Deposits Account \$19,000
  - Operating Reserves \$50,015
  - Replacement Reserves \$ 2,000
- The budget assumes a vacancy rate of 1%.
- The debt service coverage ratio (DSCR) is 1.27.

**RECOMMENDATION**

Accept the 2020 Budget for Everett and Eagle LP.

Respectfully submitted,



Candace Latigue  
Asset Manager

Attachment: Everett Commons 2020 Operating Budget

**Everett Commons**  
 Annual Operating Budget for the Year Ending  
 December 31, 2020

Forecast based on Current Forecast

Proposed

Acct#	Account Name	2019 Budget Annual	2020 Percent Increase (Decrease)	2020 Budget Annual
<b>PROJECT REVENUE</b>				
<b>Gross Income Potential</b>				
5120-000	Rental Revenue -Tenant	105,012.00	16.17%	121,992.00
5122-000	Housing Authority Income	367,272.00	9.87%	403,524.00
<b>Total Gross Income Potential</b>		<b>472,284.00</b>	<b>11.27%</b>	<b>525,516.00</b>
<b>Vacancies and Concessions</b>				
5220-000	Vacancy - Residential	23,614.00	-77.75%	5,255.16
<b>Total Vacancies and Concessions</b>		<b>23,614.00</b>	<b>-77.75%</b>	<b>5,255.16</b>
<b>Financial Revenue</b>				
<b>Total Financial Revenue</b>		<b>0.00</b>	<b>0.00%</b>	<b>0.00</b>
<b>Other Income</b>				
5910-000	Laundry Revenue	1,200.00	42.80%	1,713.63
<b>Total Other Income</b>		<b>1,200.00</b>	<b>42.80%</b>	<b>1,713.63</b>
<b>TOTAL REVENUE</b>		<b>449,870.00</b>	<b>16.03%</b>	<b>521,974.47</b>
<b>PROJECT EXPENSES</b>				
<b>Marketing Expenses</b>				
6250-000	Marketing-Credit Reports	500.00	10.40%	552.00
6280-000	Rent Up Expenses	0.00	0.00%	573.00
<b>Total Marketing Expenses</b>		<b>500.00</b>	<b>125.00%</b>	<b>1,125.00</b>
<b>Administrative Expenses</b>				
6311-000	Office Expenses	3,600.00	-78.67%	768.00
6319-000	Payroll Processing Fee	840.00	-0.48%	836.00
6320-000	Management Fees	13,200.00	0.00%	13,200.00
6330-000	Payroll - Manager	21,632.00	6.16%	22,965.14
6331-000	Administrator's Unit	0.00	0.00%	17,880.00
6335-000	Compliance Monitoring	0.00	0.00%	800.00
6340-000	Legal/Mediation Expenses	560.00	0.00%	560.00
6350-000	CPA/Audit Services	13,000.00	0.00%	13,000.00
6351-000	Bookkeeping Services	2,280.00	0.00%	2,280.00
6360-000	Tel. & Answering Service	1,500.00	156.26%	3,843.96
6385-000	Mileage/Travel	396.00	-69.70%	120.00
6392-000	Seminars / Training	2,000.00	-52.40%	952.00
6396-000	Computer Charges	2,000.00	-95.80%	84.00

# Everett Commons

## Annual Operating Budget for the Year Ending December 31, 2020

Forecast based on Current Forecast

Proposed

Acct#	Account Name	2019 Budget Annual	2020 Percent Increase (Decrease)	2020 Budget Annual
<b>Total Administrative Expenses</b>		61,008.00	26.69%	77,289.10
<b>Utilities</b>				
6450-000	Electricity	2,400.00	-3.74%	2,310.29
6451-000	Water	3,600.00	-40.75%	2,133.13
6453-000	Sewer	0.00	0.00%	3,248.45
6453-020	Storm Drain	0.00	0.00%	565.33
<b>Total Utilities</b>		6,000.00	37.62%	8,257.20
<b>Operating and Maintenance Expenses</b>				
6510-000	Payroll - Maintenance	17,996.00	2.33%	18,416.16
6515-000	Janitorial Supplies	0.00	0.00%	600.00
6519-000	Pest -Supp & Contracts	0.00	0.00%	1,620.00
6525-000	Garbage Removal	10,075.00	8.79%	10,960.33
6533-000	Fire Protection Expenses	2,940.00	-67.35%	960.00
6537-000	Landscape Contracts	5,090.00	-5.70%	4,800.00
6541-000	Repairs Materials/Supp	3,115.00	54.09%	4,800.00
6542-000	Repairs Contract	0.00	0.00%	3,000.00
6561-000	Deco/Painting Supplies	300.00	-57.08%	128.75
6573-000	Uniforms/Laundry	400.00	-50.00%	200.00
6590-000	Miscellaneous Maintenance	500.00	-60.00%	200.00
<b>Total Operating and Maintenance Expenses</b>		40,416.00	13.04%	45,685.24
<b>Taxes and Insurance</b>				
6710-000	Real Estate Taxes	0.00	0.00%	0.00
6711-000	Payroll Taxes	1,703.00	151.67%	4,286.00
6720-000	Property Insurance	13,500.00	14.81%	15,500.00
6721-000	Fidelity Bond	0.00	0.00%	56.65
6722-000	Workers Comp.	1,307.00	59.37%	2,083.00
6723-000	Health Ins. / EE Benefits	3,023.00	136.61%	7,152.77
6723-010	401K Matching/EE Benefit	0.00	0.00%	814.43
<b>Total Taxes and Insurance</b>		19,533.00	53.04%	29,892.84
<b>Non Deferred Financial Expense</b>				
6851-010	Bond Expenses	0.00	0.00%	2,400.00
6870-000	Special Assessments-HOA	7,000.00	-100.00%	0.00
<b>Total Non Deferred Financial Expense</b>		7,000.00	-65.71%	2,400.00
<b>Service Expense</b>				
6950-000	Payroll - Social Service	43,000.00	-100.00%	0.00
6980-014	RS/Travel	0.00	0.00%	2,470.20



**Everett Commons**  
 Annual Operating Budget for the Year Ending  
 December 31, 2020

Forecast based on Current Forecast

Proposed

Acct#	Account Name	2019 Budget Annual	2020 Percent Increase (Decrease)	2020 Budget Annual
6981-000	Services - Contract Fees	0.00	0.00%	44,254.00
<b>Total Service Expense</b>		43,000.00	8.66%	46,724.20
<b>Corporate Expenses</b>				
7131-000	State Income Tax	800.00	0.00%	800.00
<b>Total Corporate Expenses</b>		800.00	0.00%	800.00
<b>Reserve Expenditures</b>				
<b>Total Reserve Expenditures</b>		0.00	0.00%	0.00
<b>TOTAL OPERATING EXPENSES</b>		<b>178,257.00</b>	<b>19.03%</b>	<b>212,173.58</b>
<b>OPERATING INCOME (LOSS)</b>		<b>271,613.00</b>	<b>0.01</b>	<b>309,800.89</b>
<b>OTHER CASH REQUIREMENTS</b>				
	Reserve Funding	12,000.00	-100.00%	0.00
	Mortgage Principal	0.00	0.00%	243,939.48
	Fixed Asset Purchases	0.00	0.00%	0.00
	Other Cash Requirements:			
	Entry 1			0.00
	Entry 2			0.00
	Entry 3			0.00
<b>Total Cash (Requirements) Available</b>		12,000.00	1932.83%	243,939.48
<b>CASH FLOW</b>		<b>259,613.00</b>		<b>65,861.41</b>
Before allowance for Depreciation, amortization and Deferred Financial Expenses				
<b>Debt Service Coverage Ratio</b>				
	Principal and Interest	7,000.00		246,339.48
	Reserves	12,000.00		0.00
	NOI (Add int+reserve + Corp Expenses)	279,413.00		313,000.89
	Debt Service Coverage	39.92		1.27
	DCR Inc Reserves	14.71		1.27
	DCR Inc. Reserves, P&I and Corp Exp	14.11		1.27
	Vacancy Percentage	0.05		0.01
	(Vacancy / Scheduled Gross)			
6856-000	City Fee	2,000.00	-100.00%	0.00
<b>TOTAL DEFERRED FINANCIAL EXPENSES</b>		<b>2,000.00</b>	<b>-100.00%</b>	<b>0.00</b>

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 Proposed

Acct#	Account Name	2019 Budget Annual	2020 Percent Increase (Decrease)	2020 Budget Annual
<b>Amortization and Depreciation</b>				
<b>Total Amortization and Depreciation</b>		0.00	0.00%	0.00
<b>NET CASH SURPLUS (DEFICIT)</b>		<b>257,613.00</b>	<b>-78.45%</b>	<b>65,861.41</b>

after allowance for deferred financial expenses, depreciation and amortization