



MEETING AGENDA

AFFORDABLE COMMUNITY LIVING CORPORATION

TUESDAY, December 10, 2024, 10:30 A.M.

(THE AGENDA PACKET IS ONLINE AT [HTTP://WWW.AFFORDABLECOMMUNITYLIVING.ORG](http://www.affordablecommunityliving.org))

MEETING LOCATION: 326 W. Katella Ave., Suite 4L, Orange, CA 92867

1. **CALL TO ORDER**

2. **ROLL CALL**

3. **CONFLICT OF INTEREST**

Any Board Member who has a conflict of interest regarding any scheduled agenda item should declare the conflict at this time.

4. **PUBLIC COMMENTS (No action may be taken)**

Members of the public may comment on any item *not* appearing on the agenda, if it is within the subject matter jurisdiction of the Board. Individual comments will be limited to a **maximum of 3 minutes**, and time may not be yielded to another person. Matters presented during the public comment period may not be discussed or acted upon.

PLEASE SEE PAGE 3 FOR HOW TO COMMENT ON ANY ITEM VIA MAIL OR EMAIL.

5. **CONSENT CALENDAR**

All items listed on the Consent Calendar will be acted upon by a single motion and vote of the Board, unless a Board member or member of the public requests separate deliberation for an item.

Item 1 Election of Officers and Board Members

Item 2 Acceptance of Audit and Election of Audit Committee Members

Item 3 Ratification of AVAG Board Members

Item 4 Approve San Bernardino Rent Increases for 80% of CPI as allowed under the San Bernardino City Rent Control Ordinance

6. **APPROVAL OF MINUTES** for March 7, 2024, meeting.

7. **NEW BUSINESS**

8. **COMMENTS/REPORTS**

A brief report on notable topics of Board business shall be made. The Brown Act does not allow for discussion or Board action during this time.

- Item 1** Staff Report – Management Occupancy Report
- Item 2** Staff Report – Management Contracts Summary Report
- Item 3** Staff Report – Audited YE 6-30-2024 Financial Statement
- Item 4** Staff Report – Grant Programs Report
- Item 5** Staff Report – Veterans Program Report
- Item 6** Staff Report – Mojave Project Update

9. CLOSED SESSION- No items Scheduled

The public will have a limit of **3 minutes** to comment on Closed Session item(s) prior to the Board adjourning into Closed Session.

10. ADJOURNMENT

AFFIDAVIT OF POSTING

I hereby certify under penalty of perjury, under the laws of the State of California that the foregoing agenda was posted at the meeting location, at 326 W. Katella Ave., Suite 4L, Orange, CA 92867 public exterior bulletin board, and the website www.affordablecommunityliving.org at least 72 hours prior to the meeting in accordance to the Ralph M. Brown Act. Posted this 5th Day of December, 2024.
 /s/Aimee Molsberry



ADA COMPLIANCE STATEMENT

In compliance with the Americans with Disabilities Act, and the Governor's Executive Order N-29-20, the Board will make every effort to make reasonable modifications or accommodations from individuals with disabilities. Contact Aimee Molsberry at (714) 744-4993 or info@affordablecommunityliving.org (email) at least 48 hours prior to the meeting to enable the Board to make reasonable arrangements for accessibility.

NOTICE REGARDING NON-ENGLISH SPEAKERS

Pursuant to California Constitution Article III, Section IV, establishing English as the official language for the State of California, and in accordance with California Code of Civil Procedures Section 185, which requires proceedings before any State Court to be in English, notice is hereby given that all proceedings before the Affordable Living Community Corporation shall be in English, and anyone wishing to address the Board is required to have a translator present who will take an oath to make an accurate translation from any language not English into the English language.

PUBLIC COMMENT PROCEDURES

REMOTE VIEWING

- There will be no remote viewing available for this meeting.

SUBMITTING PUBLIC COMMENTS FOR THE RECORD

Written comments must be received by 4:00 p.m. on the day PRIOR TO the meeting in order for them to be distributed to the Board. Written comments will not be read aloud at the meeting, but will be reported as received for the record.

ACCEPTABLE METHODS OF SUBMITTING WRITTEN COMMENTS

- Via USPS Mail: Mail comments to PO Box 10029 Santa Ana, CA 92711
- Via Email: Mail to info@affordablecommunityliving.org
 - Indicate Agenda Item # in the *subject line*.
- Oral Comments In-Person: The Board Chair will ask the public if anyone wishes to comment, and you may raise your hand.

AGENDA PACKET

12-10-2024 Board Meeting

NOTE: Any documents that are not privileged provided to a majority of the Board after distribution of the agenda packet, regarding any item on this agenda, will be made available for public inspection upon request.

AGENDA ITEM NO. 5

Item 2: Audit Committee Minutes

AGENDA ITEM NO. 6

MINUTES: March 7, 2024, 10:30 a.m. Board Meeting

AGENDA ITEM NO. 8

Item 1: Management Occupancy Report

Item 2: Management Contracts Summary Report

Item 3: Audited YE 6-30-2024 Financial Statement

Item 4: Grant Program Summary

Item 5: Veteran Program Report

Item 6: Mojave Project Update Report

AGENDA PACKET

12-10-2024 Board Meeting

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Agenda 5, Item 2
Audit Committee Minutes



**AFFORDABLE COMMUNITY LIVING CORP
NONPROFIT CORPS
AUDIT COMMITTEE MEETING
Minutes
October 24, 2024, 9:30am**

Attendees: Brad Carr, CPA, Audit Committee Member – attended via phone
Tom LaCroix, Audit Committee Member - attended via phone
Jess Maxcy, Audit Committee Member – attended via phone
Gary Brendzel, ACL COO and Guest Attendee – attended in person
Aimee Molsberry, SCI President and Guest Attendee – attended in person
Jeffrey McKennan , RAMS Auditor and Guest Attendee – attended via phone
Gardenya Duran, RAMS Auditor and Guest Attendee – attended via phone

1. A report of the findings of the Audit Committee will be presented to the ACL and Nonprofit Corp Boards at the annual meetings as well as confirmation of Committee Members.
2. The committee inquired as to whether there were any concerns with internal control procedures or any compliance issues. Jeff from RAMS responded that there were no concerns or issues as reflected in the notes sections of the statements.
3. All statements were reviewed and discussed individually, and questions/comments addressed to RAMS and changes requested are as set for on Exhibit A.
 - a. Rancho Meridian –Only regular audit performed but they still review for internal controls and compliance issues.
 - b. Sequoia Plaza –Only regular audit performed but they still review for internal controls and compliance issues
 - c. Glen Aire –Only regular audit performed but they still review for internal controls and compliance issues
 - d. Pacific Palms –Only regular audit performed but they still review for internal controls and compliance issues
 - e. Friendly Village/Hillside –Only regular audit performed but they still review for internal controls and compliance issues.
 - f. Orangewood - Only regular audit performed but they still review for internal controls and compliance issues.
 - g. Sunrise Village - Only regular audit performed but they still review for internal controls and compliance issues.
 - h. Affordable Community Living Corporation – Only regular audit performed on this corporation which has four parks included, Santiago Estates Mojave, Santiago Silvercreek, Santiago Estates Grandview and Ninth Street MHP.
4. RAMS fees charged for this audit.

*Seven separate nonprofit corporations: \$9,000 each. This includes Sequoia, Rancho, Pacific Palms, Glen Aire, Orangewood, Sunrise, Friendly Village/Hillside.
*Parent corporation: \$16,000. This includes Ninth Street, Grandview, Mojave, Silver Creek.
5. RAMS fees to be charged for 2024-2025 audit:

*Seven separate nonprofit corporations: \$9,000 each. This includes Sequoia, Rancho, Pacific Palms, Glen Aire, Orangewood, Sunrise, Friendly Village/Hillside.

*Parent corporation: \$16,000. This includes Ninth Street, Grandview, Mojave, Silver Creek.

Jeff and Gardenya were thanked and they left the meeting.

6. A motion was made by Jeff to accept the audited statements with the changes discussed. Brad seconded the motion. All were in favor and the motion passed unanimously.
7. A motion was made by Brad to retain the auditing services of RAMS and accept the fees for next fiscal year as presented. Jess seconded the motion and all members were in favor. The motion passed unanimously and will be presented to the main boards for final approval.
8. A motion was then made by Jess to adjourn the Audit Committee meeting. Brad seconded the motion. All were in favor and the motion passed unanimously.

EXHIBIT A

Question/Comments Presented to RAMS Auditors

Changes to all statements:

- *Transfers section – for ACL, the transfers will include a table and for the individual nonprofit statements, the transfer section will be in sentence form.
- *Transfers section – make consistent the formats, grammar, underlines, etc...

ACL:

- *The term “One Note” is used several times relating to each park. Reword to single note or other preferred terminology.
- *Page 16 – change “each institution” to say one because relates to only one bank.

Sequoia:

- *Note regarding future forgiveness of loan to be reworded per approved new verbiage.

Pacific Palms:

- *Page 8 – Mortgage Protection Insurance is zero, so delete line.

Orangewood:

- *Page 4 and 7 – the paragraph on right side, bottom of page 4 includes a 103,151 figure that doesn't match its counterpart on page 7.
- *Page 8 – Net decrease in Cash should be Net increase
- *Page 8 – Reclassification issue with prepaid expenses and prepaid insurance

Agenda 6

Minutes

MINUTES OF REGULAR MEETING OF THE
BOARD OF DIRECTORS
OF
AFFORDABLE COMMUNITY LIVING CORPORATION
A California Non Profit Public Benefit Corporation

A regular meeting of the Board of Directors of AFFORDABLE COMMUNITY LIVING CORPORATION, a California Non Profit Public Benefit Corporation (the "Corporation") was held on March 7, 2024, at 10:30 a.m., at 326 W Katella Avenue, Suite 4L, Orange, California 92867 pursuant to notice duly given.

1. Call to Order
2. Roll call. The following directors were present at the meeting:

Gary A. Brendzel
Dennis Kazarian
Barry Cole
Thomas LaCroix
John Yeandle
Jess Maxcy
Ramon Rodriguez
Jim Duffy

Who together constitute a quorum of the authorized number of directors of the Corporation.

Staff Present:

Richard Simonian
Aimee Molsberry
Shontele Simonian
Marla Merhab Robinson

Guest Present
David Yegenian

As a quorum of directors were present, Gary Brendzel called the meeting to order and Marla Merhab Robinson agreed to act as Secretary of the meeting and record the minutes.

Item 3. No Board member reported having a conflict of interest on an agenda item.

Item 4. There were no public comments on any topic not on the agenda.

Item 5. Consent Calendar

Motion to approve the consent calendar made by John Yeandle, seconded by Ramon Rodriguez. AYES: 8 BOARD MEMBERS: Gary A. Brendzel, Dennis Kazarian, John Yeandle, Barry Cole, Thomas LaCroix, Ramon Rodriguez, Jim Duffy and Jess Maxcy. NOES: 0 BOARD MEMBERS

Richard Simonian introduced David Yegenian with a narrative on his history.

Item 6. Approval of Minutes. Jess Maxcy moved to approve the minutes of the December 12, 2023 meeting, the motion was seconded by Thomas LaCroix and unanimously approved.

Item 7. New Business. No new business.

Item 8. Comments\Reports. No reports.

Item 9. Closed Session. No items discussed.

Item 10. Adjournment. There being no further business to come before the Board, Barry Cole moved to adjourn, which was seconded by John Yeandle and unanimously carried. The meeting adjourned.



Marla Merhab Robinson
Secretary of the Meeting

APPROVED:



Gary A. Brendzel
Chairman

Agenda 8, Item 1

Management Occupancy Report



affordable living

MANAGEMENT STAFF REPORT
AFFORDABLE COMMUNITY LIVING CORP.
OCCUPANCY INFORMATION as of November 30, 2024 for the
December 10, 2024 Board Meeting

Park	Total Spaces	Occupancy Rate	Vacant Lots and Homes	Rent
NSM Ninth Street MHP San Bernardino, California	109	99% Occupied	1 Lot	High \$672 Avg \$475 Low \$226
SSC Santiago Silver Creek Safford, Arizona	84	64% Occupied	4 Lots 26 Homes	High \$475 Avg \$425 Low \$373
SEG Santiago Estates Grandview San Jacinto, CA	58	90% Occupied	5 Lots 1 Home	High \$695 Avg \$571 Low \$455
SEM Santiago Estates Mojave Mojave, CA	83	84% Occupied	9 Lots 5 Homes	High \$500 Avg \$377 Low \$325

Rent Increases:

NSM – 4/1/25 is next increase and will increase the allowable 80% of CPI if approved by board.

SSC – 5/1/24 was last increase at \$10 per space, \$400 total monthly increase

SEG – 7/1/2024 was last increase at \$10/space, \$560 total monthly increase

SEM – 1/1/25 is next increase for \$20/space, same as last year, \$1,010 total monthly increase

Agenda 8, Item 2

Management Contracts Summary Report

Contracts: as of November 30,2024

Original principle of contracts: \$11,844,614.83 / current principal balance \$9,404,603.05

Total Contracts: 137

Highest contract value: \$165,245.34 / Lowest contract value: \$14,798.49

No. of contracts at 5%:	12
No of contracts at 6%:	9
No of contracts at 7%:	48
No of contracts at 8%:	1
No of contracts at 8.95%:	1
No of contracts at 9.5%:	9
No of contracts at 9.9%:	12
No of contracts at 10%:	2
No of contracts at 10.25%:	1
No of contracts at 10.375%:	30
No of contracts at 10.95%:	9
No of contracts at 12%:	3

AVE INTEREST RATE ___ 8.38%

NODs currently issued:	9
Foreclosures done fiscal YTD	1

MONTHLY ACTIVITY:

SEPT 2024

AR at month end was \$19,328.74

Late charges issued - \$3,175.00

Loan Billing Amt - \$119,528.84

Deposits - \$118,559.78

OCT 2024

AR at month end was \$17,419.36

Late charges issued - \$2,175.00

Loan Billing Amt - \$118,385.31

Deposits - \$123,121.21

NOV 2024

AR at month end was \$16,948.34

Late charges issued - \$2,175.00

Loan Billing Amt \$119,821.60

Deposits - \$123,570.23

Agenda 8, Item 3

Audited YE 6-30-2024 Financial Statement

AFFORDABLE COMMUNITY LIVING CORPORATION

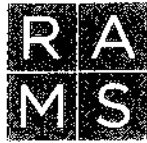
**Financial Statements and
Independent Auditor's Report**

Year Ended June 30, 2024

AFFORDABLE COMMUNITY LIVING CORPORATION

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ROGERS, ANDERSON, MALODY & SCOTT, LLP
CERTIFIED PUBLIC ACCOUNTANTS, SINCE 1948

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Independent Auditor's Report

PARTNERS

Scott W. Planny, CPA, CGMA
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Bradford A. Webber, CPA, FIBA, CGMA
Jimmy W. Liu, CPA, MSF
Gardenia Duran, CPA, CGMA
Britanna Schütz, CPA, CGMA
Brenda E. Odle, CPA, MSF (Partner Emerita)
Terry P. Shes, CPA (Partner Emerita)

MANAGERS / STAFF

Seong Hyea Lee, CPA, MBA
Evelyn Morant-Barrera, CPA
Veronica Hernandez, CPA
Laura Anzizu, CPA
John Maldonado, CPA, NSA
Juli Rodriguez-Fuentes, CPA, NSA
Demi Hite, CPA
Jeffrey McEnnis, CPA
Blanca Wyszocki, CPA

MEMBERS

American Institute of
Certified Public Accountants

*IFPS: The AICPA Alliance
for CPA Firms*

*Governmental Audit
Quality Center*

California Society of
Certified Public Accountants

To the Honorable Board of Directors
Affordable Community Living Corporation
Santa Ana, California

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the Affordable Community Living Corporation as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the entity's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Affordable Community Living Corporation as of June 30, 2024, and changes in its net position and its cash flows for the year 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) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*). 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 entity 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 entity's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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 and *Government Auditing Standards* 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 and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- 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.
- 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 entity's internal control. Accordingly, no such opinion is expressed.
- 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.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about entity'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.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, as noted in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying Schedule of Revenues and Expenses by Mobile Home Park is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements.

Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional 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, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 31, 2024, on our consideration of the Corporation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Corporation's internal control over financial reporting and compliance.

Rogers, Anderson, Maloney & Scott, LLP.

San Bernardino, California
October 31, 2024

AFFORDABLE COMMUNITY LIVING CORPORATION

Management's Discussion and Analysis For the Year Ended June 30, 2024

The Corporation

The Affordable Community Living Corporation (Corporation) is organized and operates as a nonprofit organization. The Corporation was created for the purpose of providing assistance to governmental entities in their redevelopment efforts to promote economic development within their cities in order to increase the availability of low- and moderate-income housing within their cities and to further include financial assistance for housing to low- and moderate-income veterans and active military or disabled veterans.

The Basic Financial Statements

Affordable Community Living Corporation is engaged in activities that support itself through revenue from lease income, and fees for services. Accordingly, the accompanying financial statements are presented in the format prescribed for proprietary funds by the Governmental Accounting Standards Board (GASB).

These financial statements consist of three interrelated statements designed to provide the reader with relevant, understandable data about the Corporation's financial condition and operating results. They are (1) the Statement of Net Position, (2) the Statement of Revenues, Expenses and Changes in Net Position, and (3) the Statement of Cash Flows.

The Statement of Net Position presents the Corporation's assets, liabilities and the difference, or net position, between what is owned and what is owed as of the last day of the Corporation's fiscal year. The Statement of Revenues, Expenses and Changes in Net Position describes the financial results of the Corporation's operations for the year reported. These results, or changes in net position, are

caused by the increases or decreases in the bottom line of the Statement of Net Position.

The Statement of Cash Flows conveys to financial statement users how the Corporation managed cash resources during the year. This statement converts the Change in Net Position presented on the Statement of Revenues, Expenses and Changes in Net Position into actual cash provided by, or used for, operations. The Statement of Cash Flows also details how the Corporation obtains cash through financing and investing activities and, conversely, how cash is spent for these purposes.

Summary of Financial Information and Analysis

During the year ended June 30, 2024, the Corporation's total net position increased by \$513,704 from \$8,672,280 to \$9,185,984. Total assets and deferred outflow of resources decreased \$1,388,826 and liabilities decreased \$1,845,611.

The increase in net position can largely be attributed to nonoperating transfers from subsidiaries totaling \$1,453,000. The decrease in total assets is largely due to a decrease in receivables from related entities.

The decrease in liabilities is due to the retirement of long-term debt totaling \$1,156,189.

AFFORDABLE COMMUNITY LIVING CORPORATION

Management's Discussion and Analysis For the Year Ended June 30, 2024

Financial Statement Summary (In Thousands)

	6/30/24	6/30/23
Total Assets & Deferred Outflows of Resources	\$30,506	\$31,894
Total Liabilities	21,320	23,165
Operating Revenue	3,080	3,093
Operating Expense	(3,939)	(3,814)
Excess of Revenue Over (Under) Expense	(859)	(721)
Nonoperating Revenues (Expenses)	1,372	4,314
Change in Net Position	513	3,593

Categories of Net Position

The Corporation is required to present its net position in three categories: Invested in Capital Assets, Restricted, and Unrestricted.

Net Investment in Capital Assets

At June 30, 2024, Net Investment in Capital Assets included Property and Equipment, net of Accumulated Depreciation and reduced by any bonds, mortgages, notes, capital leases or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. Net investment in capital assets carried a balance of \$3,232,831 at June 30, 2024.

Unrestricted

The Corporation had \$5,953,153 at June 30, 2024 in unrestricted net position.

Capital Assets

The Corporation's capital assets as of June 30, 2024, amounted to \$14,990,836 (net of accumulated depreciation). This investment in capital assets includes land, leased land, construction in progress, buildings and improvements, and Office furniture and equipment. Additions to capital assets for the current fiscal year include \$120,000 of construction in progress and \$437,378 of depreciable assets. Deletions totaled \$281,880.

Long-Term Debt including Capital Leases Payable

As of June 30, 2024, the Corporation's long-term debt including capital leases payable outstanding was \$13,172,817. During the year ended June 30, 2024, there were no additions to long-term debt and capital leases payable and retirements totaled \$1,207,124.

Contacting the Corporation's CFO

This financial report is designed to provide our customers, investors, and creditors with an overview of the Corporation's financial operations and conditions. If you have questions about this report or need additional information, you may contact the Corporation's CFO at P.O. Box 10029, Santa Ana, CA 92711.

Statement of Net Position
June 30, 2024**ASSETS**

Current Assets:

Cash	\$ 1,070,436
Investments	105,168
Accounts receivable, net	265,229
Prepaid expenses	2,824
Prepaid insurance	105,569
Mobile home inventory	4,153,671
Contracts receivable - current	243,984
Total Current Assets	<u>5,946,881</u>

Noncurrent Assets:

Capital Assets:

Land	3,698,913
Construction in progress	120,000
Buildings and improvements	6,411,317
Office furniture and equipment	49,179
Vehicles	108,489
Right to use asset - land	7,041,234
Less: accumulated depreciation and amortization	<u>(2,438,296)</u>
Total Capital Assets	<u>14,990,836</u>

Contracts receivable - non-current	9,515,393
Deposits	<u>20,200</u>

Total Noncurrent Assets	<u>24,526,429</u>
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Total Assets	<u>30,473,310</u>
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DEFERRED OUTFLOWS OF RESOURCES

Deferred loss on debt refunding	<u>32,246</u>
Total Deferred Outflows of Resources	<u>32,246</u>

The accompanying notes are an integral part of these financial statements.

Statement of Net Position, Continued
June 30, 2024**LIABILITIES**

Current Liabilities:

Accounts payable	\$ 190
Accrued liabilities	268,657
Security and other deposits	27,200
Accrued interest payable, current portion	186,178
Line of credit	606,046
Notes payable, current portion	1,480,988
Note payable, related party	2,623,000
Advance payable	60,000
Land leases payable, current portion	52,348
Total Current Liabilities	<u>5,304,607</u>

Noncurrent Liabilities:

Accrued interest payable, long term portion	2,188,188
Note payable - City of San Bernardino	2,187,296
Notes payable, long term portion	4,797,878
Land leases payable	6,841,603
Total Noncurrent Liabilities	<u>16,014,965</u>

Total Liabilities	<u>21,319,572</u>
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NET POSITION

Net investment in capital assets	3,232,831
Unrestricted	<u>5,953,153</u>
Total Net Position	<u>\$ 9,185,984</u>

The accompanying notes are an integral part of these financial statements.

**Statement of Revenues, Expenses and Changes in Net Position
For the Year Ended June 30, 2024**

OPERATING REVENUES	
Rentals	\$ 1,509,147
Utility income	437,436
City fees	12,534
Contributions	9,916
Late charges	37,680
Legal fee reimbursement	3,692
Workers' compensation refund	7,958
Other revenue	33,116
Reimbursements - salary and payroll taxes	105,089
Reimbursements - corporate expenses	7,582
Interest income	915,883
Total Operating Revenues	<u>3,080,033</u>
OPERATING EXPENSES	
Bad debt expense	27,984
Contracted services	85,050
Depreciation and amortization	563,433
Donations	250,000
Insurance expense	172,480
Interest expense	852,323
Lease expense	30,634
Legal expense	64,918
Low income assistance	67,149
Management and accounting services	106,338
Miscellaneous expenses	15,852
Office expense	139,769
Outside services	14,443
Repairs and maintenance	147,701
Salaries, wages and benefits	591,601
Security	11,886
Taxes, licenses and permits	119,585
Tenant expense	214,970
Utilities	449,287
Veterans Program	13,100
Total Operating Expenses	<u>3,938,503</u>
Operating Loss	<u>(858,470)</u>
NONOPERATING REVENUES (EXPENSES)	
Loan costs	(2,626)
Loss on disposal of assets	(91,824)
Transfers from related entities	1,453,000
Unrealized gains on investments	13,624
Total Nonoperating Revenues (Expenses)	<u>1,372,174</u>
Change in Net Position	<u>513,704</u>
Net Position, previously reported	8,729,199
Adjustment - correction of an error	(56,919)
Net Position, beginning of year	<u>8,672,280</u>
Net Position, End of Year	<u>\$ 9,185,984</u>

The accompanying notes are an integral part of these financial statements.

**Statement of Cash Flows
For the Year Ended June 30, 2024**

CASH FLOWS FROM OPERATING ACTIVITIES

Cash received from tenants, including cash deposits	\$ 3,012,118
Workers' compensation refund	7,958
City fees	12,534
Reimbursements salary and payroll taxes	105,089
Reimbursements corporate expenses	7,582
Other revenue	43,032
Interest received	915,883
Cash paid to suppliers	(1,942,825)
Cash paid to employees (salaries and benefits)	(591,601)
Interest paid	(636,340)
Net Cash Provided by Operating Activities (See Page 10)	<u>933,430</u>

CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES

Loan costs	3,237
Principal payments for notes payable	(1,156,190)
Repayments on line of credit	(24,902)
Advances from related entity	(869,994)
Transfers from related entities	1,453,000
Net Cash (Used for) Non-Capital Financing Activities	<u>(594,849)</u>

**CASH FLOWS FROM CAPITAL AND RELATED FINANCING
ACTIVITIES**

Principal payments for land leases payable	(50,935)
Acquisition of mobile home inventory	(1,042,823)
Acquisition and construction of capital assets	(557,378)
Net Cash (Used for) Capital and Related Financing Activities	<u>(1,651,136)</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Purchase of investments	(1,107,379)
Proceeds from sale of investments	1,318,331
Loans made	885,489
Net Cash Provided by Investing Activities	<u>1,096,441</u>

Net Decrease in Cash and Cash Equivalents (216,114)

Cash and Cash Equivalents, Beginning of Year 1,286,550

Cash and Cash Equivalents, End of Year \$ 1,070,436

The accompanying notes are an integral part of these financial statements.

Statement of Cash Flows, Continued
For the Year Ended June 30, 2024

RECONCILIATION OF OPERATING LOSS TO NET	
CASH PROVIDED BY OPERATING ACTIVITIES	
Operating Loss	\$ (858,470)
Adjustments to Reconcile Operating Loss to Net Cash Provided by Operating Activities:	
Depreciation and amortization	563,433
(Increase) Decrease in Assets:	
Accounts receivable, net	1,024,163
Prepaid insurance	4,868
Prepaid expenses	(55)
Increase (Decrease) in Liabilities:	
Accounts payable	(21,720)
Deposits	5,675
Accrued liabilities	(447)
Accrued interest payable	<u>215,983</u>
Net Cash Provided by Operating Activities	<u>\$ 933,430</u>

The accompanying notes are an integral part of these financial statements.

AFFORDABLE COMMUNITY LIVING CORPORATION

Notes to Financial Statements
June 30, 2024

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

The Affordable Community Living Corporation (Corporation) is organized and operates as a nonprofit organization. The specific purpose of the Corporation is to lessen the governmental burdens by providing assistance to governmental entities in their efforts to promote economic development and eliminate blighting conditions within such Cities, including, but not limited to, assuming the ownership and operation of mobile home parks in order to increase the availability of low and moderate income housing, and to further include financial assistance for housing to low and moderate income veterans and active military or disabled veterans. The costs associated with the Veterans Affordable Housing Program are reported as Donations and Low-Income Assistance on the Statement of Revenues, Expenses and Changes in Net Position.

The Corporation acquired the following mobile home parks from the City of San Bernardino Economic Development Agency (Agency) on July 1, 1997: Glen Aire Mobile Home Park, Orangewood Mobile Home Park, Friendly Village Mobile Home Park, Sequoia Plaza Mobile Home Park, Pacific Palms Mobile Home Park, Tropicana Mobile Home Park, Ninth Street Mobile Home Park and Rancho Meridian Mobile Home Park.

On April 1, 2001, the assets and liabilities of the Sequoia Plaza Mobile Home Park were transferred to the Sequoia Plaza Mobile Home Park Corporation, a wholly owned subsidiary of the Affordable Community Living Corporation.

On April 1, 2001, the assets and liabilities of the Rancho Meridian Mobile Home Park were transferred to the Rancho Meridian Mobile Home Park Corporation, a wholly owned subsidiary of the Affordable Community Living Corporation.

On December 31, 2001, the assets and liabilities of the Glen Aire Mobile Home Park were transferred to the Glen Aire Mobile Home Park Corporation, a wholly owned subsidiary of the Affordable Community Living Corporation.

On December 31, 2001, the assets and liabilities of the Pacific Palms Mobile Home Park were transferred to the Pacific Palms Mobile Home Park Corporation, a wholly owned subsidiary of the Affordable Community Living Corporation.

On March 1, 2004, the assets and liabilities of the Friendly Village Mobile Home Park, dba Santiago Hillside Estates, were transferred to the Friendly Village Mobile Home Park Corporation, a wholly owned subsidiary of the Affordable Community Living Corporation.

On March 1, 2004, the assets and liabilities of the Orangewood Mobile Home Park were transferred to the Orangewood Mobile Home Park Corporation, a wholly owned subsidiary of the Affordable Community Living Corporation.

On November 4, 2004, the Corporation acquired the Sunrise Village Mobile Home Park located in the City of Palm Springs, California. Upon purchase, the assets and liabilities of the Park were transferred to the Santiago Sunrise Village Mobile Home Park Corporation, a wholly owned subsidiary of the Affordable Community Living Corporation.

AFFORDABLE COMMUNITY LIVING CORPORATION

Notes to Financial Statements June 30, 2024

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

Nature of Activities, (continued)

On June 26, 2006, the Corporation sold the Tropicana Mobile Home Park.

On October 1, 2015, the Corporation entered into a land lease for the Santiago Silver Creek Mobile Home Park (See Note 5).

On November 10, 2021, the Corporation acquired the Santiago Estates Grandview Mobile Home Park located in the City of San Jacinto, California.

On December 3, 2021, the Corporation acquired Santiago Estates Mojave Mobile Home Park and entered into a land lease for the Park (See Note 5) located in the City of Mojave, California.

Basis of Accounting

The Corporation uses the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

The Corporation has elected to follow all pronouncements of the Governmental Accounting Standards Board (GASB).

Net Position

Net Position is classified as follows:

Net investment in capital assets – This component of net position consists of capital assets, including restricted capital assets, net of accumulated depreciation reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. If there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds are not included in the calculation of net investment in capital assets. Rather, that portion of the debt is included in the same net position component as the unspent proceeds.

Restricted net position – This component of net position consists of constraints placed on net position use through external constraints imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.

Unrestricted net position – This component of net position consists of items that do not meet the definition of "restricted" or "net investment in capital assets."

AFFORDABLE COMMUNITY LIVING CORPORATION

Notes to Financial Statements June 30, 2024

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

Net Position, (continued)

It is the Corporation's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

Income Taxes

The Corporation is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code and is classified as an organization that is not a private foundation. A comparable exemption has been granted by the State of California under the Revenue and Taxation Code 23701(d).

The Corporation files informational tax returns in the U.S. federal jurisdictions and the state of California. The Corporation is subject to potential examination by taxing authorities for income tax returns filed in the U.S. federal jurisdiction and the State of California. The tax years that remain subject to potential examination for the U.S. federal jurisdiction are fiscal years June 30, 2021, and forward. The State of California tax jurisdiction is subject to potential examination for fiscal years June 30, 2020, and forward.

Cash and Investments

For the purpose of the statement of cash flows, cash and cash equivalents include all highly liquid investments (including restricted assets) with maturity of three months or less when purchased. Cash and cash equivalents are presented on the balance sheet as cash.

Investments are stated at fair value.

Accounts Receivable

Accounts receivable are recorded net of an allowance for doubtful accounts. No interest is charged on these accounts. The allowance is estimated based on historical performance and current economic conditions. Losses are charged to the reserve when management deems further collection efforts will not produce additional recoveries. Periodically, management evaluates the accounts and writes off any amounts considered uncollectible. On June 30, 2024, the allowance for doubtful accounts was \$3,952.

AFFORDABLE COMMUNITY LIVING CORPORATION

Notes to Financial Statements June 30, 2024

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

Capital Assets

Property, plant and equipment with a cost of \$2,000 or more are capitalized and recorded at cost, except for donated assets, which are recorded at their acquisition value at the date of donation. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized in proprietary funds. Depreciation has been computed on the straight-line method over the assets' estimated useful lives. The estimated useful lives are as follows:

Furniture, fixtures and equipment	5 – 7 years
Vehicles	5 – 7 years
Buildings and improvements	10 – 40 years

Financial Instruments

The carrying amount of all financial instruments approximates fair value. The carrying amounts for cash and cash equivalents, accounts receivable, accounts payable and short-term debt approximate fair value because of the short maturity of these instruments. The fair value of capital lease obligations and long-term debt approximates the carrying amounts based upon the Corporation's expected borrowing rate for debt with similar remaining maturities and comparable risk.

Deferred Outflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of assets that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense) until then. The Corporation only has one item that qualifies for reporting in this category. It is the deferred charge on refunding reported in the statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

AFFORDABLE COMMUNITY LIVING CORPORATION

Notes to Financial Statements June 30, 2024

NOTE 2: CASH AND INVESTMENTS

Cash and investments as of June 30, 2024 are classified in the accompanying financial statements as follows:

Cash	\$ 1,070,436
Investments	105,168
	<u>\$ 1,175,604</u>

Cash as of June 30, 2024 consist of the following:

Cash on hand	\$ 300
Deposits with financial institutions	1,070,136
Investments	105,168
	<u>\$ 1,175,604</u>

Authorized Investments

The Corporation may invest in the following types of investments as authorized by the California Government Code:

- Securities of the U. S. Government or its agencies
- Negotiable certificates of deposits
- Bankers' acceptances
- Commercial paper
- Repurchase agreements

Interest Rate Risk

Interest rate risk is the risk that changes in market rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates.

Information about the sensitivity of the fair values of the Corporation's investments to market interest rate fluctuations is provided by the following table that shows the distribution of the Corporation's investments by maturity:

<u>Investment Type</u>	<u>Fair Value</u>	<u>12 Months or Less</u>
U.S. Treasury obligations	<u>\$ 105,168</u>	<u>\$ 105,168</u>

AFFORDABLE COMMUNITY LIVING CORPORATION

Notes to Financial Statements June 30, 2024

NOTE 2: CASH AND INVESTMENTS, (continued)

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligations to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization.

Presented below is the minimum rating required by (where applicable) the California Government Code or the Corporation's investment policy and the actual rating as of year-end for each investment type.

<u>Investment Type</u>	<u>Amount</u>	<u>Minimum Legal Rating</u>	<u>Not Rated</u>
U.S. Treasury obligations	<u>\$ 105,168</u>	N/A	<u>\$ 105,168</u>

Concentration Credit Risk

The investment policy of the Corporation contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the Government Code. The Corporation had no investments in any one issuer (other than U.S. Treasury securities, mutual funds, and external investment pools) that represent 5% or more of the Corporation's total investments.

Custodial Credit Risk

Custodial credit risk for *deposits* is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for *investments* is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the Corporation's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure deposits by pledging first deed mortgage notes having a value of 150% of the secured public deposits.

As of June 30, 2024, the Corporation's deposits with financial institutions were \$650,639 in excess of federal depository insurance limits. On a quarterly basis the Corporation reviews the financial condition of the institution that carries account balances exceeding the \$250,000 FDIC insurance amount.

AFFORDABLE COMMUNITY LIVING CORPORATION

Notes to Financial Statements June 30, 2024

NOTE 2: CASH AND INVESTMENTS, (continued)

Fair Value Measurements

Generally accepted accounting principles provides the framework for measuring fair value. The framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value with Level 1 given the highest priority and Level 3 the lowest priority. The three levels of the fair value hierarchy are as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the organization has the ability to access at the measurement date.

Level 2 inputs are inputs other than quoted prices included within *Level 1* that are observable for the asset or liability, either directly or indirectly. *Level 2* inputs include the following:

- a. Quoted prices for similar assets or liabilities in active markets.
- b. Quoted prices for identical or similar assets or liabilities in markets that are not active.
- c. Inputs other than quoted prices that are observable for the asset or liability (for example, interest rates and yield curves observable at commonly quoted intervals, volatilities, prepayment speeds, loss severities, credit risks, and default rates).
- d. Inputs that are derived principally from or corroborated by observable market data by correlation or other means (market-corroborated inputs).

Level 3 inputs are unobservable inputs for the asset or liability.

Fair value of assets measured on a recurring basis at June 30, 2024, were as follows:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Significant Other Observable Inputs (Level 2)</u>
U.S. Treasury obligations	<u>\$ 105,168</u>	<u>\$ 105,168</u>

AFFORDABLE COMMUNITY LIVING CORPORATION

Notes to Financial Statements June 30, 2024

NOTE 3: CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2024 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, not being depreciated:				
Land	\$ 3,698,913	\$ -	\$ -	\$ 3,698,913
Construction in progress	-	120,000	-	120,000
Total capital assets, not being depreciated	3,698,913	120,000	-	3,818,913
Capital assets, being depreciated/amortized:				
Buildings and improvements	6,310,157	378,378	(277,218)	6,411,317
Office furniture and equipment	53,841	-	(4,662)	49,179
Vehicles	49,489	59,000	-	108,489
Right to use asset - land	7,041,234	-	-	7,041,234
Total capital assets, being depreciated	13,454,721	437,378	(281,880)	13,610,219
Less accumulated depreciation/amortization for:				
Buildings and improvements	(1,793,228)	(429,050)	185,394	(2,036,884)
Office furniture and equipment	(23,327)	(8,507)	4,662	(27,172)
Vehicles	(17,972)	(10,681)	-	(28,653)
Right to use asset - land	(230,392)	(115,195)	-	(345,587)
Total accumulated depreciation/amortization	(2,064,919)	(563,433)	190,056	(2,438,296)
Total capital assets, being depreciated/amortized, net	11,389,802	(126,055)	(91,824)	11,171,923
Total capital assets, net	\$ 15,088,715	\$ (6,055)	\$ (91,824)	\$ 14,990,836

Depreciation and amortization expense for the year ended June 30, 2024 was \$563,433.

NOTE 4: RELATED PARTY NOTE PAYABLE

On December 13, 2022, the Corporation borrowed a balance of \$2,623,000 from the Sequoia Plaza Mobile Home Park Corporation under a promissory note. The unpaid principal balance accrues interest at a rate of 4.34% per annum, beginning on December 13, 2022. Monthly interest-only payments are due to the lender in the amount of \$9,487, commencing thirty days from the date of the note and continuing the same day of each subsequent month thereafter. The entire principal balance, along with any accrued but unpaid interest, is payable on demand by the lender. The borrower may pay all or any part of the principal at any time without penalty, with payments first applied to any accrued interest.

The following is a summary of changes in the related party note payable for the year ended June 30, 2024:

Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year	Accrued Interest
\$ 2,623,000	\$ -	\$ -	\$ 2,623,000	\$ 2,623,000	\$ 151,784

AFFORDABLE COMMUNITY LIVING CORPORATION

Notes to Financial Statements June 30, 2024

NOTE 5: LONG-TERM DEBT

The following is a summary of changes in long-term debt for the year ended June 30, 2024:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Notes Payable:					
Ninth Street	\$ 2,751,318	\$ -	\$ 44,850	\$ 2,706,468	\$ 52,163
Grandview	2,232,788	-	42,956	2,189,832	46,259
Parent	2,450,949	-	1,068,383	1,382,566	1,382,566
Total Long-Term Debt	<u>\$ 7,435,055</u>	<u>\$ -</u>	<u>\$ 1,156,189</u>	<u>\$ 6,278,866</u>	<u>\$ 1,480,988</u>

The annual requirements to amortize the long-term debt outstanding as of June 30, 2024, including interest payments, are as follows:

Year Ending June 30,	Notes Payable					
	Ninth Street		Grandview		Parent	
	Principal	Interest	Principal	Interest	Principal	Interest
2025	\$ 52,163	\$ 149,370	\$ 46,259	\$ 85,619	\$ 1,382,566	\$ 52,501
2026	55,147	146,386	48,119	83,758	-	-
2027	58,302	143,231	50,055	81,822	-	-
2028	61,251	140,282	52,068	79,809	-	-
2029	2,479,605	113,854	54,163	77,715	-	-
2030-2031	-	-	1,939,168	178,645	-	-
Total	<u>\$ 2,706,468</u>	<u>\$ 693,123</u>	<u>\$ 2,189,832</u>	<u>\$ 587,368</u>	<u>\$ 1,382,566</u>	<u>\$ 52,501</u>

Notes Payable

Ninth Street Mobile Home Park, single note as follows:

Interest at 4.85%, monthly payments of \$7,978 commencing March 1, 2013, through and including February 1, 2043. Secured by a Deed of Trust on the real property located at 780 Ninth Street, San Bernardino, CA, the Ninth Street Mobile Home Park.

In March 2019, the Corporation refinanced the Mortgage Loan with a Promissory Note in the amount of \$2,931,500, issued by the Bank of Hemet (Lender). The principal and interest on the Note is payable in 60 monthly installments of \$16,794 commencing May 1, 2019, and on the first day of each succeeding month until April 1, 2024, with interest calculated on the unpaid principal balances using an interest rate of 5.50%. An interest rate change will occur on May 1, 2024, interest will be calculated on the unpaid principal balances using the index rate in effect as of the date (Weekly Average Yield on United States Treasury Securities adjusted to a Constant Maturity of One (1) Year), plus a margin of 3.00% with a floor rate of 5.50%. Beginning May 1, 2024, principal and interest are payable in 60 monthly installments on the first day of each month until April 1, 2029 (Maturity Date). On the Maturity Date, the balance of the principal remaining unpaid of \$1,801,409, plus accrued interest shall be due and payable. The Note is secured by a Deed of Trust on the real property located at 780 Ninth Street, San Bernardino, CA, the Ninth Street Mobile Home Park. The note contains an event of default that changes the timing of repayment of outstanding amounts to become immediately due if the Corporation is unable to make payment.

AFFORDABLE COMMUNITY LIVING CORPORATION

Notes to Financial Statements June 30, 2024

NOTE 5: LONG-TERM DEBT, (continued)

Notes Payable, (continued)

Ninth Street Mobile Home Park, single note as follows, (continued):

The refunding resulted in a difference between the reacquisition price and the net carry amount of the old debt of \$58,630. The difference is reported in the accompanying financial statements as deferred outflows of resources and is being amortized through April 30, 2029 using the straight-line method of amortization. As a result of the refunding, the Corporation increase its debt service cash flow by \$463,351, resulting in an economic loss of \$27,682 (calculated as the difference between the debt service payments under the old and new debt discounted to present value using the effective interest rate).

The Note is subject to prepayment as of the date of the agreement, March 28, 2019. The Corporation may prepay the indebtedness, in whole or in an amount equal to one or more monthly payments of principal next due, provided that such payment is accompanied by the prepayment penalty (expressed as a percentage of the principal amount so prepaid) set forth below:

<u>Prepayment Periods</u>	<u>Prepayment Penalty</u>
March 28, 2019 through March 31, 2021	3%
April 1, 2021 through March 31, 2023	2%
April 1, 2023 through March 31, 2024	1%
April 1, 2024, and thereafter	None

Upon any declaration of the default, the timing of repayment of outstanding amounts may become immediately due or the mortgaged property may be repossessed, and interest rate shall immediately increase by adding an additional 5% point margin.

Santiago Estates Grandview Mobile Home Park, single note as follows:

On November 9, 2021, the Corporation obtained a Note with HCN Bank for \$2,300,000 with a maturity date of November 1, 2031. Interest at 3.95%, monthly payments of \$10,990 commencing December 1, 2021, through and including November 1, 2031. Balance due on June 30, 2024, is \$2,189,832. At the end of the term a balloon payment of \$1,802,941 is due and payable. Secured by a Deed of Trust on the real property located at 351 East Seventh Street in the City of San Jacinto, California, the Santiago Estates Grandview Mobile Home Park.

AFFORDABLE COMMUNITY LIVING CORPORATION

Notes to Financial Statements June 30, 2024

NOTE 5: LONG-TERM DEBT, (continued)

Notes Payable, (continued)

Santiago Estates Grandview Mobile Home Park, single note as follows, (continued):

The Note is subject to prepayment as of the date of the agreement, December 1, 2021. The Corporation may prepay the indebtedness, in whole or in an amount equal to one or more monthly payments of principal next due, provided that such payment is accompanied by the prepayment penalty (expressed as a percentage of the principal amount so prepaid) set forth below:

<u>Prepayment Periods</u>	<u>Prepayment Penalty</u>
December 1, 2021 through October 31, 2022	4%
November 1, 2022 through October 31, 2024	3%
November 1, 2024 through October 31, 2025	2%
November 1, 2025 through October 31, 2026	1%
November 1, 2026 and thereafter	None

Upon any declaration of the default, the timing of repayment of outstanding amounts may become immediately due or the mortgaged property may be repossessed, and interest rate shall immediately increase by adding an additional 5% point margin.

Outstanding Term Notes as follows:

Term Note 5 – Issued on January 28, 2019, monthly payments of \$14,153 commencing March 5, 2019 through and including January 5, 2024, and one payment on January 28, 2024, with interest calculated on the unpaid principal balances using an interest rate based on the prime rate as published daily in The Wall Street Journal, plus a margin of 0.25%. Secured by all Assigned Retail Installment Contracts and Security Agreements, Security Agreement Addenda, Financing Agreements, and similar agreements, between the Corporation and various third parties. The amount outstanding at June 30, 2024 was \$1,382,566.

Term Note 6 – Issued on August 25, 2020, monthly payments of \$12,195 commencing October 5, 2020 through and including August 5, 2025, and one payment on September 5, 2025, with interest calculated on the unpaid principal balances using an interest rate based on the prime rate as published daily in The Wall Street Journal, plus a margin of 0.25%. Secured by all Assigned Retail Installment Contracts and Security Agreements, Security Agreement Addenda, Financing Agreements, and similar agreements, between the Corporation and various third parties. At June 30, 2024, the term note had been paid-in-full.

Term Notes 1 through 4 were paid in full during the fiscal year ended June 30, 2023. All term notes contain an event of default that changes the timing of the repayment of outstanding amounts to become immediately due if the Corporation is unable to make payment.

AFFORDABLE COMMUNITY LIVING CORPORATION

Notes to Financial Statements June 30, 2024

NOTE 6: LEASES PAYABLE

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Land Leases Payable:					
Santiago Silver Creek	\$ 4,507,924	\$ -	\$ 32,894	\$ 4,475,030	\$ 33,807
Santiago Estates of Mojave	2,436,962	-	18,041	2,418,921	18,541
Total Land Leases Payable	<u>\$ 6,944,886</u>	<u>\$ -</u>	<u>\$ 50,935</u>	<u>\$ 6,893,951</u>	<u>\$ 52,348</u>

Santiago Silver Creek Land Lease

On October 1, 2015, the Corporation entered into a land lease for Santiago Silver Creek Mobile Home Park location. The initial lease liability was recorded in the amount of \$4,571,071. The land is leased for a term of sixty-five (65) years, commencing on October 1, 2015, and terminating on September 30, 2080, unless sooner terminated as provided within the ground lease. The Corporation is required to make monthly payments as follows: A minimum monthly ground rent of the greater of: eighteen percent (18%) of the gross rental income derived from the Lessee's use of the Leased Land ("Operating Income") or \$143,000 for the first year of the Lease term; and eighteen percent (18%) of the Operating Income or \$156,000 for every year of the Lease term thereafter. The lease has an implied interest rate of 2.74%. The amount outstanding for the land lease payable at June 30, 2024 was \$4,475,030. The value of the right to use asset as of June 30, 2024 was \$4,571,071 with accumulated amortization of \$218,913 and is included in right to use asset - land on Note 3.

Santiago Estate Mojave Land Lease

On November 18, 2021, the Corporation entered into a land lease for its new Santiago Estate of Mojave Mobile Home Park location. The initial lease liability was recorded in the amount of \$2,470,163. The land is leased for a term of fifty-nine (59) years, commencing on December 1, 2021, and terminating on September 11, 2080, unless sooner terminated as provided within the ground lease. The Corporation is required to make monthly fixed payments of \$7,049. The lease has an implied interest rate of 2.74%. The amount outstanding for the land lease payable at June 30, 2024 was \$2,418,921. The value of the right to use asset as of June 30, 2024 was \$2,470,163 with accumulated amortization of \$126,674 and is included in right to use asset - land on Note 3.

AFFORDABLE COMMUNITY LIVING CORPORATION

Notes to Financial Statements June 30, 2024

NOTE 6: LEASES PAYABLE, (continued)

The annual requirements to amortize the leases payable outstanding as of June 30, 2024, including interest payments, are as follows:

Year Ending June 30,	Principal	Interest	Total
2025	\$ 52,348	\$ 188,240	\$ 240,588
2026	53,801	186,787	240,588
2027	55,293	185,295	240,588
2028	56,828	183,760	240,588
2029	58,404	182,184	240,588
2030-2034	317,246	885,694	1,202,940
2035-2039	363,771	839,169	1,202,940
2040-2044	417,117	785,823	1,202,940
2045-2049	478,287	724,653	1,202,940
2050-2054	548,427	654,513	1,202,940
2055-2059	628,853	574,087	1,202,940
2060-2064	721,074	481,866	1,202,940
2065-2069	826,819	376,121	1,202,940
2070-2074	948,072	254,868	1,202,940
2075-2079	1,087,106	115,834	1,202,940
2080-2081	280,505	5,034	285,539
	<u>\$ 6,893,951</u>	<u>\$ 6,623,928</u>	<u>\$ 13,517,879</u>

NOTE 7: NOTES PAYABLE – CITY OF SAN BERNARDINO

Original Notes Payable

In 1997, the Corporation secured eight notes from the Redevelopment Agency of the City of San Bernardino in the aggregate amount of \$4,187,296. The notes consisted of \$1,942,648, which constituted "unreimbursed expenses" as defined in the Agreement for Purchase and Sale and Joint Escrow Instructions by and between the Corporation and Agency, and \$2,244,648, which constituted the cumulative total of installments of principal, and interest owed under the Redevelopment Agency of the City of San Bernardino Promissory Notes made by the Agency. The Sequoia Plaza, Rancho Meridian, Glen Aire, Pacific Palms, Orangewood, Friendly Village and Ninth Street notes were repaid as part of the refunding of the Notes associated with those Parks, and new notes were entered into when the Parks were transferred into their own corporations, as discussed in Note 1. The entire balance of the note however, remained with the Corporation.

On June 26, 2006, the Corporation sold the Tropicana Mobile Home Park and used a portion of the proceeds to repay \$1,806,203 of the Note. The Agency forgave an additional \$1,284,941 of the Note, and added accrued but unpaid interest of \$371,144 which left a note balance of \$2,187,296 on June 30, 2006. During the year ending June 30, 2024, there were no additional reductions in the note due to the Agency.

AFFORDABLE COMMUNITY LIVING CORPORATION

Notes to Financial Statements June 30, 2024

NOTE 7: NOTES PAYABLE – CITY OF SAN BERNARDINO, (continued)

Outstanding balances under the note accrues interest at 5.6%. The Note is unsecured. Principal and interest payments are to be made from monies on deposit in the Surplus Fund to the extent such funds are available through April 30, 2041. From May 1, 2041, to May 1, 2051, monthly installment payments are required to pay off the note by its maturity date of May 1, 2051. The balance of the note on June 30, 2024 was \$2,187,296. The outstanding principal and accrued interest payable balance of the note are reported as non-current liabilities on the Statement of Net Position.

Effective February 1, 2012 the Note Payables were transferred to the City of San Bernardino as the Housing Successor Agency in accordance with AB1x 26.

NOTE 8: LINE OF CREDIT

On July 4, 2023, the Corporation extended their \$3,000,000 line of credit from First Choice Bank, maturing on March 4, 2025. The line of credit bears an interest rate at prime plus 0.25%, and on June 30, 2024, the rate was 4.5% per annum. It is secured by the collateral listed in the Commercial Pledge Agreement. On June 30, 2024, the outstanding balance was \$606,046 and the amount of unused line of credit was \$2,393,954.

NOTE 9: NET POSITION

Net Investment in Capital Assets

Net position is classified as 1) net investment in capital assets, 2) restricted, or 3) unrestricted. Net position that was classified as net investment in capital assets as of June 30, 2024, was determined as follows:

Capital assets, net of accumulated depreciation	\$ 14,990,836
Less:	
Outstanding principal balance of note payable	(6,278,866)
Outstanding principal balance of land leases payable	(6,893,951)
Portion of loan not expended for capital purposes	<u>1,382,566</u>
Outstanding principal of capital-related debt	<u>(11,790,251)</u>
Add:	
Unamortized balance of deferred loss on capital-related debt refinancing	<u>32,246</u>
Net investment in capital assets	<u>\$ 3,232,831</u>

AFFORDABLE COMMUNITY LIVING CORPORATION

Notes to Financial Statements June 30, 2024

NOTE 10: PROJECT DESCRIPTION

The below four parks are included in the financial reporting of the Company:

Ninth Street Mobile Home Park

Ninth Street Mobile Home Park (Ninth Street) is located at 780 East Ninth Street in the City of San Bernardino, California. The Project consists of 109 mobile home spaces. Ninth Street consists mainly of singlewide spaces; however, there are a few doublewide spaces. Most of the homes have awnings and concrete driveways, as well as covered carports. Ninth Street has a total area of approximately 8.13 acres. The Park was constructed around 1972. The overall range for rents is \$226 to \$672 per month with average rents of \$474 per month, excluding utilities.

Santiago Silver Creek Mobile Home Park

Silver Creek Mobile Home Park (Silver Creek) is located at 1600 E. Highway 70, Safford, Arizona. The Project consists of 84 mobile home spaces. Silver Creek has a total area of approximately 12.1 acres. The overall range for rents is \$360 to \$726 per month with average rents of \$434 per month, excluding utilities.

Santiago Estates Grandview Mobile Home Park

Santiago Estates Grandview Mobile Home Park (Grandview) is located at 351 East Seventh Street in the City of San Jacinto, California. The Park consists of 58 mobile home spaces. The overall range for rents is \$445 to \$690 per month with average rents of \$566 per month, excluding utilities.

Santiago Estates Mojave Mobile Home Park

Santiago Estates Mojave Mobile Home Park (Mojave) is located at 15540 Allie Street in the City of Mojave, California. The park consists of 83 mobile home spaces. The overall range for rents is \$395 to \$440 per month with average rents of \$416 per month, excluding utilities.

AFFORDABLE COMMUNITY LIVING CORPORATION

Notes to Financial Statements June 30, 2024

NOTE 11: TRANSFERS

As of June 30, 2024, the following transfers were made to the Affordable Community Living Corporation to support its ongoing nonprofit programs:

	<u>Transfers in:</u>
	Affordable Community Living Corp.
Transfers out:	
Glen Aire MHP	\$ 94,000
Pacific Palms MHP	150,000
Rancho Meridian MHP	500,000
Friendly Village MHP	125,000
Sequoia Plaza MHP	377,000
Santiago Sunrise Village MHP	207,000
	<u> </u>
Total Transfers In	<u>\$ 1,453,000</u>

NOTE 12: RELATED PARTY TRANSACTIONS

The Corporation provides services and incurs costs for all the individual parks and invoices each park for their share of these expenses on a monthly basis. These expenses include Director's fees, salaries, insurance, vehicle lease, mileage reimbursements, office rent, legal fees, repairs and maintenance for office facilities, and office supplies and expenses.

NOTE 13: PRIOR PERIOD RESTATEMENT

For the year ended June 30, 2023, a promissory note with a related party was classified as an advance rather than a loan payable. Accrued interest on this note was not reflected in the financial statements for the year ended June 30, 2023. The following shows the effect of the restatement on net position:

Beginning net position, as previously stated	\$ 8,729,199
Correction of an error	<u>(56,919)</u>
Beginning net position, as restated	<u>\$ 8,672,280</u>

AFFORDABLE COMMUNITY LIVING CORPORATION

Notes to Financial Statements
June 30, 2024

NOTE 14: SUBSEQUENT EVENT

Subsequent to the year ended June 30, 2024, the Sequoia Plaza Mobile Home Park Corporation elected to forgive the principal and interest due from the Affordable Community Living Corporation under the promissory note detailed in Note 4. This event results in non-operating revenues of \$2,774,784 in fiscal year 2024-2025. The Corporation intends to use these funds to support its ongoing nonprofit programs.

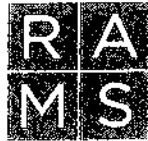
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**Schedule of Revenues and Expenses by Mobile Home Park
For the Year Ended June 30, 2024**

	Parent	Ninth Street	Silver Creek
OPERATING REVENUES			
Rentals	\$ -	\$ 588,320	\$ 249,097
Utility income	-	73,199	136,641
City fees	-	-	9,451
Contributions	9,916	-	-
Late charges	26,555	1,800	3,350
Legal fee reimbursement	2,572	-	1,120
Workers' compensation refund	2,921	1,693	784
Other revenue	1,025	10,702	7,419
Reimbursements - salary and payroll taxes	105,089	-	-
Reimbursements - corporate expenses	7,582	-	-
Interest income	915,281	518	44
Total Operating Revenues	<u>1,070,941</u>	<u>676,232</u>	<u>407,906</u>
OPERATING EXPENSES			
Bad debt expense	5,979	-	14,915
Contracted services	85,050	-	-
Depreciation and amortization	19,864	87,587	160,470
Donations	250,000	-	-
Insurance expense	18,339	32,030	42,643
Interest expense	683,097	169,226	-
Lease expense	30,634	-	-
Legal expense	49,515	7,939	3,235
Low income assistance	67,149	-	-
Management and accounting services	1,854	32,605	21,583
Miscellaneous expenses	15,522	330	-
Office expense	8,715	58,419	20,590
Outside services	2,331	1,397	2,023
Repairs and maintenance	12,650	19,766	28,590
Salaries, wages and benefits	209,586	106,404	71,783
Security	-	11,886	-
Taxes, licenses and permits	670	6,887	20,793
Tenant expense	214,970	-	-
Utilities	-	83,473	120,422
Veterans Program	13,100	-	-
Total Operating Expenses	<u>1,689,025</u>	<u>617,949</u>	<u>507,047</u>
Operating Income (Loss)	<u>(618,084)</u>	<u>58,283</u>	<u>(99,141)</u>
NONOPERATING REVENUES (EXPENSES)			
Loan costs	(2,626)	-	-
Loss on disposal of asset	(91,824)	-	-
Transfers from related entities	1,453,000	-	-
Unrealized gains on investments	8,659	4,965	-
Total Nonoperating Revenues (Expenses)	<u>1,367,209</u>	<u>4,965</u>	<u>-</u>
Change in Net Position	<u>\$ 749,125</u>	<u>\$ 63,248</u>	<u>\$ (99,141)</u>

**Schedule of Revenues and Expenses by Mobile Home Park
For the Year Ended June 30, 2024**

	Mojave	Grandview	Total
OPERATING REVENUES			
Rentals	\$ 289,130	\$ 382,600	\$ 1,509,147
Utility income	161,732	65,864	437,436
City fees	-	3,083	12,534
Contributions	-	-	9,916
Late charges	2,550	3,425	37,680
Legal fee reimbursement	-	-	3,692
Workers' compensation refund	1,444	1,116	7,958
Other revenue	6,257	7,713	33,116
Reimbursements - salary and payroll taxes	-	-	105,089
Reimbursements - corporate expenses	-	-	7,582
Interest income	19	21	915,883
Total Operating Revenues	<u>461,132</u>	<u>463,822</u>	<u>3,080,033</u>
OPERATING EXPENSES			
Bad debt expense	353	6,737	27,984
Contracted services	-	-	85,050
Depreciation and amortization	213,019	82,493	563,433
Donations	-	-	250,000
Insurance expense	57,200	22,268	172,480
Interest expense	-	-	852,323
Lease expense	-	-	30,634
Legal expense	1,592	2,637	64,918
Low income assistance	-	-	67,149
Management and accounting services	25,718	24,578	106,338
Miscellaneous expenses	0	-	15,852
Office expense	33,875	18,170	139,769
Outside services	5,222	3,470	14,443
Repairs and maintenance	49,082	37,613	147,701
Salaries, wages and benefits	128,466	75,362	591,601
Security	-	-	11,886
Taxes, licenses and permits	37,109	54,126	119,585
Tenant expense	-	-	214,970
Utilities	172,096	73,296	449,287
Veterans Program	-	-	13,100
Total Operating Expenses	<u>723,732</u>	<u>400,750</u>	<u>3,938,503</u>
Operating Income (Loss)	<u>(262,600)</u>	<u>63,072</u>	<u>(858,470)</u>
NONOPERATING REVENUES (EXPENSES)			
Loan costs	-	-	(2,626)
Loss on disposal of asset	-	-	(91,824)
Transfers from related entities	-	-	1,453,000
Unrealized gains on investments	-	-	13,624
Total Nonoperating Revenues (Expenses)	<u>-</u>	<u>-</u>	<u>1,372,174</u>
Change in Net Position	<u>\$ (262,600)</u>	<u>\$ 63,072</u>	<u>\$ 513,704</u>



ROGERS, ANDERSON, MALODY & SCOTT, LLP
 CERTIFIED PUBLIC ACCOUNTANTS, SINCE 1948

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**REPORT ON INTERNAL CONTROL OVER FINANCIAL
 REPORTING AND ON COMPLIANCE AND OTHER MATTERS
 BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
 IN ACCORDANCE WITH
 GOVERNMENT AUDITING STANDARDS**

PARTNERS

Scott W. Platts, CPA, CGMA
 Leena Shambhug, CPA, MSE, CGMA
 Bradford A. Weicher, CPA, FIMA, CGMA
 Jenny W. Liu, CPA, BSA
 Gargiya Doran, CPA, CGMA
 Briana Schultz, CPA, CGMA
 Brenda L. Odio, CPA, MSE (Internal Controls)
 Terry P. Shea, CPA (Partner Emeritus)

Independent Auditor's Report

To the Honorable Board of Directors
 Affordable Community Living Corporation
 Santa Ana, California

MANAGERS / STAFF

Sung Hyeon Lee, CPA, MBA
 Evelyn Morentin-Barrena, CPA
 Yarencia Hernandez, CPA
 Laura Arvizu, CPA
 John Maldonado, CPA, MBA
 John Rodriguez-Franco, CPA, MBA
 Daniel Lee, CPA
 Jeffrey McKernan, CPA
 Monica Wysocki, CPA

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the Affordable Community Living Corporation (the entity) as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the entity's basic financial statements, and have issued our report thereon dated October 31, 2024.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the entity's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we do not express an opinion on the effectiveness of the entity's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

MEMBERS

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*Governmental Audit
 Quality Center*

California Society of
 Certified Public Accountants



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A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the entity's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

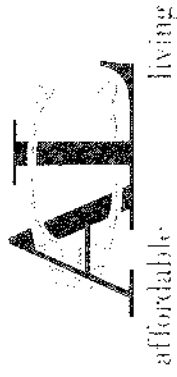
Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Rogers, Anderson, Malody & Scott, LLP.

San Bernardino, California
October 31, 2024

Agenda 8, Item 4
Calhomes Grant Summary Report

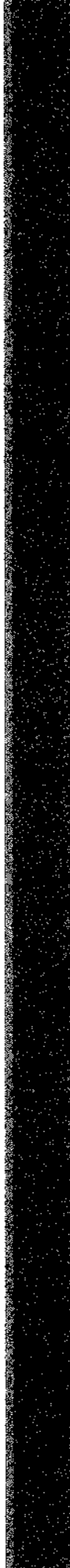


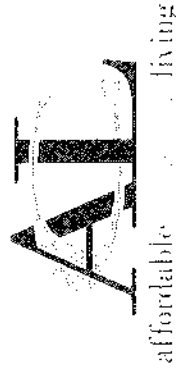
Affordable Community Living Calhome Grant Program Update

AFFORDABLE COMMUNITY LIVING BOARD

DECEMBER 10, 2024

UPDATE AS OF NOVEMBER 30, 2024





Affordable Community Living

Calhome Grant Program Update



- Affordable Community Living (ACL) was awarded a grant of \$5 million (OOR1) from the State of California for the purpose of making home repair/home replacement loans to residents. Loans to residents are forgivable with no monthly payments and can be used for rehabilitation or replacement of homes. The award contract was signed on 2/2/21 and activated in May with a three year window of operation. The program is complete. \$4,990,034 was used of \$5,000,000 with an unused balance of \$9,966. Completed projects total 43 – 7 rehabs and 36 replacements. All Calhome funds have been received as of 1/11/24.
- ACL was awarded a grant of \$1,831,500 for Mortgage Assistance for first-time home buyers. The contract was executed on 10/19/22. The program provides forgivable down-payment assistance loans of up to 40% or the purchase price.
- ACL has been awarded another grant of \$5 million (OOR2) from the State of California for the purpose of making home repair/home replacement loans to residents. Loans to residents are forgivable with no monthly payments and can be used for rehabilitation or replacement of homes. The award contract has been signed. Program began 4/2024 and is fully subscribed with 33 approved applications.
- These grant applications were prepared with the assistance of Townsend Public Affairs.



affordable living

Calhome Grant Program Overview



Mortgage Assistance First-Time Homebuyer (MA)

- Program requires buyers to qualify as “low-income” and “first-time” homebuyers.
- Provides down-payment assistance of up to 40% of purchase price with a maximum grant of \$100,000.
- Projects 66 transactions of approx. \$25,000 total of \$1,831,500 (includes ADF).
- Revised projections are 33 grants of approx. \$50,000 each.
- Program approved 10/19/22. Program ends 9/19/25.
- To date 17 grants have been approved and funded for \$931,575 with \$899,925 remaining.





affordable

living

Calhome Grant Program Overview



Rehab/Replacement (OOR2) - \$5,000,000

- The Program began 4/2024 and will expire in 3 years.
 - The Program is fully subscribed with 33 approved applications with 32 funded.
- All projected to close by 12/31/24.





ACL - Callhome Grant
Projected Out Of Program Cost

	Projected	Actual (as of 11-18-24)
33 Total Replacements		
Interim Housing Cost @ \$6k ea	\$198,000	\$185,011
25 Sheds @ \$5,600 ea	\$168,000	\$ 53,015
Total	\$366,000	\$238,026



Agenda 8, Item 5

AVAG Veteran Assistance Program Report



AMERICAN VETERANS ASSISTANCE GROUP



AFFORDABLE COMMUNITY LIVING BOARD

DECEMBER 10, 2024

UPDATE AS OF NOVEMBER 30, 2024





OVERVIEW



The Veterans Affordable Housing Program (VAHP) started in mid 2011 under Affordable Community Living (ACL). American Veterans Assistance Group (AVAG) was started in early 2014 at which time the VAHP program was transferred to AVAG.

The AVAG Board of Directors consists of Ramon Rodriguez (Chairman), Jim Duffy, John Yeandle, Glen Rudolph and Aaron Brandenburg.

Doreen Matsumoto is Chaplain and Scott McReynolds is the Program Director.

AVAG corporate officers are as follows;

President\Chief Executive Officer – Ramon Rodriguez

Secretary – Glen Rudolph

Chief Financial Officer - Shontele Simonian

Executive Vice-President - Richard Simonian

Executive Vice-President - Dennis Kazarian



\$1mil Federal Earmark Grant



AVAG has applied for and has been awarded a federal earmark grant of \$1mil which was submitted to congress by Congressman Lou Correa. The bill HR 8294 was voted on and passed in December 2022. A letter of agreement has been signed by AVAG and HUD as of 4/17/24.

Program Action Plan has been approved and fund request vouchers will be submitted (subject to EPA review/approval)

****This opportunity was provided and applied for with the assistance of Townsend Public Affairs**



VETERANS HELPED



Year	Total # helped	Down Payment	Rent Relief	Funds Distributed
2011 (May-Dec)	36	17	19	\$67,352
2012	45	45	0	\$98,393
2013	38	32	6	\$80,950
2014	20	17	3	\$46,800
2015	7	6	1	\$14,300
2016	21	17	4	\$51,800
2017	13	8	5	\$25,000
2018	12	4	8	\$18,600
2019	18	9	9	\$32,700
2020	23	9	14	\$39,300
2021	26	2	24	\$26,000
2022	31	10	21	\$49,200
2023-24 (July-Nov)	40	8	32	\$69,700
TOTAL to DATE	330	184	146	\$620,095*

\$35,400

*includes 32 veterans receiving annual rent relief of



VETERANS HELPED
Home Repairs and Handicap Improvements
July 2024 – November 2024



July	Paglia/LaVerne #102	floor damage	\$780
August	Gutman/Rancho La Pz #16	floor/roof	\$9,920
September	Enderlin/Rancho La Paz #12	floor/roof/termite	\$14,900
October	Grimm/Cherokee #64	roof repair	\$12,250
October	Fincher/Cherokee #28	skirting/shed	\$8,600
November	Robbins/cherokee #H	paint/porch repair	\$10,250
March	Green/Pacific Palms #69	water heater/shed	\$2,970
October	Oquendo/Pacific Palms #56	water heater	\$1,690
7/24-11/24	8 Total		\$61,360
PROGRAM 2011 TO DATE			TOTAL 98
			\$366,699



AVAG News

Fall 2024 • Volume 11 Issue 3

IN THIS ISSUE

AVAG Observes POW/MIA Recognition Day

The AVAG community gathered in honor of National POW/MIA Recognition Day at the Brookhurst Community Center in Anaheim.

AVAG and Cottonwood Church

AVAG partnered with the Cottonwood Church Hope Team for their annual service day in Santiago Creek Orange Estates.

Oath to Country Foundation Brightens 99-Year-Old Veteran's Home with Yard Overhaul

Supporting Our Veterans at the VA

AVAG and Special Forces Association Chapter 78

AVAG Celebrates First Responders Hope Chapel opened its doors to welcome a large gathering for our fourth annual First Responders Appreciation Barbeque.

AVAG Veterans Enjoy a Memorable Night at the Anaheim Ducks Game

A group of veterans enjoyed an unforgettable evening watching the Anaheim Ducks face off against the San Jose Sharks

WWII Veterans Honored at Santa Ana Post Office Dedication.

AVAG Veterans Connect

Building community together — veterans AND spouses welcome!

AVAG and Partners in Action

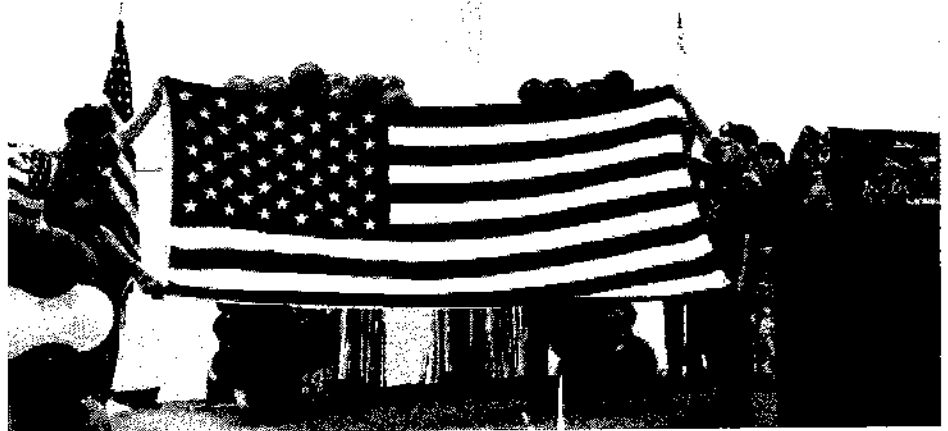
AVAG and its partners, American Legion Post 295—Cypress, Heart of Compassion, and SoCal Quilts of Valor, serve our Veteran community.

AVAG Communities

AVAG community events and activities

In Memoriam

Our communities mourn the loss of three of its members.



Members of the 82nd Airborne Association Lew Millett Memorial Medal of Honor Chapter lead dignitaries at the front of the parade kicking off the AVAG Memorial Day Luncheon.

Honoring Our Heroes: The AVAG Community Observes POW/MIA Recognition Day

On Friday, September 20, the AVAG community gathered to celebrate National POW/MIA Recognition Day. Robert Crebbs of the 82nd Airborne led a solemn Pledge of Allegiance to kick off the event, which was held at the Brookhurst Community Center in Anaheim. Melissa Ramon followed with a reading explaining the significance behind the folding of the American flag. While guest speaker Nelson Cook offered insightful ideas on how we might have a positive impact on our children today, Chaplain Doug Zimmer honored U.S. military POWs and MIAs by explaining the history and meaning of the POW/MIA flag and the symbolism of "Missing Man Table."

A highlight of the morning was Senator Tom Umberg presenting AVAG (American Veterans Assistance Group) founder, Richard



Simonian, with a certificate of appreciation for his tireless efforts in serving veterans across our communities. Mr. Simonian also received additional certificates from Sharon (Continued on page 2)

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Honoring Our Heroes: The AVAG Community Observes POW/MIA Recognition Day continued

Quirk-Silva's office and the City of Santa Ana. His speech was filled with inspiring insights and stories.

We want to extend a special thank you to all the dedicated volunteers who made this year's POW/MIA Recognition Day such a resounding success. The event would not have been possible without the efforts of Mellissa Arriola Breunig, who orchestrated the raffle and decorations, as well as the remarkable contributions of volunteers like Wayne and Marla Ogelvie, Martha Rivera Barreras, Mary Cruz, Raine Broussard, Bonnie, Ginny, Lani, Megan Ramirez, and Lisa Abbott.

Our community partners played a vital role, offering valuable resources to attendees. We're grateful to Heart of Compassion Distribution, Torres Mortuary, VA Long Beach Healthcare System, DAV Chapter 23, American Legion Anaheim, Home Health Southern California, Navy Federal Credit Union, Orange Field of Valor, Coaches of Influence, Humana, VVA Helicopter, and Crispin Tenorio and his church staff for their support.

Together, we honored the memory of those who sacrificed for our freedom while strengthening our commitment to serving our veterans and community. ✕



Honoring the Sacrifice: The Symbols of the POW/MIA Flag and Missing Man Table

By Douglas Zimmer
 CMSGT (ret.), U.S. Air Force
 AVAG Chaplain

Today, we are pausing to remember our country's Prisoners of War (POW) and those Missing in Action (MIA).

First of all, let me draw your attention to the official POW/MIA flag.

The flag is primarily black in color. Words and graphics appear as white, or black on white. There is a silhouette of a prisoner of war (POW) in front of a guard tower and barbed wire. The letters "POW/MIA" are printed above the silhouette and the words, "You are never forgotten" appear underneath the symbols on the flag.

The POW/MIA flag represents care and support for the many members of our country's military branches during the Vietnam War, particularly those who were captured by the enemy. The last U.S. POW in Southeast Asia was returned to the United States in 1973, but there are still a number of "MIAs" that have yet to be accounted for.

The POW/MIA flag that we are familiar with was first proposed as the National League of Families POW/MIA flag and was adopted in 1972 as the official emblem of that organization. It was officially called, "the National League of Families of American and Missing in Southeast Asia". It was flown over the White House for the first time in 1982. Congress officially recognized the flag later. The flag was installed inside of the U.S. Capitol Rotunda in 1989. Finally, in 1990, Congress passed a US Public Law (101-355) recognizing the flag "as a symbol of our Nation's concern and commitment to resolving as fully as possible the fates of Americans still prisoner, missing and unaccounted for in Southeast Asia, thus ending the uncertainty for their families and the Nation.

The POW/MIA Flag Act was signed into law, requiring the POW/MIA flag to be flown on certain federal properties, including the Capitol Building, on all days the U.S. flag is flown. Since then, it has been a symbol for POW/MIAs from all U.S. wars.

The POW/MIA flag is part of the "Missing Man Table", also known as the fallen comrade table. The table consists of:

- A small table set for one, symbolizing the isolation of the absent service member.
- A white tablecloth symbolizes the pure intentions of the service members who responded to the country's call to arms.
- A single red rose in a vase symbolizes the blood that service members have shed in sacrifice to ensure the freedom of the United States of America. The rose also represents the family and friends who keep the faith while awaiting the return of the missing service members.
- The red ribbon represents a love of country that inspired the service members to serve the country.
- A slice of lemon on the bread plate represents the bitter fate of the missing.
- Salt sprinkled on the bread plate symbolizes the tears shed by waiting families.
- An inverted glass represents the fact that the missing and fallen cannot partake.
- A lit candle symbolizes a light of hope that lives in hearts to illuminate the missing's way home.
- An empty chair represents the absence of the missing and fallen.

Let's have a moment of silence to honor our POWs and our service members that are still missing and unaccounted for...

Thank you. ✕



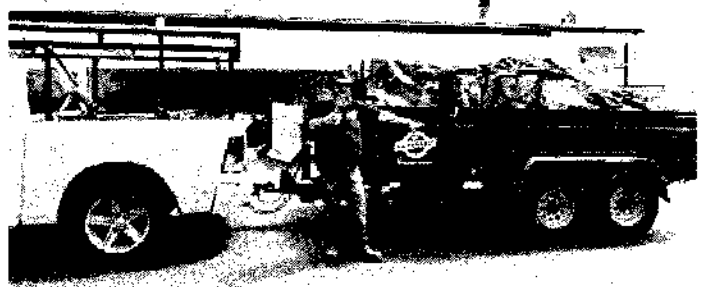
AVAG and Cottonwood Church Partner for a Successful Serve Day

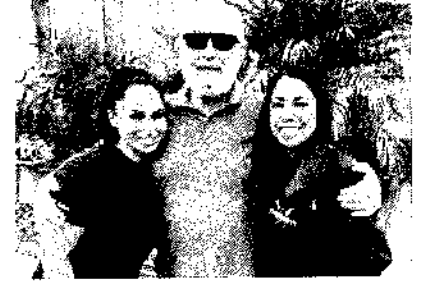
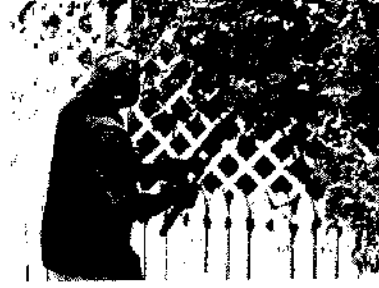
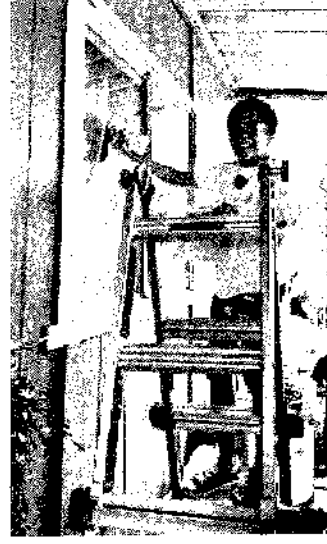
In September, the American Veterans Assistance Group (AVAG) partnered with the Cottonwood Church Hope Team for their annual service day in Santiago Creek Orange Estates. With the invaluable assistance of Doug Darrah, who provided a trailer for hauling away junk, volunteers tackled a variety of tasks to improve the lives of the community's seniors and veterans.

From yard cleanups and building a shed to window washing and junk removal, the volunteers worked tirelessly to address the needs of 22 homes in the community. Here's what we accomplished:

- Yard cleanups
- Building a shed
- Washing windows
- Junk removal
- Weeding
- Changing light bulbs and patio lights
- Fixing lattice
- Digging up small trees
- Small repairs
- Cleaning front porches
- Removing ivy

A huge thank you to the Cottonwood Church Hope Team and all the volunteers who contributed to making this day a success. Your support and dedication have made a significant difference in the lives of the seniors and veterans who call Santiago Creek Orange Estates home. ♡





"I was able to bring my two kids with me on our clean up day at Creek Orange. We had the privilege of serving Mr. Charles by cleaning his windows and watering his plants. It was an honor to help him with a few small tasks around his home, but the highlight was when my ten year old son had the opportunity to pray for him during our visit. We enjoyed our time serving Mr. Charles and look forward to our next serve day at Creek Orange."

Natalie
Do good, bring hope.

Oath to Country Foundation Brightens 99-Year-Old Veteran's Home with Yard Overhaul

Oath to Country Foundation (OTCF) contacted one of AVAG's partner organizations and was asked if they knew of any military veterans who needed help with yard work or landscaping around their homes. It was suggested that they get in contact with our AVAG Chaplain, Doreen Matsumoto.

Dr. Justin Gracieux, the OTCF founder, contacted Doreen straight away. He explained the mission of his foundation and asked if she knew of any veterans that could use help with their home landscaping. Doreen right away thought of Howard Koch, a 99-year-old World War II and Korean veteran.

Doreen contacted Howard and his caregiver, Susanna, to see if they were interested. They said yes, and a meeting with Howard, Susanna, Doreen, and Dr. Justin was scheduled for a Thursday afternoon.

At around 3:30, Dr. Justin arrived at Howard's home. Introductions were made, and Dr. Justin outlined what his foundation did. Howard, Susanna, Doreen, and Dr. Justin surveyed the yard and came up with a plan to get Howard's yard cleaned up.

Dr. Justin said he would contact his volunteers, bring the necessary tools, bring a bin to haul away all the debris, and pick up new plants to be placed in the yard. He then told Howard and Susanna that he and his group of volunteers would show up on Saturday morning, only one day away.

On Saturday morning at 8:00, OTCF showed up at Howard's with all the tools, bins, and volunteers. The volunteers included families with their children. They all wanted to meet Howard and learn about his life and time in the Army 10th Mountain Division during World War II.

The volunteers, including the children, got to work removing some plants and shrubs, trimming other shrubs and trees, planting new drought-tolerant plants and flowers, fertilizing, and spreading new ground cover along with U.S. flags along the planter edges. Everyone worked well together and was in good spirits.

All the debris, dirt, and dust were cleaned up, leaving Howard with a beautiful new yard. To complete the visit, OTCF replaced his U.S. flag hanging in front of his house with a brand-new flag fully equipped with a solar light to illuminate his flag at night.

Howard and Susanna were ecstatic and flabbergasted about all the fantastic work Dr. Justin and his OTCF volunteers accomplished. Howard said that he felt truly blessed!

For more information about the Oath to Country Foundation, please visit their website or look them up on Instagram at @oath_to_country_foundation. ✨





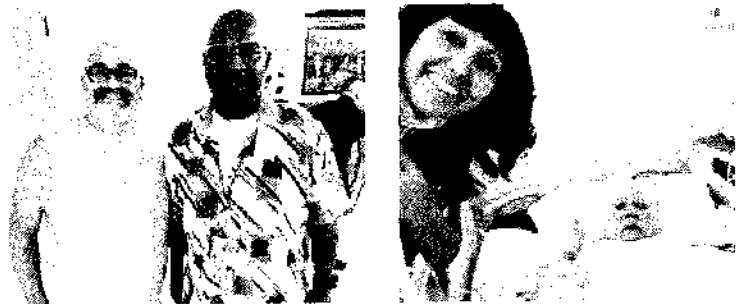
Supporting Our Veterans at the VA

AVAG Chaplain Doreen Matsumoto has been hard at work supporting veterans through visits to the Veterans Administration (VA) offices in Long Beach.

In July, she accompanied Veteran Rick Lazarin, who had previously struggled to secure his benefits after an initial denial. Together, they navigated the VA process, resulting in Rick receiving an eye appointment, an ear appointment, and a primary care visit. Inspired by this progress, he's ready to begin applying for his service-connected claim. During their visit, they reconnected with Ken, a VA staff member, who is always a great help.

In August, Chaplain Matsumoto continued her mission. She spent a full day at the Long Beach VA assisting veterans Dennis Hines and Art Dolick in resubmitting their service-connected claims. She also visited Don Winkler in the hospital to check on his progress. She met Liz from the Blind Rehab Center, who introduced her to Kathleen Ellertson, founder of the Veterans Art Institute. She also crossed paths with Santiago Rios from the Disabled American Veterans (DAV) in Whittier, who sought her input on helping a homeless veteran.

These visits underscore AVAG's commitment to advocating for our veterans. With each visit, Chaplain Matsumoto brings practical assistance and also the warmth of community, reminding each veteran that they are valued and supported. ♡

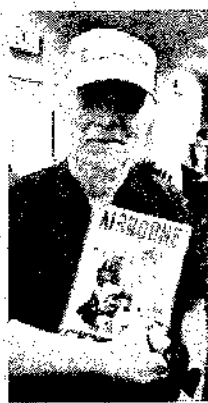


AVAG and Special Forces Association Chapter 78: Connection and Support

For several months, AVAG Chaplain Doreen Matsumoto, often accompanied by AVAG member Mary Cruz, has attended the monthly meetings of Special Forces Association Chapter 78, a group composed mostly of retired Army Special Forces members. Since the group's chaplain has not been able to attend meetings

lately, she helps out by giving the invocation at the start of the meeting. Her presence provides a bridge of support and encouragement, and she's there to connect with members, offering assistance wherever she sees a need. She also adds a bit of fun with the giveaways she brings along for the members, which they all really enjoy.

These gatherings serve as a place of camaraderie, where retired servicemen reconnect and support one another. Doreen's role as chaplain adds a layer of care, as she's there to listen and lend a hand, honoring each veteran's journey with the dignity they deserve. ♡



AVAG Celebrates First Responders

On August 16, 2024, Hope Chapel in Huntington Beach opened its doors to welcome a large gathering for our fourth annual First Responders Appreciation Barbeque. This event, aimed at honoring the community's dedicated police officers, firefighters, marine safety teams, and lifeguards, was a resounding success thanks to the participation of our local heroes and the support of volunteers and sponsors.

Our chaplaincy team once again did an outstanding job orchestrating the event. A special welcome to Tom and Wendy Loveless and Marla and Wayne Ogelvie, the newest members of our team. Both couples, with the husbands being veterans, were instrumental in securing raffle prizes and donations of hotdogs and hamburgers, which helped make the day even more memorable. We are incredibly grateful for their contributions.

Hope Chapel graciously provided the drinks, condiments, and all the essentials like plates, napkins, and utensils, ensuring everyone had what they needed for a seamless afternoon. Our friends at Children's Giving Gifts made the day brighter with gift bags specially prepared for our first responders.

Additionally, several local organizations set up resource tables for the attendees. Torres Mortuary was present to offer information about their Veterans Burial Program, with resources for first responders. Navy Credit Union also provided helpful services, and Travis Mayfield's Elite Fitness team sent chiropractors and doctors to offer wellness consultations to our guests.

The food was a community effort. David Breunig, along with Michael and Charlie, expertly manned the grill, serving up hotdogs and hamburgers, while Chaplain Jimmy Arita brought pizza for everyone to enjoy. Brackets Kitchen generously donated delicious side dishes, rounding out a satisfying meal.

We would also like to express our deep thanks to the numerous volunteers who gave their time to set up, serve, and tear down after the event. Without their dedication, this luncheon would not have been possible.

To all our first responders, thank you for your service, and we look forward to celebrating with you again next year! 🙌





AVAG Veterans Enjoy a Memorable Night at the Anaheim Ducks Game

On September 26, AVAG had the privilege of hosting a group of veterans for an unforgettable evening at the Honda Center to watch the Anaheim Ducks face off against the San Jose Sharks. This game, the second of seven preseason games, provided an exciting opportunity for our veterans to experience the thrill of live hockey before the regular season began.

Thanks to the generosity of Vicky Murphy, Executive Vice President of Wilson Automotive, our veterans were treated to an exclusive experience in one of the company's suites. The atmosphere was electric as our group settled in to enjoy the game. As an extra special touch, AVAG

Chaplain Doreen Matsumoto arranged for the Anaheim Ducks' mascot to make a surprise visit to the suite, bringing smiles and excitement to everyone. The veterans were thrilled to see the mascot up close!

Although the Ducks put up a good fight, they unfortunately lost to the Sharks 3-2. Despite the outcome, everyone in attendance had an incredible time, sharing laughs, creating memories, and appreciating the opportunity to come together for a night out.

We are deeply grateful to Wilson Automotive for making this experience possible. ✧



WWII Veterans Honored at Santa Ana Post Office Dedication for Judge James Perez

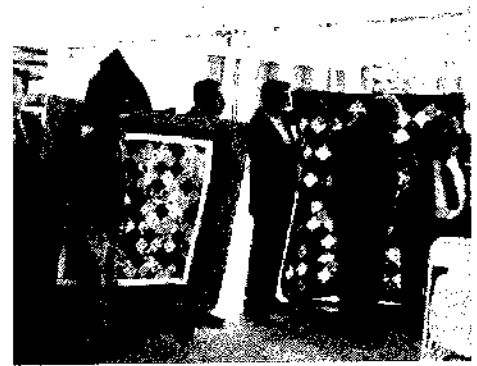
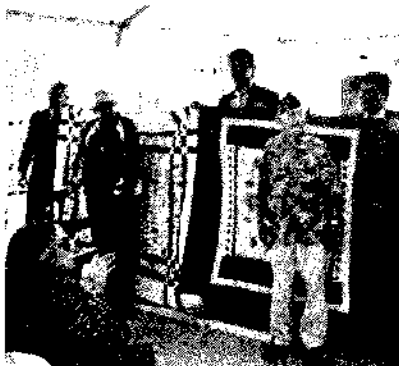
On September 6th, Representative Lou Correa (CA-46), along with state and local officials, gathered to officially rename the U.S. Post Office at 615 North Bush Street in Santa Ana in honor of Judge James Perez, who holds the legacy of being the first Latino attorney and the first Latino judge in the county. The ceremony paid homage to Judge Perez's remarkable contributions, not only as a trailblazing judge but also as a World War II veteran from the revered "Greatest Generation."

Alongside the commemoration of Judge Perez, several distinguished World War II veterans were present, representing the valor and sacrifice that defined their generation. In tribute to their bravery and commitment, each veteran in attendance received a special Quilt of Valor. The Quilts of Valor were provided by AVAG partner Southern California Quilts of Valor.

Veterans honored at the event included:

- Martin Ortiz, U.S. Army Veteran and Purple Heart recipient
- Harold Montoya, U.S. Army Veteran
- Albert Robles, U.S. Army Veteran and Bronze Star recipient
- Joseph Juarez, U.S. Army Veteran and Purple Heart recipient
- Howard Koch, U.S. Army Veteran
- Warner Olsen, U.S. Army Veteran

Thank you to Representative Lou Correa for putting on this amazing event. This tribute to Judge Perez and the World War II veterans present served as a momentous reminder of the heroes among us, whose legacies continue to shape and inspire our community. ✨



Veterans Connect at Hope Chapel: A Growing Community of Support, Faith, and Fellowship

Veterans Connect meetings at Hope Chapel Huntington Beach have become a vibrant gathering for veterans. Meetings are held every fourth Saturday of the month at 12 noon – 1:45 p.m. at Hope Chapel, located at 715 Lake St., Huntington Beach. Veterans Connect brings together veterans from all walks of life for a day of friendship, reflection, and community building.

Each gathering features opportunities to connect, delicious food, and raffle prizes. The group continues its journey through Operation Timothy Book 3, preparing to move into Chapter 5. A highlight of August's gathering were the attendance of veterans from the Long Beach VA Blind Rehabilitation Center, adding even more diversity and depth to the group. In September, the Operation Timothy Book study delved into the concept of developing a new character in Christ, a topic that resonated with everyone involved. Members paired off to discuss their readings and reflections, which led to a lively and meaningful engagement throughout the group.

The July gathering held a special surprise: the church was set up for baptisms, and two attendees—Karen Martinez and Charlie Aros—decided to make their faith commitment through baptism during Veterans Connect. This spontaneous and moving experience brought highlighted the personal growth fostered within this community.

These monthly gatherings are a source of blessing and encouragement as veterans enjoy each other's company and share experiences.

Join the community! AVAG's Veterans Connect is a great opportunity to meet fellow veterans and for spouses to connect with others, share stories, and be inspired. *We look forward to seeing you at the next meeting!*



AVAG and Partners in Action

American Legion Post 295–Cypress

This past summer, AVAG (American Veterans Assistance Group) partnered with American Legion Post 295 of Cypress to support local causes through several community events.



Special Olympics Fundraiser

The summer events kicked off on Friday, July 12, when AVAG, the American Legion, and the Richard Breunig Foundation joined forces for a fundraiser benefiting the Special Olympics. The event raised a total of \$1,575. Attendees enjoyed a fantastic selection of food, participated in a 50/50 raffle, and enjoyed a night of camaraderie and purpose.

This event's success was a team effort, and much of the credit goes to the hardworking volunteers who dedicated their time to ensure every detail was perfect. ♡



August Bike Night for AVAG – A Roaring Success

August saw another memorable event when American Legion Post 295 and the Richard Breunig Foundation hosted a Bike Night at the American Legion facility in Cypress. This event raised \$2,311 for AVAG, thanks to the generosity of attendees and supporters. From thrilling competitions to raffles and prizes, the evening was a lively display of community spirit.

The Mayor of Cypress, Scott Minikus, was a special guest and selected Daryl Bary's bike as the "Best Bike of the Night." Frank A. Waldrop took home \$148 from the Dollar Game, while Paul Hogan won the 50/50 raffle. The community's support was amazing, with countless prize donations and enthusiastic participation from the attendees. A sincere thank you goes out to everyone who made this event possible, especially the volunteers who put in countless hours to create a memorable evening. ♡



Golf Tournament Invitation

In August, the commander of American Legion Post 295 extended an invitation to AVAG to join their annual golf tournament. A team of AVAG veterans was thrilled to participate, taking this chance to engage with the broader community and support a friendly and competitive cause. The foursome enjoyed the day, embodying the spirit of camaraderie and fellowship that AVAG, the American Legion, and the Cypress community share. ♡

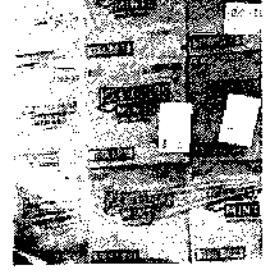
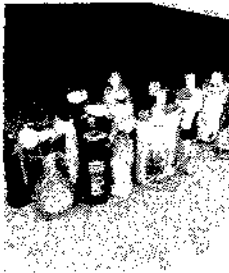
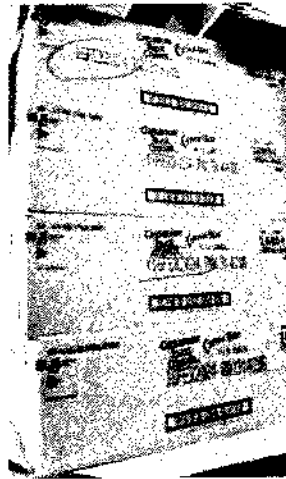
Heart of Compassion (HOC)

In June AVAG donated \$2665 to Heart of Compassion (HOC) Distribution. Founded in 1993 by Pastor Eric Tietze, HOC is a 501(c)(3) food bank and social service organization located in Montebello, CA. HOC works to alleviate hunger, food insecurity, and the suffering of those who have fallen on hard times.

AVAG has been blessed with our partnership with HOC. Since partnering with them in 2023, there generous donations have enabled us to provide for our veteran communities.

Many of the items, including bottled water, food items, over-the-counter medications, toiletries, and even flip-flops, are used to for our Affordable Community Living Communities. Recently we placed a request with HOC's Pastor Eric for drinks and snacks for a Sequoia Mobile Home Park event, and he generously gave us waters and plenty of goodies to pass out.

Thank you to HOC for their generous donations, which have blessed so many in our communities. To learn more about HOC visit heartofcompassionca.org ♡



Disabled American Veterans (DAV)

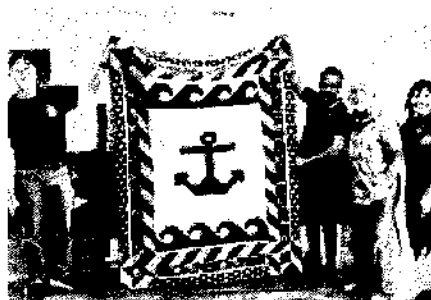
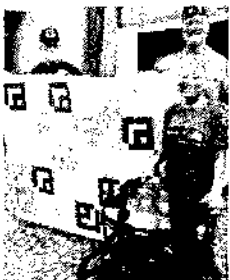
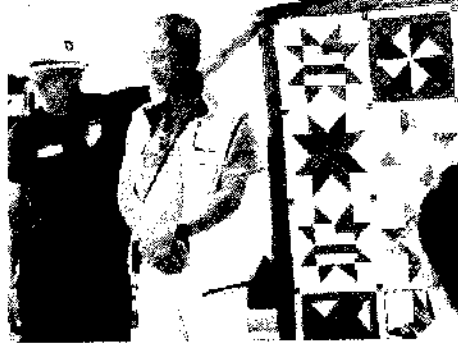
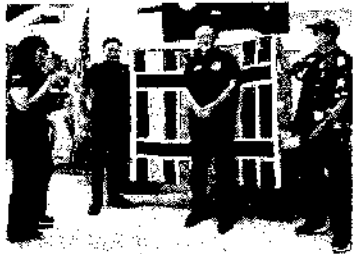
AVAG Chaplain Doreen Matsumoto attended the DAV Chapter 23's July monthly meeting, and was presented a special gift to support AVAG. Thank you to DAV Chapter 23 for donating \$1100 in gift cards to help our veterans in need. It is such a pleasure to see the smiles on the faces of veterans who receive the cards. When the last cards had been passed out, DAV 23 agreed to request another \$1000 worth of gift cards for our organization. We are so very grateful for the support and generosity of DAV! ♡



SoCal Quilts of Valor

Founded in 2003, the mission of the Quilts of Valor Foundation is to cover service members and veterans touched by war with comforting and healing Quilts of Valor. SoCal Quilts of Valor as a chapter has awarded more than 7,800 quilts to veterans, many of them AVAG veterans. The WWII veterans pictured earlier in this issue all were awarded Quilts of Valor.

In the past quarter the veterans pictured on this page have been the proud recipients of their own beautiful quilts. Thank you to SoCal QAV for honoring our veterans. ✂



AVAG Communities

Celebrating 10 years of providing support to veterans in need.

Sequoia Plaza MHP

Sequoia Celebrates AVAG 10 Year Anniversary

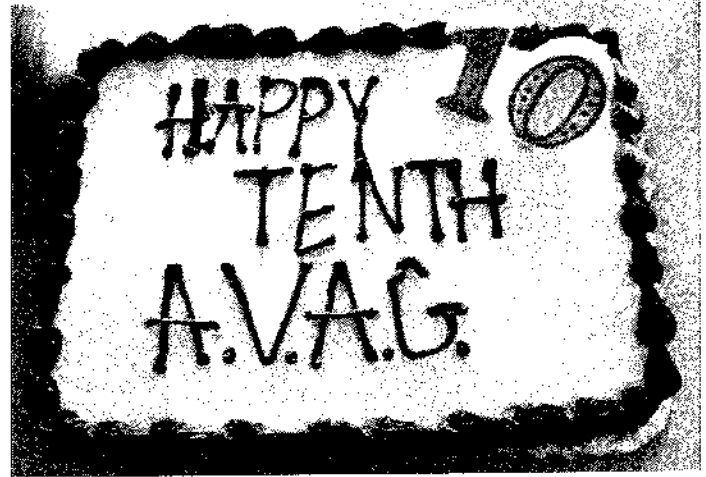
AVAG, a non-profit organization dedicated to improving the lives of Veterans residing in mobile home communities, recently celebrated its 10-year anniversary at Sequoia Mobile Home Park, one of the first of its communities. The event was filled with laughter, great memories, and delicious food, including a cake provided by Michael Goens and In-N-Out burgers for all Veterans and residents in attendance.

Veterans from Sequoia, Pacific Palms, Orangewood, and Glen Aire Mobile Home Estates gathered to commemorate the anniversary.

A Brief History of AVAG

Founded in 2014, AVAG has grown from its roots in the Veterans Assistance Housing Program (VAHP), launched in 2011. VAHP continues its legacy through AVAG.

Today, AVAG continues to serve approximately 40 communities across five western states: California, Arizona, Nevada, Washington, and Oregon. ♡



A Fun-Filled Community Family Day

Our recent community family day was a huge success! We enjoyed delicious pizza and a lively game of bingo. Thanks to generous donations, we were able to share exciting Disney items with everyone. The kids had a blast and the day felt like a big birthday party for all of them.

We're grateful for the opportunity to bring our community together and give thanks to God for these special moments. ♡



Bible Study at Sequoia Mobile Home Park

Monthly Bible study meetings at Sequoia are always well attended. The group has been make its way through Operation Timothy, an investigative Bible study with the goal of helping Christians lay a strong foundation for a lifetime of spiritual growth. The group at its last meeting was in Chapter 6 of Book 2. ♡

Sequoia Concert in the Park!

Sequoia Mobile Home Park hosted an incredible community event filled with fun, fellowship, and faith! AVAG Chaplain Doreen partnered with Park Manager Julisa to bring the festivities to life.

Ekklesia Today's Senior Pastor Crispin Tenorio opened the event with an inspiring message. Julisa provided delicious bacon-wrapped hot dogs, a huge hit with everyone, as were the snow cones and cotton candy! Refreshments were thanks to Heart of Compassion. A freebie table overflowing with goodies donated by Heart of Compassion and Cottonwood Church kept everyone smiling. Marla and Wayne Ogelvie and Mellissa and David Breunig volunteered their time to run the table.

Julisa's daughter decorated a photo booth for attendees to capture the fun with Mickey Mouse ears and costumes. A giant water slide, courtesy of a resident's bounce house business, kept the kids cool and entertained. The pool was open, and beach balls and volleyball equipment

provided more outdoor play. Ekklesia Today's band brought the music, and even the summer heat couldn't dampen the festive atmosphere.

A prayer booth offered a quiet space for reflection, while an AVAG booth shared information about the organization's work with Veterans. Three resource booths provided valuable community connections; a Veterans burial program donated raffle prizes, and local residents, a nail technician, and a chef all offered their services and products to support the event.

This event truly embodied the spirit of community. Attendees who RSVP'd in advance received a \$100 gift card, and many residents volunteered from AVAG meetings. Most importantly, 20 individuals found faith through the shared message of the day.

Despite the 108° heat, the Sequoia Mobile Home Park event was a resounding success. It proved that with a little planning, partnership, and community spirit, anything is possible! ✨



AVAG Delivers Fresh Food and Relief to Sequoia Mobile Home Park

Our food distributions at Sequoia Mobile Home Park have been a consistent success. The turnout most recently has been impressive, with many new faces seeking assistance due to rising grocery prices.

We extend our sincere gratitude to our partners at Bracken's Kitchen for providing delicious, freshly prepared meals, which are especially enjoyed by all. Heart of Compassion also generously donated additional items to distribute to the community.

AVAG continues to serve the San Bernardino area by providing essential food and supplies. We are grateful for the support of our community partners and volunteers who make these events possible.

A special thank you to Bill Bracken from Bracken's Kitchen and Heart of Compassion Distribution for their invaluable contributions. ✨



Cherokee Senior Mobile Home Park

Cherokee Community Comes Together at AVAG Monthly Meetings

Our July meeting at Cherokee Mobile Home Park was a great event. We are grateful to Atrak of Karta Motorwerks, located in Anaheim, for providing lunch and to Commander Manuel Martinez for donating the raffle prizes, which included watches and a TV.

Our August meeting at Cherokee Mobile Home Park was also a success! We extend our sincere thanks to Commander Manuel Martinez for his generous donation of raffle prizes, including a TV and special watches for both women and men. We also appreciate the continued support of Atrak, who provided a delicious lunch for all attendees.

The City of Anaheim provided updates on upcoming events and resources, while Kevin from Navy Federal Credit Union shared valuable financial information. Janet Brown from the office of Congressman Correa informed us about community happenings.

As a special tribute, we presented a flag to a Veterans' widow.

Our September meeting at Cherokee Mobile Home Park featured a special guest speaker, Mr. Richard Simonian, who shared his experiences in the military and distributed challenge coins. Doug Zimmer presented on POW/MIA Remembrance Day.

Atrak of Karta Motorwerks once again generously provided lunch, and Commander Manuel Martinez donated raffle prizes, including a TV and a watch. AVAG also donated a new flag to the park, which was raised in a ceremony with our partners from the American Legion in Anaheim. ♡

Cherokee Mobile Home Park Bible Study

The Bible study at Cherokee Mobile Home Park is relatively new, but the attendance growing steadily —so much so that a request for more study books had to be submitted! The group is currently studying Operation Timothy Book 1. ♡



Casitas La Verne Mobilehome Estates

Bible Study at Casitas La Verne

A great group of ladies attend the Bible study meetings at Casitas La Verne. Join them at this Bible study which takes place on the third Thursday of the month at 12 noon. The group is currently in Operation Timothy Book 3. ♡



Santiago Creek Orange Estates

Creek Orange AVAG: Making a Difference, One Meeting at a Time

In July, our AVAG meeting at Creek Orange was a lively gathering with a great turnout from the community. We were honored to host two guest speakers. James Burandt-Nair, a Marine Corps Veteran and Congressional Aide and Military Affairs Liaison for Congresswoman Young Kim, joined us to discuss valuable resources available through his office. We also welcomed James Richardson, a Veterans Outreach Program Specialist from the North Orange County Vet Center, who shared insights on support services specifically tailored for veterans. Attendees enjoyed pizza and the opportunity to connect.

At Creek Orange's August community meeting, we strengthened our partnership with Congresswoman Young Kim's office, working closely with Jason, the congresswoman's veterans liaison, to arrange future guest speakers for our monthly meetings at Creek Orange. We're excited about this ongoing collaboration, which aims to provide our veteran members with even more resources and valuable information.

Thanks to DAV Chapter 23, we were also able to distribute \$50 gift cards to assist our veterans with essential needs. We are also pleased to announce that Glenn Williamson has accepted the role of AVAG Commander, and his wife, Nancy, has joined him in supporting our efforts to serve the veteran community.

Creek Orange's September meeting featured an array of valuable guest speakers. A City of Orange Councilmember Denis Bilodeau addressed our group, and Karen Rossi, MBA, a Community Partner Liaison and Senior Financial Fraud Specialist, shared crucial tips on fraud prevention. Janet Brown provided timely updates on developments in Orange County relevant to our veteran community.

A special thank you goes to Mr. Sanchez from DAV Chapter 23, who generously provided \$50 gift cards to three veterans in attendance. His continued support is much appreciated.

AVAG remains committed to building connections, providing resources, and enhancing support for our veteran community. We look forward to further strengthening our partnerships and bringing even more benefits to Creek Orange in the coming months. Thank you to everyone who helps make our meetings meaningful! ✨



Diamond Bar Estates

Diamond Bar Estates Youth Program: Growing in Faith and Friendship

At Diamond Bar Estates, the after-school youth program is creating a positive impact in our community by providing a space where children can grow in faith and build friendships. Each month, our dedicated Bible study team brings the Word of God to life, offering hands-on activities, scripture reading, and fun-filled games for the kids.

In July, we kicked off the summer with Bible stories, scripture coloring, and the introduction of new Bibles, which were gifted to every child. Together, we read the first chapter, sang our Good Shepherd song, and enjoyed bingo and snacks. The children are learning to connect with the message of Jesus Christ in a joyful and supportive setting.

In September, we welcomed 14 young participants who enjoyed a day filled with reading from the Good Shepherd book, reading



scripture, and a special raffle of items generously donated by Pastor Eric. Disney-themed prizes were a hit! With the help of our amazing volunteers, the kids enjoyed snacks, played bingo, and had an overall great time.

Thank you to our Bible study volunteers for their commitment and kindness, helping make this program a beacon of light and learning for the children. The kids are developing a stronger sense of faith and community each month, and we're blessed to watch them grow! ♡



Luau Pool Party Recap: Fun, Food, and Aloha Spirit!

Our first luau pool party was a hit! We had a wonderful turnout, and it was heartwarming to see so many residents enjoying the food, fun, and beautiful weather.

One of the highlights of the day was a hula lesson led by Lani, Art's wife from the Special Forces Association group, who generously volunteered her time and talent to teach everyone some authentic moves. Residents young and old joined in for a hula demonstration, and we awarded \$25 gift cards to the oldest and youngest participants who impressed us with their skills. A big thank you to Torres Mortuary for donating the gift cards!

We also held a raffle for those who RSVP'd in advance, adding to the excitement of the day. It was truly a wonderful time for all, filled with laughter and aloha spirit.

A special thanks goes out to our manager, Yessie, who worked tirelessly alongside us to make this event possible. We can't wait to see everyone at our next gathering! ♡



Ninth Street MHP

Ninth Street's First Bingo Night

We recently hosted our very first Bingo event at Ninth Street and the turnout was encouraging. People were eager to join in on the fun and get to know one another better. The atmosphere was lively and the attendees shared a memorable evening with good company and great games.

The winners of the four bingo games were rewarded with \$25 gift cards from , a little incentive that added extra excitement to each round. In addition to the bingo prizes, we held a raffle with gifts generously donated by Heart Of Compassion.

The response from our participants was overwhelmingly positive, with many asking if we would come back to host another event soon. It's heartening to see such enthusiasm, and we're thrilled to be rallying the Ninth Street community through events like these.

Thank you to everyone who joined us and contributed to this memorable event. ♡



Pacific Palms MHP

Pacific Palms: Food Distribution, Fellowship, and Fun

Our recent gathering at Pacific Palms had a great turnout, bringing residents together for a day of food, fellowship, and fun. We kicked off with our food distribution, followed by a community potluck. Sharing a meal together was a perfect way for everyone to connect and enjoy each other's company.

After the potluck, we enjoyed a few lively rounds of Left Right Center, adding some friendly competition to the day. The lucky winner took home a \$25 gift card, generously donated by Home Health of Southern California.

Among those who joined us was William, a local veteran who stopped by to express his appreciation for the work we're doing in the community. William, who inherited his father's home in the park, is a park resident. We're looking forward to sharing his story in an upcoming newsletter.

We'd like to extend a heartfelt thank you to Bracken Kitchen, whose support made it possible for us to send residents home with freshly prepared meals. Their generosity continues to enrich our events, and we are deeply grateful for their partnership.

Thank you to everyone who joined us for this wonderful day. ♡



Santiago Palm Vista

A Summer of Faith, Fellowship, and Giving Back at Santiago Palm Vista

The past few months at Santiago Palm Vista have been filled with meaningful connections, heartfelt support, and a deepening sense of community. Through our ongoing activities, residents have come together to support one another, grow spiritually, and enjoy the bonds that bring us closer.

July Highlights

Our Tuesday morning Bible study group, which meets weekly at 10 AM, recently completed Operation Timothy Book 1 and has begun Book 2.

In July, we had the opportunity to help two of our members with mobility needs. When Janice's scooter broke down, we were able to provide her with a replacement. Once hers was repaired, she generously passed it forward to Jack, a veteran at Palm Vista. Jack, who has been struggling with his car, was deeply grateful, as this scooter will help him stay active and connected to the community without worry.

August Luncheon and Support for Veterans
August brought a special luncheon at Palm Vista where we shared a meal and lots of friendly conversation. We were able to gift Bibles, and Thanks to DAV Chapter 23 and Torres Mortuary, and distribute gift cards to the veterans in attendance.

In addition to the luncheon, we made home deliveries to residents unable to join us in person, including a visit to Mr. King, who proudly shared an old AVAG newsletter he had saved over the years. We also paid a visit to Richard Messina, a veteran in our community, bringing him lunch and a warm sense of connection.

August ended on a joyful note as our Bible study group celebrated two members, Mark and Ruth, who made the significant decision to be baptized. We were honored to share in this spiritual milestone, and the event brought out more residents who expressed interest in joining the Bible study.

Thank you to all who have contributed to these uplifting events – your kindness is the heartbeat of our community. ✨



Rancho La Paz MHP

Rancho La Paz AVAG Meetings Foster Community and Connection

The Rancho La Paz AVAG meeting in July was filled with camaraderie, good food, and valuable resources. We enjoyed a delicious spread of chicken, a variety of delicious salads, and, of course, desserts. We were thrilled to welcome several new veterans to our group, and a few AVAG T-shirts and a flag were handed out. Janet Brown shared updates with the group, while our guest speaker from NAMI Orange County offered information on mental health resources and companionship support for seniors. This program, a federally granted 501(c)(3), is dedicated to improving mental health and senior care.

We also took a moment to honor the memory of Rosemary, a cherished AVAG member who recently passed away. Pastor Janus from Ekklesia Today performed a Christian tribute song in her honor, and John Hodges uplifted us with his beautiful piano music.

August's AVAG meeting had a strong turnout and a number of guest speakers. Representatives from Navy Federal Credit Union joined us, along with Nurse Denise from the VA branch in Placentia, who provided valuable health information. Janet Brown shared community updates, keeping everyone informed about upcoming events. Lunch



featured pizza, with additional fruit and salad brought by volunteers from Ekklesia Today church. Commander Pepper assisted with the setup and provided drinks, helping ensure the event was smooth and enjoyable for all who attended.

The September AVAG meeting saw another excellent turnout, with notable guest speakers James Barrett from the U.S. Department of Veterans Affairs and Karen Rossi from the Senior Protection Program at the Council on Aging. They offered vital information on veterans' claims, as well as tips on avoiding fraud and scams—a particularly important topic for our community. Lunch was served, and, once again, our veteran John Hodges graced us with his piano playing.

Thank you to everyone who attended and contributed to making these gatherings special each month. ✕



Westmount of Cypress

Westmount Bible Study Group

The Bible study group at Westmount of Cypress has become a beloved gathering for residents, with each session drawing a full house. Our group has been steadily growing, attracting volunteers who come to support and share in the fellowship. In June, we were thrilled to see such a strong turnout, and in July, we added a special touch by bringing beanies for everyone!

As of September, we've moved into Operation Timothy Book 3, where our discussions have deepened. The residents look forward to each visit, not only for the spiritual growth it offers but also for the chance to pray together and for each other. The Bible study has truly become a highlight of the week, fostering connections, faith, and mutual support among everyone involved. ✕



In Memoriam



Allen Braverman

US Navy Veteran Allen Braverman, who served from December 1958 to January 1964, passed away on July 29, 2024. His funeral was held at the Riverside National Cemetery on August 31, 2024, with AVAG Chaplain Doreen Matsumoto delivering a touching eulogy.

Allen was a long-time member of the AVAG Community. Allen and his wife became

AVAG members several years ago, and they never missed a meeting or event. He will be missed. ♡



Frank Perez

Francisco Manuel Del Valle Perez, known as Frank or Pancho to those who knew him well, passed away peacefully on August 26, 2024, at the age of 76. He was a resident of Lomita, CA. A US Army veteran, he proudly served in the 82nd Airborne Division for six years, earning the National Defense Service Medal and Parachute Badge.

He was buried with military honors at Green Hills Memorial Park in Rancho Palos Verdes on September 18, 2024.

Frank will be remembered for his love for his family and friends, his incredible strength, both mental and physical, his inexhaustible work ethic, and for his love of the Los Angeles Dodgers. ♡



AVAG News

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For questions or additional information,
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Under the aegis of VAHP
VeteransAffordableHousing.org
(888) 923-VETS (8387)

Balance Sheet
As of 10/31/2024

American Veterans Asst Group (VAG)

Assets

Cash in Bank		
ENTERPRISE TRUST & BANK	93,358.83	93,358.83
Total Cash in Bank:		
Other Receivables		
PREPAID - INSURANCE	670.89	
PREPAID - AUTO INSURANCE	3,021.58	
Total Other Receivables:		3,692.47
Fixed Assets		
2021 FORD VIN #7802	32,000.00	
ACCUM DEPR - AUTOMOBILE	-2,133.36	
Total Fixed Assets:		29,866.64
Total Assets:		<u>126,917.94</u>

Liabilities

Current Liabilities		
SOC SEC PAYABLE	504.40	
MEDICARE PAYABLE	117.96	
FIT PAYABLE	113.46	
FUTA PAYABLE	3.19	
SIT PAYABLE	40.36	
SDI PAYABLE	44.74	
SUI PAYABLE	10.64	
CA - ETT	0.53	
SANTIAGO COMMUNITIES INC	29,939.91	
Total Current Liabilities:		30,775.19
Total Liabilities:		<u>30,775.19</u>

Equity

RETAINED EARNINGS	6,262.11	
Retained Earnings-Current Year	89,880.64	
Total Equity:		96,142.75
Total Liabilities & Equity:		<u>126,917.94</u>

Income Statement
For The 4 Periods Ended 10/31/2024

American Veterans Asst Group (VAG)

	Period to Date	% of Revenue	Year to Date	% of Revenue
Revenue				
DONATIONS	6,050.00	68.36	8,386.00	4.94
DONATIONS - PARKS	2,800.00	31.64	61,200.00	36.09
DONATIONS - AFFORDABLE COMMUNITY LIVING	0.00	0.00	100,000.00	58.97
Total Revenue:	8,850.00	100.00	169,586.00	100.00
Gross Profit:	8,850.00	100.00	169,586.00	100.00
Expenses				
ADVERTISING & MARKETING	2,699.30	30.50	7,045.58	4.15
MEETINGS/LUNCHES	372.44	4.21	1,003.02	0.59
GAS/TOLL ROADS	385.90	4.36	2,617.76	1.54
AUTO - REPAIRS/LEASE	781.53	8.83	2,518.32	1.48
DONATIONS/CONTRIBUTIONS	0.00	0.00	600.00	0.35
DEPRECIATION - AUTOMOBILE	533.36	6.03	533.36	0.31
INS - WORKERS COMP	111.79	1.26	381.04	0.22
INS - CYBER	44.68	0.50	44.68	0.03
INS - AUTO	377.70	4.27	1,510.80	0.89
INTEREST - AUTO	76.10	0.86	239.91	0.14
LEGAL	0.00	0.00	32.50	0.02
OFFICE EXPENSE	184.83	2.09	2,033.25	1.20
SALARIES - ADMIN	4,618.45	52.19	16,370.43	9.65
TAXES AND LICENSES	0.00	0.00	2,503.00	1.48
PAYROLL TAXES	384.53	4.34	1,340.88	0.79
PHONE SERVICE	154.46	1.75	735.10	0.43
CONSULTING	3,996.00	45.15	5,496.00	3.24
VETERAN ASSISTANCE/EVENTS	5,571.21	62.95	8,162.23	4.81
COMMUNITY OUTREACH	5,427.50	61.33	18,037.50	10.64
RENTAL ASSISTANCE	0.00	0.00	6,000.00	3.54
DOWN PAYMENT ASSISTANCE	2,500.00	28.25	2,500.00	1.47
Total Expenses:	28,219.78	318.87	79,705.36	47.00
Net Income From Operations:	-19,369.78	-218.87	89,880.64	53.00
Earnings Before Income Tax:	-19,369.78	-218.87	89,880.64	53.00
Net Income (Loss):	-19,369.78	-218.87	89,880.64	53.00

Agenda 8, Item 6
Mojave Project Update Report

Santiago Estates Of Mojave

REFUGEE ASSISTANCE PROGRAM- SOLAR PROJECT - PARK
EXPANSION

Mojave Summary - December 2024

Refugee Assistance Program:

- *29 families are currently being assisted with rental housing, English lessons, job skills training, initial food assistance and transport to necessary appointments for government assistance, medical needs, etc..
- *Work Training Program: 20 homes have been rehabbed at an average cost of \$56,342 each
 - *All home rehabs will be completed in 2025 and then the 84 space park will be 100% occupied.
- *Several refugees have expressed a desire to purchase the homes they are renting to establish permanent residency.

Solar Home Project:

- *10 homes have been equipped with solar. The solar systems have been active as of October 2024.
- *We are expecting 50% or more reductions in electric bills for residents with the solar systems.

Park Expansion: Best Uses of the 10 acres

- *Build out additional spaces as supported by a housing demand.
- *Use the land for a solar field, reducing the electrical cost for the residents and the park.
- *Combination of both above options.