

**REGULAR MEETING OF THE
Board of Directors of the
El Segundo Senior Citizens Housing Corporation
AGENDA
In-Person Meeting**

MEETING DATE: Wednesday, August 28, 2024

MEETING TIME: 3:30 p.m.

LOCATION: Peter and Edna Freeman Community Room
Park Vista Apartments
615 E. Holly Avenue
El Segundo, CA 90245

The Board of the Senior Citizen Housing Corporation, with certain statutory exceptions, can only take action upon properly posted and listed agenda items. Unless otherwise noted in the agenda, the public can only comment on City-related business that is within the subject matter jurisdiction of the Board.

The time limit for comments is five (5) minutes per person. Before speaking to the Board, please state: your name and residence or the organization you represent. Please respect the time limits.

Members of the public may also provide comments electronically by sending an email to the following address before 3:00 P.M. on the day of the meeting: agnesho@elsegundo.org. **Please include the meeting date and item number in the subject line.** If you would like to request that your emailed comment be read into the record, please include the request at the top of your email, limit your comments to 150 words or less, and email your comments at least 30 minutes prior to the start of the meeting. Depending on the volume of communications, the emails will be read to the Board at the appropriate time.

NOTE: Emails and documents submitted will be considered public documents and are subject to disclosure under the Public Records Act and possibly posted to the City's website.

NOTE: Public Meetings can be recorded and are subject to disclosure under the Public Records Act and possibly posted to the City's website.

REASONABLE ACCOMMODATIONS: In compliance with the Americans with Disabilities Act and Government Code Section 54953(g), the City Council has adopted a reasonable accommodation policy to swiftly resolve accommodation requests. The policy can also be found on the City's website at <https://www.elsegundo.org/government/departments/city-clerk>. Please contact the City Clerk's Office at (310) 524-2308 to make an accommodation request or to obtain a copy of the policy.

CALL TO ORDER:

ROLL CALL

A. PUBLIC COMMUNICATION

At this time, members of the public may speak to any subject within the Board's subject matter jurisdiction.

Also, any member of the public wishing to address the Board regarding an item listed on this agenda must do so at this time. Before speaking, you are requested, but not required, to state your name and address for the record. If you represent an organization or a third party, please so state.

B. APPROVAL OF MEETING MINUTES

1. Regular Meeting: Wednesday, July 24, 2024

Recommendation: Approve

C. CITY STAFF REPORT

2. Upcoming Events. (Ryan Delgado)

Discuss any upcoming events at the Joslyn Center and citywide.

Recommendation: Receive and File

D. NEW BUSINESS

3. President's Report. (Paul Lanyi)

Reports regarding correspondence, meetings, and business related to Park Vista.

Recommendation: Receive and File

4. Financial Statements and LAIF (Local Agency Investment Fund). (Neil Cadman)

a. Discussion and review of status reports including, but not limited to, statements, invoices, and finances for July 2024.

b. LAIF investment fund and transfers between accounts.

Recommendation: Receive and File

5. Review The Findings from the SB 721 Balcony Inspection and Review the Capital Repair Plan. (Neil Cadman)

On September 17, 2018, California Governor Jerry Brown signed into law SB 721 ("The Balcony Inspection Bill"), which arose in response to the deaths of six UC Berkeley students in 2015 at an apartment complex due to the collapse of a balcony. The law took effect on January 1, 2019, and multi-family apartment buildings with three or more units must complete the first inspection by January 1, 2025. At the August 24, 2022, meeting, the Board directed Neil Cadman to obtain bids from several qualified inspection firms to comply with SB721. At the May 22, 2024, meeting, the Board authorized Neil Cadman to enter into an agreement with a vendor at a cost of up to \$10,000 for inspections to comply with SB721. Review the findings from the inspection and review the capital repair plan.

Recommendation: Receive and File. Alternatively, discuss and take other action related to this item.

6. 2023 Draft Financial Audit. (Neil Cadman)

Review and discuss the 2023 Draft Financial Audit documents for the El Segundo Senior Citizens Housing Corporation.

Recommendation: Approve the draft 2023 audit and authorize a board member to execute the audit representation agreement and the final 2023 audit of the El Segundo Senior Citizens Housing Corporation.

E. UNFINISHED BUSINESS

None.

F. MANAGEMENT REPORT

Report from the Cadman Group regarding Park Vista operations and management. Unless otherwise listed on the agenda, the Board may not discuss or take action on matters raised in the management report but may vote to place an item on a future agenda for discussion and possible action.

G. BOARD MEMBERS REPORT

A general report from individual Board members.

ADJOURNMENT

NEXT REGULAR MEETINGS:

Wednesday, September 25, 2024

Wednesday, October 23, 2024

Wednesday, November 27, 2024

MINUTES OF THE MEETING
El Segundo Senior Citizen Housing Board Corporation
Wednesday,
July 24, 2024
Park Vista Senior Housing
615 E. Holly Avenue, El Segundo, CA 90245

CALL TO ORDER:

The meeting was called to order at 3:30 p.m. by Board Paul Lanyi.

ROLL CALL

Members Present: Paul Lanyi
Tim Whelan
Julia Newman
Paula Rotolo
Absent: Denise Fessenbecker
Others: Neil Cadman
Michael Allen
Agnes Ho
Ryan Delgado

A. PUBLIC COMMUNICATION. (Suggestion Box Comments)

- Adell left a comment regarding the fire alarm going off on July 4th and July 7th for an extended period, which was very disturbing. Adell wanted to know if anyone else besides the Cadman Group can shut off the alarm on-site.
- A resident inquired about the schedule date for the final annual inspection for the remaining floor. Paul asked Agnes for the status of the completion of the annual inspections. Michael provided the following updates: the 1st and 5th floor were completed on July 3rd; the 3rd floor was completed on July 17th; the 4th floor was completed on July 26th; the 2nd floor will be completed on August 6th.

B. APPROVAL OF MEETING MINUTES

1. Paula Rotolo motioned, and Julia Newman seconded, to approve the June 26, 2024, Meeting Minutes. The motion passed 3-0.

C. CITY STAFF REPORT

- Michael Allen announced that Tim and Denise have been reappointed for another term on the board.
- Michael updated Park Vista residents on last month's comment box concerns: the leaning tree near the scoreboard has been removed, the deteriorating rotten broken fence has been fixed, and the water container has also been addressed.

Upcoming Events. (Ryan Delgado)

- Ryan invited everyone to a bonfire and smores at the Fire Circle on Friday at 7:00 pm.
- The Summer Concert featuring Cash, Killer & the King will be held in Library Park on August 4th at 7:00 pm.
- Upcoming day trips include visits to the Farmers Market at the Grove, Los Angeles Arboretum, Getty Villa, and the Natural History Museum.

There is a \$10 fee per person for a ride to each location; any additional cost will be the responsibility of the individual. These trips are detailed in the September and Fall brochure.

Receive and file: Motion carried 3-0

D. NEW BUSINESS

2. President's Report. (Paul Lanyi)

- Paul asked Ryan if there be any assistance for residents to get to voting locations for the upcoming elections. Ryan stated that the discussion has not come up, but the Teen Center and library are voting locations. If anyone needs a ride, they can utilize the Lyft program. He informed the residents that they could receive assistance to sign up for Lyft at the Joslyn Center.
- Paul inquired about the annual parking rate increase and the date it goes into effect. Neil responded that fees go up annually in January.

3. Financial Statement and LAIF (local Agency Investment Fund). (Neil Cadman)

- Paula inquired about rent overpayment. Neil explained that sometimes with ACH, people forget that they have set up automatic payments and may accidentally trigger double charges.

Receive and file: Motion carried 3-0

4. Review bids received for balcony inspection services and consider retaining a qualified contractor. (Neil Cadman)

- Neil provided to the board a verbal quote \$9,200 from the inspector for the SB721 inspection, which is due by the end of December. Paul thanked Neil for the update.
- Paul inquired about the expected completion date for the inspection. Neil stated it should be done by next month.
- Paul asked about any findings during the annual inspection of units. Neil mentioned that he should receive a full report once staff turns it in to him. He noted that some residents misinterpreted the purpose of the inspection and then provided a brief explanation to the residents about the purpose of the inspection.

E. UNFINISHED BUSINESS

F. MANAGEMENT REPORT (Neil Cadman)

- The portable water system bins on the 2nd floor have not been serviced in the past 10-12 years. This was brought to the attention of Public Works, and they decided to remove them from the building.
- The Amazon locker will be installed, but no scheduled date has been set. The provision is to have the driver deliver large boxes directly to the resident's door. Once delivered and a snapshot is provided, all ownership is their responsibility.
- He will look into the July 4th alarm incident and report back once he receives the incident report.
- The next tenant management meeting is scheduled for October and the next event will be the anniversary party on August 24th.

G. BOARD MEMBER REPORT

- None.

ADJOURNMENT: 4:00 pm

NEXT REGULAR MEETING: Wednesday, August 28, 2024

Income Statement

Cadman Group

Properties: Park Vista - 615 E. Holly Avenue El Segundo, CA 90245

Owned By: El Segundo Senior Citizens Housing Corporation

As of: Jul 2024

Accounting Basis: Cash

Level of Detail: Detail View

Include Zero Balance GL Accounts: No

Account Name	Selected Month	% of Selected Month	Year to Month End	% of Year to Month End
Operating Income & Expense				
Income				
RENT				
Rent Income	83,842.20	93.20	554,440.10	95.79
Parking Income	1,619.09	1.80	11,349.67	1.96
Passthrough Charges	0.00	0.00	-30.00	-0.01
Total RENT	85,461.29	95.00	565,759.77	97.75
Maintenance Charge (Income Account)	0.00	0.00	831.95	0.14
Prepayment	4,057.77	4.51	8,195.77	1.42
NSF Bank Fees Collected	25.00	0.03	25.00	0.00
Application Fee Income	0.00	0.00	60.00	0.01
Laundry Income	411.42	0.46	3,922.30	0.68
Miscellaneous Income	0.00	0.00	0.00	0.00
Total Operating Income	89,955.48	100.00	578,794.79	100.00
Expense				
Fire Service	375.00	0.42	2,032.26	0.35
Fire Extinguisher Service	838.71	0.93	838.71	0.14
Maintenance	40,513.51	45.04	161,772.23	27.95
Elevator service	0.00	0.00	10,338.60	1.79
Gardening	1,184.59	1.32	9,033.13	1.56
Management Fees	15,750.00	17.51	114,750.00	19.83
Pest Control	432.17	0.48	2,044.25	0.35
Licenses and Permits	0.00	0.00	450.00	0.08
Electricity	2,778.79	3.09	13,217.58	2.28
Gas	0.00	0.00	8,262.84	1.43
Water	0.00	0.00	24,270.68	4.19
Telephone/Internet	0.00	0.00	1,419.13	0.25
Cable/Television	5,629.44	6.26	31,303.85	5.41
Office Supplies	532.85	0.59	3,999.79	0.69
Advertising & Promotion	0.00	0.00	540.00	0.09
Legal Expenses (Expense account)	0.00	0.00	811.95	0.14
Bank Service Fees	0.00	0.00	0.00	0.00
Janitorial Service	0.00	0.00	0.00	0.00
Total Operating Expense	68,035.06	75.63	385,085.00	66.53

Income Statement

Account Name	Selected Month	% of Selected Month	Year to Month End	% of Year to Month End
NOI - Net Operating Income	21,920.42	24.37	193,709.79	33.47
Other Income & Expense				
Other Income				
Interest on Bank Accounts	5,850.96	6.50	39,759.89	6.87
Total Other Income	5,850.96	6.50	39,759.89	6.87
Net Other Income	5,850.96	6.50	39,759.89	6.87
Total Income	95,806.44	106.50	618,554.68	106.87
Total Expense	68,035.06	75.63	385,085.00	66.53
Net Income	27,771.38	30.87	233,469.68	40.34

Balance Sheet

Properties: Park Vista - 615 E. Holly Avenue El Segundo, CA 90245

As of: 07/31/2024

Accounting Basis: Cash

Include Zero Balance GL Accounts: No

Account Name	Balance
ASSETS	
Cash	
Cash in Bank	927,689.00
Park Vista Reserve Account - LAIF	1,274,548.58
Total Cash	2,202,237.58
Tenant Account Receivable	100.00
Building Improvements	1,031,873.00
Equipment	149,355.00
Furnishings	153,863.00
Personal Property	-0.05
Accumulated Depreciation	-850,766.00
TOTAL ASSETS	2,686,662.53
LIABILITIES & CAPITAL	
Liabilities	
Security Deposit Interest	-530.00
Pet Deposit	3,925.00
Key Deposit	1,880.00
Security Deposit	75,729.00
Passthrough Cash Account	-976.00
Accounts Payable	30,698.00
Total Liabilities	110,726.00
Capital	
Owner Contribution	35,996.00
Owner Distribution	-35,996.00
Retained Earnings	118,794.95
Prior Years Retained Earnings	12,696.00
Calculated Retained Earnings	233,469.68
Calculated Prior Years Retained Earnings	2,210,975.90
Total Capital	2,575,936.53
TOTAL LIABILITIES & CAPITAL	2,686,662.53

Bill Detail**Properties:** Park Vista - 615 E. Holly Avenue El Segundo, CA 90245**Payees:** All**Payment Type:** All**Created By:** All**GL Accounts:** All**Bill Status:** All**Date Type:** Bill Date**Date Range:** 07/01/2024 to 07/31/2024**Show Reversed Transactions:** No**Project:** All

Reference	Bill Date	Due Date	GL Account	Property	Unit	Payee Name	Paid	Unpaid	Check #	Paid Date	Description	Work Order Issue
4100 - Rent Income												
	07/08/2024	07/08/2024	4100 - Rent Income	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245	318	Luna, Linda C.	1,337.00	0.00	6770	07/08/2024	Refund of over payment of rent	
Refund	07/08/2024	07/08/2024	4100 - Rent Income	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245	423	Thomas, Joseph M.	764.60	0.00	6769	07/08/2024	Refund of over payment of rent	
							2,101.60	0.00				
4550 - Application Fee Income												
	07/31/2024	07/31/2024	4550 - Application Fee Income	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245		Cadman Group	0.00	60.00			Application Fee Income for 07/2024	
6210 - Maintenance												
37427	07/03/2024	07/03/2024	6210 - Maintenance	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245		Cadman Group	165.97	0.00	ACH	07/03/2024	Quill INV 38817598 - cleaning supplies	
37427	07/03/2024	07/03/2024	6210 - Maintenance	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245		Cadman Group	168.60	0.00	ACH	07/03/2024	Quill INV 38558874 -cleaning supplies	
37427	07/03/2024	07/03/2024	6210 - Maintenance	Park Vista - 615 E. Holly Avenue El		Cadman Group	40.77	0.00	ACH	07/03/2024	Quill INV 38559532 - cleaning	

Bill Detail

Reference	Bill Date	Due Date	GL Account	Property	Unit	Payee Name	Paid	Unpaid	Check #	Paid Date	Description	Work Order Issue
				Segundo, CA 90245							supplies	
37427	07/03/2024	07/03/2024	6210 - Maintenance	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245		Cadman Group	82.10	0.00	ACH	07/03/2024	Quill INV 38586002 - cleaning supplies	
37427	07/03/2024	07/03/2024	6210 - Maintenance	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245		Cadman Group	41.60	0.00	ACH	07/03/2024	Quill INV 39157135- cleaning supplies	
37427	07/03/2024	07/03/2024	6210 - Maintenance	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245		Cadman Group	107.29	0.00	ACH	07/03/2024	Quill INV 39135983 - cleaning supplies	
37427	07/03/2024	07/03/2024	6210 - Maintenance	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245		Cadman Group	6.62	0.00	ACH	07/03/2024	Quill INV 38919464 - cleaning supplies	
37427	07/03/2024	07/03/2024	6210 - Maintenance	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245		Cadman Group	62.40	0.00	ACH	07/03/2024	Quill INV 39010543 - janitorial supplies	
211604	07/03/2024	07/03/2024	6210 - Maintenance	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245	411	Montalvo, Uriel	280.00	0.00	4217-4422	07/08/2024	Tenant could not turn shower handle anymore; replaced with new fixture + shower cartridge.	
211601	07/03/2024	07/03/2024	6210 - Maintenance	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245		Montalvo, Uriel	395.00	0.00	4217-4422	07/08/2024	Removed and replaced 2nd floor hall way air fan.	
206650	07/03/2024	07/03/2024	6210 - Maintenance	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245	328	Montalvo, Uriel	120.00	0.00	4217-4422	07/08/2024	Urgent service call for bathroom sink leak; removed and re-installed	

Bill Detail

Reference	Bill Date	Due Date	GL Account	Property	Unit	Payee Name	Paid	Unpaid	Check #	Paid Date	Description	Work Order Issue
											pop-out drain plumbing.	
206647	07/03/2024	07/03/2024	6210 - Maintenance	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245	303	Montalvo, Uriel	150.00	0.00	149F-E986	07/24/2024	Repaired exterior patio light fixtures.	
686288	07/08/2024	07/08/2024	6210 - Maintenance	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245		Garcia, Gerardo	360.00	0.00	3000000502	07/18/2024	Emergency afterhours service to unclog units sinks through clean out to main line with commercial snake to clear, clean and sanitize after.	
156049	07/08/2024	07/08/2024	6210 - Maintenance	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245	328	Garcia, Gerardo	1,260.00	0.00	3000000504	07/24/2024	Emergency weekend after hours service for clog and back ups into units; snaked units drains to main sewer line, snaked main sewer line from lobby to clear, cleaned and sanitized from back-ups into toilets, sinks, and tubs from drain line clog. #328, #118.	Toilet Is Running Continuously
998441	07/08/2024	07/08/2024	6210 - Maintenance	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245	510	Garcia, Gerardo	260.00	0.00	3000000504	07/24/2024	After-hours emergency back up in bathtub plumbing call, snaked to clear with	

Bill Detail

Reference	Bill Date	Due Date	GL Account	Property	Unit	Payee Name	Paid	Unpaid	Check #	Paid Date	Description	Work Order Issue
											commercial snake, cleaned area after.	
998445	07/08/2024	07/08/2024	6210 - Maintenance	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245	412	Garcia, Gerardo	460.00	0.00	3000000504	07/24/2024	Reglaze entire kitchen countertops, not vacancy prep. Old counter was in very bad shape due to age, 20+ years.	
998438	07/08/2024	07/08/2024	6210 - Maintenance	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245	320	Garcia, Gerardo	550.00	0.00	3000000504	07/24/2024	Emergency after hours call to clear clog affecting units bathroom drain lines, commercial snake used to main sewer line to clear deep clog, cleaned and sanitized area of back-ups after.	Drain/Pipe Clog
9227531032	07/09/2024	07/09/2024	6210 - Maintenance	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245		HD Supply	109.70	0.00	6772	07/10/2024	Janitor supplies.	
9227531033	07/09/2024	07/09/2024	6210 - Maintenance	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245	504	HD Supply	148.92	0.00	6772	07/10/2024	Kitchen faucet.	
9227531035	07/09/2024	07/09/2024	6210 - Maintenance	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245		HD Supply	35.03	0.00	6772	07/10/2024	Janitorial Supplies.	
9227531037	07/09/2024	07/09/2024	6210 - Maintenance	Park Vista - 615 E. Holly Avenue El	217	HD Supply	119.36	0.00	6772	07/10/2024	Vacancy/ Prep # 217 - New toilet	

Bill Detail

Reference	Bill Date	Due Date	GL Account	Property	Unit	Payee Name	Paid	Unpaid	Check #	Paid Date	Description	Work Order Issue
				Segundo, CA 90245							tank	
46667	07/09/2024	07/09/2024	6210 - Maintenance	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245		Southbay Industrial Hardware	79.89	0.00	3000000505	07/24/2024	Maintenance supplies; clamp lamp, caulking tubes, plaster bag, screws.	
46662	07/09/2024	07/09/2024	6210 - Maintenance	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245		Southbay Industrial Hardware	18.16	0.00	3000000505, 3000000510	08/12/2024	Maintenance supplies; yellow 60ft. duct tape.	
46657	07/09/2024	07/09/2024	6210 - Maintenance	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245		Southbay Industrial Hardware	206.65	0.00	3000000505	07/24/2024	Maintenance supplies; electrical tape, bug spray, microfiber cloth, (3) re- screens for unit #217 vacancy, fruit fly tape.	
46619	07/09/2024	07/09/2024	6210 - Maintenance	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245		Southbay Industrial Hardware	16.63	0.00	3000000505	07/24/2024	Maintenance supplies; wood screws.	
46615-2	07/09/2024	07/09/2024	6210 - Maintenance	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245		Southbay Industrial Hardware	82.63	0.00	3000000505	07/24/2024	Maintenance supplies; toilet seat, ratchet straps, tub drain cover.	
9227601600	07/10/2024	07/10/2024	6210 - Maintenance	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245		HD Supply	65.69	0.00	6773	07/12/2024	Janitor- Cleaning supplies.	
9227746112	07/15/2024	07/15/2024	6210 - Maintenance	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245		HD Supply	23.03	0.00	6774	07/18/2024	Janitor- Cleaning supplies.	
9227892916	07/18/2024	07/18/2024	6210 - Maintenance	Park Vista - 615 E. Holly		HD Supply	198.81	0.00	6775	07/24/2024	Maintenance supplies;	

Bill Detail

Reference	Bill Date	Due Date	GL Account	Property	Unit	Payee Name	Paid	Unpaid	Check #	Paid Date	Description	Work Order Issue
				Avenue El Segundo, CA 90245							plastic anchor kit, Badger garbage disposal unit with cord.	
9228053709	07/24/2024	07/24/2024	6210 - Maintenance	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245		HD Supply	118.33	0.00	6776	07/25/2024	Maintenance supplies; light bulb packages, patio security door locks.	
9228053710	07/24/2024	07/24/2024	6210 - Maintenance	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245		HD Supply	148.92	0.00	6776	07/25/2024	Maintenance supplies; kitchen sink faucets.	
9228053711	07/24/2024	07/24/2024	6210 - Maintenance	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245		HD Supply	130.84	0.00	6776	07/25/2024	Maintenance supplies; elongated ADA toilet.	
9227907285	07/25/2024	07/25/2024	6210 - Maintenance	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245		HD Supply	202.12	0.00	6777	08/06/2024	Maintenance supplies; Co2/smoke detectors.	
9227907286	07/25/2024	07/25/2024	6210 - Maintenance	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245		HD Supply	120.10	0.00	6777	08/06/2024	Maintenance supplies; light fixture, package of door sweeps, package of floor thresholds.	
9227907287	07/25/2024	07/25/2024	6210 - Maintenance	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245		HD Supply	202.58	0.00	6777	08/06/2024	Maintenance supplies; 30-pack of light bulbs - fluor. 40w.	
9227907288	07/25/2024	07/25/2024	6210 - Maintenance	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245		HD Supply	84.59	0.00	6777	08/06/2024	Maintenance supplies; toilet fill valves (4), toilet tank lever (1).	
9227907289	07/25/2024	07/25/2024	6210 -	Park Vista -		HD Supply	166.40	0.00	6777	08/06/2024	Maintenance	

Bill Detail

Reference	Bill Date	Due Date	GL Account	Property	Unit	Payee Name	Paid	Unpaid	Check #	Paid Date	Description	Work Order Issue
			Maintenance	615 E. Holly Avenue El Segundo, CA 90245							supplies; Wall-mounted light fixture.	
5554	07/25/2024	07/25/2024	6210 - Maintenance	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245		V&E Carpet Care	85.00	0.00	2EA6-4472	08/06/2024	Vacancy prep; carpet cleaning and deep cleaning in traffic lanes in living room.	
9228183961	07/26/2024	07/26/2024	6210 - Maintenance	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245	112	HD Supply	792.78	0.00	6780	08/08/2024	New refrigerator for current tenant, old one could not be repaired anymore.	
43387	07/26/2024	07/26/2024	6210 - Maintenance	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245	422	Total Maintenance Group, Inc.	390.00	0.00	28FD-9B3E	08/09/2024	Supply and install (3) new angle stops in bathroom.	
43384	07/26/2024	07/26/2024	6210 - Maintenance	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245	422	Total Maintenance Group, Inc.	390.00	0.00	28FD-9B3E	08/09/2024	Supply and install (3) new angel stops in kitchen.	General Leak
43385	07/26/2024	07/26/2024	6210 - Maintenance	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245	422	Total Maintenance Group, Inc.	85.00	0.00	28FD-9B3E	08/09/2024	Supply and install new kitchen faucet.	Faucet Leak
43386	07/26/2024	07/26/2024	6210 - Maintenance	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245	112	Total Maintenance Group, Inc.	390.00	0.00	28FD-9B3E	08/09/2024	Supply and install (3) new angle stops in kitchen.	
43390	07/26/2024	07/26/2024	6210 - Maintenance	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245	112	Total Maintenance Group, Inc.	390.00	0.00	28FD-9B3E	08/09/2024	Supply and install (3) angle stops in bathroom.	
	07/26/2024	07/26/2024	6210 - Maintenance	Park Vista - 615 E. Holly Avenue El		Villa Property Inspections	1,065.00	0.00	ACH	07/26/2024	SB721 Balcony Inspection	

Bill Detail

Reference	Bill Date	Due Date	GL Account	Property	Unit	Payee Name	Paid	Unpaid	Check #	Paid Date	Description	Work Order Issue
				Segundo, CA 90245								
46615-3	07/29/2024	07/29/2024	6210 - Maintenance	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245		Southbay Industrial Hardware	82.63	0.00	3000000508	08/09/2024	Maintenance supplies; toilet seat, tub drain cover, ratchet straps.	
							10,459.14	0.00				
6250 - Gardening												
6295	07/03/2024	07/03/2024	6250 - Gardening	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245		Octavio Rojas Landscaping	1,184.59	0.00	9A57-914E	07/03/2024	Monthly Service - June	
6270 - Management Fees												
	07/01/2024	07/01/2024	6270 - Management Fees	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245		Cadman Group	15,750.00	0.00	ACH	07/01/2024	Management Fees for 07/2024	
6315 - Pest Control												
448248984	07/03/2024	07/03/2024	6315 - Pest Control	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245		Terminix	82.17	0.00	3000000497	07/03/2024	Monthly Service - July	
161707	07/26/2024	07/26/2024	6315 - Pest Control	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245		AI & Sons Termite and Pest Control Inc.	175.00	0.00	3000000506	07/26/2024	Vermin Service 7/15/24	
							257.17	0.00				
6410 - Electricity												
700394170456	07/17/2024	07/17/2024	6410 - Electricity	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245		Edison	2,672.62	0.00	3000000503	07/18/2024	Service 6/11/24-7/11/24	
700587779325	07/17/2024	07/17/2024	6410 - Electricity	Park Vista - 615 E. Holly Avenue El Segundo, CA	109	Edison	106.17	0.00	3000000503	07/18/2024	Service 6/11/24-7/11/24	

Bill Detail

Reference	Bill Date	Due Date	GL Account	Property	Unit	Payee Name	Paid	Unpaid	Check #	Paid Date	Description	Work Order Issue	
							90245						
							2,778.79	0.00					
6420 - Gas													
056 105 3200 3	07/09/2024	07/09/2024	6420 - Gas	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245		SoCalGas	986.03	0.00	6784	08/15/2024	Service 5/31/ 04 - 7/1/24		
6455 - Cable/Television													
8448 30 006 0017008	07/12/2024	07/12/2024	6455 - Cable/ Television	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245		Spectrum	5,368.16	0.00	3000000501	07/15/2024	Service 7/4/ 24-8/3/24		
844830006025505	07/19/2024	07/19/2024	6455 - Cable/ Television	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245		Spectrum	21.64	0.00	ACH	07/19/2024	Service 4/30/ 24 - 5/29/24		
37428	07/29/2024	07/29/2024	6455 - Cable/ Television	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245		Cadman Group	19.86	0.00	729	07/29/2024	Spectrum - Gym account		
37448	07/29/2024	07/29/2024	6455 - Cable/ Television	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245		Cadman Group	19.86	0.00	729	07/29/2024	Spectrum - Gym account		
8448 30 006 0397046	07/29/2024	07/29/2024	6455 - Cable/ Television	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245		Spectrum	199.92	0.00	ACH	07/29/2024	Service 7/8/ 24-8/7/24		
							5,629.44	0.00					
7420 - Office Supplies													
37427	07/03/2024	07/03/2024	7420 - Office Supplies	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245		Cadman Group	47.63	0.00	ACH	07/03/2024	Quill INV 38775209 - Coffee supplies		
37427	07/03/2024	07/03/2024	7420 - Office Supplies	Park Vista - 615 E. Holly Avenue El		Cadman Group	112.48	0.00	ACH	07/03/2024	Quill INV 39136039 - kitchen		

Bill Detail

Reference	Bill Date	Due Date	GL Account	Property	Unit	Payee Name	Paid	Unpaid	Check #	Paid Date	Description	Work Order Issue
				Segundo, CA 90245							supplies	
37427	07/03/2024	07/03/2024	7420 - Office Supplies	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245		Cadman Group	108.19	0.00	ACH	07/03/2024	Quill INV 39135913 - kitchen supplies	
37427	07/03/2024	07/03/2024	7420 - Office Supplies	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245		Cadman Group	121.37	0.00	ACH	07/03/2024	Quill INV 38987785 - office supplies	
37427	07/03/2024	07/03/2024	7420 - Office Supplies	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245		Cadman Group	30.65	0.00	ACH	07/03/2024	Quill INV 38921511 - coffee supplies	
37427	07/03/2024	07/03/2024	7420 - Office Supplies	Park Vista - 615 E. Holly Avenue El Segundo, CA 90245		Cadman Group	112.53	0.00	ACH	07/03/2024	Quill INV 38918191 - coffee and kitchen supplies	
							532.85	0.00				
Total							39,679.61	60.00				

Budget - Comparative

Properties: Park Vista - 615 E. Holly Avenue El Segundo, CA 90245

Period Range: Jul 2024 to Jul 2024

Comparison Period Range: Jul 2023 to Jul 2023

Additional Account Types: Asset, Cash, Liability, Capital

Accounting Basis: Cash

Level of Detail: Detail View

Account Name	Period Actual	Period Budget	Period \$ Variance	Period % Variance	Comparison Actual	Comparison Budget	Comparison \$ Variance	Comparison % Variance
Income								
RENT								
Rent Income	83,842.20	78,690.00	5,152.20	6.55%	74,567.00	69,000.00	5,567.00	8.07%
Parking Income	1,619.09	1,622.00	-2.91	-0.18%	1,644.36	1,550.00	94.36	6.09%
Total RENT	85,461.29	80,312.00	5,149.29	6.41%	76,211.36	70,550.00	5,661.36	8.02%
Vacancy	0.00	-2,916.67	2,916.67	100.00%	0.00	-2,916.67	2,916.67	100.00%
Prepayment	4,057.77	0.00	4,057.77	0.00%	-5,851.40	0.00	-5,851.40	0.00%
NSF Bank Fees Collected	25.00	0.00	25.00	0.00%	25.00	0.00	25.00	0.00%
Laundry Income	411.42	860.00	-448.58	-52.16%	541.31	458.33	82.98	18.10%
Total Budgeted Operating Income	89,955.48	78,255.33	11,700.15	14.95%	70,926.27	68,091.66	2,834.61	4.16%
Expense								
Fire Service	375.00	833.33	458.33	55.00%	225.00	833.33	608.33	73.00%
Fire Extinguisher Service	838.71	0.00	-838.71	0.00%	0.00	0.00	0.00	0.00%
Maintenance	40,513.51	17,500.00	-23,013.51	-131.51%	11,953.90	17,500.00	5,546.10	31.69%
Elevator service	0.00	1,250.00	1,250.00	100.00%	0.00	1,000.00	1,000.00	100.00%
Gardening	1,184.59	1,750.00	565.41	32.31%	1,264.49	1,458.33	193.84	13.29%
Management Fees	15,750.00	16,500.00	750.00	4.55%	15,500.00	15,500.00	0.00	0.00%
Pest Control	432.17	500.00	67.83	13.57%	252.80	500.00	247.20	49.44%
Licenses and Permits	0.00	50.00	50.00	100.00%	0.00	54.17	54.17	100.00%
Electricity	2,778.79	2,350.00	-428.79	-18.25%	2,160.32	2,250.00	89.68	3.99%
Gas	0.00	2,000.00	2,000.00	100.00%	1,109.64	2,250.00	1,140.36	50.68%
Water	0.00	4,500.00	4,500.00	100.00%	0.00	4,583.33	4,583.33	100.00%
Telephone/Internet	0.00	2,750.00	2,750.00	100.00%	4,125.80	2,500.00	-1,625.80	-65.03%

Budget - Comparative

Account Name	Period Actual	Period Budget	Period \$ Variance	Period % Variance	Comparison Actual	Comparison Budget	Comparison \$ Variance	Comparison % Variance
Cable/Television	5,629.44	6,250.00	620.56	9.93%	1,083.62	6,250.00	5,166.38	82.66%
Office Supplies	532.85	400.00	-132.85	-33.21%	861.76	250.00	-611.76	-244.70%
Advertising & Promotion	0.00	450.00	450.00	100.00%	2,311.56	250.00	-2,061.56	-824.62%
Legal Expenses (Expense account)	0.00	300.00	300.00	100.00%	0.00	0.00	0.00	0.00%
Bank Service Fees	0.00	6.25	6.25	100.00%	0.00	6.25	6.25	100.00%
Postage	0.00	20.83	20.83	100.00%	0.00	20.83	20.83	100.00%
Professional Fees	0.00	625.00	625.00	100.00%	0.00	625.00	625.00	100.00%
Total Budgeted Operating Expense	68,035.06	58,035.41	-9,999.65	-17.23%	40,848.89	55,831.24	14,982.35	26.84%
Total Budgeted Operating Income	89,955.48	78,255.33	11,700.15	14.95%	70,926.27	68,091.66	2,834.61	4.16%
Total Budgeted Operating Expense	68,035.06	58,035.41	-9,999.65	-17.23%	40,848.89	55,831.24	14,982.35	26.84%
NOI - Net Operating Income	21,920.42	20,219.92	1,700.50	8.41%	30,077.38	12,260.42	17,816.96	145.32%
Other Income								
Interest on Bank Accounts	5,850.96	2,500.00	3,350.96	134.04%	5,417.18	1,875.00	3,542.18	188.92%
Total Budgeted Other Income	5,850.96	2,500.00	3,350.96	134.04%	5,417.18	1,875.00	3,542.18	188.92%
Net Other Income	5,850.96	2,500.00	3,350.96	134.04%	5,417.18	1,875.00	3,542.18	188.92%
Total Budgeted Income	95,806.44	80,755.33	15,051.11	18.64%	76,343.45	69,966.66	6,376.79	9.11%
Total Budgeted Expense	68,035.06	58,035.41	-9,999.65	-17.23%	40,848.89	55,831.24	14,982.35	26.84%
Net Income	27,771.38	22,719.92	5,051.46	22.23%	35,494.56	14,135.42	21,359.14	151.10%

Budget - Comparative

Account Name	Period Actual	Period Budget	Period \$ Variance	Period % Variance	Comparison Actual	Comparison Budget	Comparison \$ Variance	Comparison % Variance
Cash								
Cash in Bank	26,411.42	0.00	-26,411.42	0.00%	29,527.38	0.00	-29,527.38	0.00%
Park Vista Reserve Account - LAIF	5,850.96	0.00	-5,850.96	0.00%	5,417.18	0.00	-5,417.18	0.00%
Total Budgeted Cash	32,262.38	0.00	-32,262.38	0.00%	34,944.56	0.00	-34,944.56	0.00%
Liability								
Key Deposit	30.00	0.00	30.00	0.00%	0.00	0.00	0.00	0.00%
Security Deposit	4,461.00	0.00	4,461.00	0.00%	-530.00	0.00	-530.00	0.00%
Passthrough Cash Account	0.00	0.00	0.00	0.00%	-20.00	0.00	-20.00	0.00%
Total Budgeted Liability	4,491.00	0.00	4,491.00	0.00%	-550.00	0.00	-550.00	0.00%

**EL SEGUNDO SENIOR CITIZENS HOUSING
DEVELOPMENT CORPORATION**

350 MAIN STREET, EL SEGUNDO, CA 90245

August 13, 2024

RE: Interest Income from Deposit with the City, per Agreement for Investment of Funds

Dear President:

The deposit and interest for the quarter/month ending is as follows:	Q3-2024	July-24 Original
Beginning balance at June 30, 2024		\$ 1,268,697.62
Accrued: Interest (Posted quarterly)		5,850.96
Add: Deposits		
Less: Withdrawals		
TOTAL IN LAIF/CAMP - G/L# 504-101-0000-0004:	<u>As of</u> 7/31/2024	\$ 1,274,548.58

Accrued Interest (posted quarterly by the 15th day following quarter):						
Interest Earned	July	@	5.430%	Actual	CAMP for 31 days	5,850.96
Interest Earned	August	@		Actual	CAMP for 31 days	-
Interest Earned	September	@		Actual	CAMP for 30 days	-
Accrued Interest	quarter to date					5,850.96

Interest earned is based on the interest earnings rate the City of El Segundo received from the California Asset Management Program and the number of days the funds were held by the City during the given period. Per the understanding reached at the September 1997 meeting of the Board of Directors, interest will be credited to the account and compounded on a quarterly basis. Interest shown for each month is for your information only.

If you have any questions, please do not hesitate to give me a call.

Sincerely,
Dino R. Marsocci

Dino R. Marsocci
Treasury & Customer Services Manager

Cc: Paul Chung, Chief Financial Officer
Eva Gettler, Accounting Supervisor
Michael Allen, Community Development Director
Neil Cadman, Facility Management for Park Vista
Eduardo Schonborn, Planning Manager
Venus Wesson, Sr. Admin Specialist

*“Down To
The Last
Doorknob”*



PROPERTY INSPECTION REPORT

615 E Holly Ave, El Segundo, CA 90245

INSPECTION PREPARED FOR: Neil Cadman

INSPECTOR: Tony Escamilla

AGENT: -

DATE OF INSPECTION: 7/31/2024



VILLA PROPERTY INSPECTIONS

www.inspectaproperty.com

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ABOUT YOUR BALCONY INSPECTION - PLEASE READ ALL OF THE INFORMATION WE PROVIDE BELOW

Please read all of the information we have provided so that you can receive the full value of this inspection.

ALL ITEMS IN THE SUMMARY SECTION ARE OF IMMEDIATE CONCERN TO THIS STRUCTURE AND SHOULD BE FURTHER EVALUATED. HOWEVER, THE ENTIRE REPORT MUST BE READ FOR FULL DISCLOSURE, AS OTHER ITEMS WRITTEN IN THE REPORT MAY REQUIRE FURTHER EVALUATION AS DEEMED BY THE OPINION OF THE READER. IF A FURTHER EVALUATION IS NOT PERFORMED AND ADDITIONAL DEFECTS ARE FOUND AFTER THE INSPECTION, THEN ANY DISPUTES OR CLAIMS AGAINST THE INSPECTION COMPANY WILL BE DENIED.

SIMPLY PUT, IF YOU DO NOT FOLLOW THE ADVICE IN THIS REPORT. YOU CANNOT HOLD THE INSPECTOR OR THE INSPECTION COMPANY LIABLE AFTERWARDS.

For your safety and liability purposes, we recommend that licensed contractors further evaluate and repair any and all concerns and defects noted in the report.

THIS REPORT IS NON-TRANSFERABLE TO ANOTHER PARTY, NO EXCEPTIONS.

THANK YOU FOR USING VILLA PROPERTY INSPECTIONS



Report Summary

The summary below consists of potentially significant findings. These findings can be a safety hazard, a deficiency requiring a major expense to correct or items I would like to draw extra attention to. The summary is not a complete listing of all the findings in the report, and reflects the opinion of the inspector. Please review all pages of the report as the summary alone does not explain all of the issues. All repairs should be done by a licensed & bonded tradesman or qualified professional. I recommend obtaining a copy of all receipts, warranties and permits for the work done.

Unit 305 Exterior Elevated Elements		
Page 12 Item: 1	Exterior Elevated Elements Observations	<ul style="list-style-type: none"> • The Magnesite floor coating is damaged, cracked, bubbling or deteriorated. Repairs or resurfacing should be considered. • Improper floor drainage or evidence of pooling water was observed. • The Balcony floor is improperly sloped towards the structure instead of away. This will cause moisture to pool at the wall-to-floor junction or cause moisture to penetrate into the dwelling. • Flashings are not properly sealed at the stucco railing junction and may allow moisture penetration and damage. • Further evaluation by a licensed contractor is recommended.
Unit 315 Exterior Elevated Elements		
Page 15 Item: 1	Exterior Elevated Elements Observations	<ul style="list-style-type: none"> • Flashings are not properly sealed at the stucco railing junction and may allow moisture penetration and damage. • Stucco railing is damaged, cracked or deteriorated and may allow moisture penetration and damage. • Further evaluation by a licensed contractor is recommended.
Unit 325 Exterior Elevated Elements		
Page 18 Item: 1	Exterior Elevated Elements Observations	<ul style="list-style-type: none"> • Flashings are not properly sealed at the floor-to-wall junction and may allow moisture penetration and damage. • Further evaluation by a licensed contractor is recommended.
Unit 401 Exterior Elevated Elements		
Page 21 Item: 1	Exterior Elevated Elements Observations	<ul style="list-style-type: none"> • Flashings are not properly sealed at the floor-to-wall junction and may allow moisture penetration and damage. • Further evaluation by a licensed contractor is recommended.





Unit 405 Exterior Elevated Elements		
Page 23 Item: 1	Exterior Elevated Elements Observations	<ul style="list-style-type: none"> • The floor drains at the balcony are blocked and do not provide adequate drainage. • The Magnesite floor coating is damaged, cracked, bubbling or deteriorated. Repairs or resurfacing should be considered. • Cracks observed are moderate and may allow moisture penetration and damage. • Improper floor drainage or evidence of pooling water was observed. • The Balcony floor is improperly sloped towards the structure instead of away. This will cause moisture to pool at the wall-to-floor junction or cause moisture to penetrate into the dwelling. • Flashings are not properly sealed at the floor-to-wall junction and may allow moisture penetration and damage. • Flashings are not properly sealed at the stucco railing junction and may allow moisture penetration and damage. • Further evaluation by a licensed contractor is recommended.
Unit 410 Exterior Elevated Elements		
Page 27 Item: 1	Exterior Elevated Elements Observations	<ul style="list-style-type: none"> • Moisture stains and or damage were observed on the underside of the balcony. This is an indication of prolonged moisture penetration, which could have affected the balcony structure. • The Magnesite floor coating is damaged, cracked, bubbling or deteriorated. Repairs or resurfacing should be considered. • Cracks observed are moderate and may allow moisture penetration and damage. • Improper floor drainage or evidence of pooling water was observed. • The Balcony floor is improperly sloped towards the structure instead of away. This will cause moisture to pool at the wall-to-floor junction or cause moisture to penetrate into the dwelling. • Evidence of moisture penetration was observed on the underside of the balcony, indicating moisture penetration on the floor above. • Flashings are not properly sealed at the floor-to-wall junction and may allow moisture penetration and damage. • Further evaluation by a licensed contractor is recommended.
Unit 422 Exterior Elevated Elements		
Page 30 Item: 1	Exterior Elevated Elements Observations	<ul style="list-style-type: none"> • Improper floor drainage or evidence of pooling water was observed. • The Balcony floor is improperly sloped towards the structure instead of away. This will cause moisture to pool at the wall-to-floor junction or cause moisture to penetrate into the dwelling. • Flashings are not properly sealed at the floor-to-wall junction and may allow moisture penetration and damage. • Further evaluation by a licensed contractor is recommended.



Unit 501 Exterior Elevated Elements		
Page 32 Item: 1	Exterior Elevated Elements Observations	<ul style="list-style-type: none"> • Flashings are not properly sealed at the floor-to-wall junction and may allow moisture penetration and damage. • Flashings are not properly sealed at the stucco railing junction and may allow moisture penetration and damage. • The Door frame/threshold is not properly sealed at the floor junction and may allow moisture penetration and damage.
Unit 510 Exterior Elevated Elements		
Page 36 Item: 1	Exterior Elevated Elements Observations	<ul style="list-style-type: none"> • The Magnesite floor coating is damaged, cracked, bubbling or deteriorated. Repairs or resurfacing should be considered. • Flashings are not properly sealed at the floor-to-wall junction and may allow moisture penetration and damage. • Flashings are not properly sealed at the stucco railing junction and may allow moisture penetration and damage. • Further evaluation by a licensed contractor is recommended.
5th Floor Common Area Exterior Elevated Elements		
Page 39 Item: 1	Exterior Elevated Elements Observations	<ul style="list-style-type: none"> • The Magnesite floor coating is damaged, cracked, bubbling or deteriorated. Repairs or resurfacing should be considered. • Cracks observed are moderate and may allow moisture penetration and damage. • Flashings are not properly sealed at the floor-to-wall junction and may allow moisture penetration and damage. • Further evaluation by a licensed contractor is recommended.
3rd Floor Common Area Exterior Elevated Elements		
Page 43 Item: 1	Exterior Elevated Elements Observations	<ul style="list-style-type: none"> • The Magnesite floor coating is damaged, cracked, bubbling or deteriorated. Repairs or resurfacing should be considered. • Cracks observed are moderate and may allow moisture penetration and damage. • Cracks noted are significant and may allow moisture penetration and damage. • Improper floor drainage or evidence of pooling water was observed. • The Balcony floor is improperly sloped towards the structure instead of away. This will cause moisture to pool at the wall-to-floor junction or cause moisture to penetrate into the dwelling. • Evidence of moisture penetration was observed on the underside of the balcony, indicating moisture penetration on the floor above. • Flashings are not properly sealed at the floor-to-wall junction and may allow moisture penetration and damage. • Flashings at the floor-to-railing junction are not properly sealed, which may allow moisture penetration and damage. • The Door frame/threshold is not properly sealed at the floor junction and may allow moisture penetration and damage. • Further evaluation by a licensed contractor is recommended.



2nd Floor Common Area Exterior Elevated Elements

<p>Page 49 Item: 1</p>	<p>Exterior Elevated Elements Observations</p>	<ul style="list-style-type: none"> • Moisture stains and or damage were observed on the underside of the balcony. This is an indication of prolonged moisture penetration, which could have affected the balcony structure. • The Magnesite floor coating is damaged, cracked, bubbling or deteriorated. Repairs or resurfacing should be considered. • Improper floor drainage or evidence of pooling water was observed. • The Balcony floor is improperly sloped towards the structure instead of away. This will cause moisture to pool at the wall-to-floor junction or cause moisture to penetrate into the dwelling. • Evidence of moisture penetration was observed on the underside of the balcony, indicating moisture penetration on the floor above. • Flashings are not properly sealed at the floor-to-wall junction and may allow moisture penetration and damage. • The Door frame/threshold is not properly sealed at the floor junction and may allow moisture penetration and damage. • Further evaluation by a licensed contractor is recommended.
<p>Page 54 Item: 2</p>	<p>Exterior Stairs & Steps</p>	<ul style="list-style-type: none"> • Moisture stains or damage noted under the stairwell. • Further evaluation by a licensed contractor is recommended.
<p>SB-721 Findings</p>		
<p>Page 56 Item: 1</p>	<p>SB-721 Findings</p>	<ul style="list-style-type: none"> • Further evaluation by a licensed termite inspector is recommended. • Further evaluation by a licensed contractor is recommended.





IMPORTANT INFORMATION - PLEASE READ CAREFULLY

VILLA HOME INSPECTIONS REQUIRES AN INSPECTION AGREEMENT TO BE SIGNED BY THE CLIENT PRIOR TO PERFORMING AN INSPECTION. IF YOU WERE NOT PRESENT AT THE INSPECTION OR DID NOT SIGN THE INSPECTION AGREEMENT YOU, BY ACCEPTING, PAYING FOR, AND/OR USING THE INSPECTION REPORT YOU ACKNOWLEDGE AND AGREE TO BE BOUND BY THE TERMS AND CONDITIONS OF THE INSPECTION AGREEMENT AND FURTHER AGREE THAT THE INSPECTION AGREEMENT WILL FORM A PART OF THE INSPECTION REPORT. A COPY OF THE INSPECTION AGREEMENT IS INCLUDED WITH THIS REPORT. IF YOU HAVE NOT DONE SO, PLEASE SIGN IT AND RETURN IT TO VILLA HOME INSPECTIONS.



Inspection Details

1. Your Inspector

Inspector: **Inspected By:** • Tony Gosorn. You can see a full list of Tony's qualifications by [clicking here](#). • **Inspection/Report Reviewed by:** • Tony Escamilla. You can see a full list of Tony's qualifications by [clicking here](#).

2. Weather Conditions

Materials: 70-80 Degrees.

Observations:

- Clear and sunny.
- No rain activity within the last 7 days prior to the inspection.

3. Parties Present

In Attendance: Manager present. • Tenants were present.

4. Building Faces

Materials: South

5. Stories

Materials: Four

6. Other Information

Observations:

- **LIMITED INSPECTION:** This inspection is limited to only the Exterior Elevated Elements (EEE), such as balconies, stairs, and decks, per the requirements of Senate Bill 721.



**VILLA PROPERTY INSPECTIONS LLC**

California General Contractor #780464
ICC Certified Commercial Construction Inspection
ICC Certified Residential Construction Inspection
ICC Certified Property Maintenance & Housing Inspection

SENATE BILL 721 REQUIREMENTS

This inspection and report meet and exceed the requirements of Senate Bill 721

California State Balcony Inspection Law

SB 721 (Chapter 445, Stats. 2018) was signed by Governor Brown in response to the 2015 Berkeley balcony collapse. While some local governments already impose a local inspection program, this California law requires the inspection of specific balconies throughout the State of California. Here's what you need to know:

What Buildings Must be Inspected?

Buildings with 3 or more units that have:

- Balconies, decks, porches, stairways, walkways, and entry structures that extend beyond the exterior walls of the building and that rely in whole or in substantial part on wood or wood-based products for structural support or stability; and
- A walking surface that is elevated more than 6 feet above the ground level; and
- Balconies designed for human occupancy or use.

Buildings proposed for conversion to condominiums to be sold to the public after January 1, 2019, must be inspected before the first close of escrow.

When Must the Buildings be Inspected?

Inspections of the balconies, decks, porches, stairways, walkways, and entries as described above must be inspected by January 1, 2025, with certain exceptions, and require subsequent inspections every 6 years.

The inspection of buildings for which a building permit application has been submitted on or after January 1, 2019, shall occur no later than 6 years following the issuance of a certificate of occupancy from the local jurisdiction and shall otherwise comply with the provisions of this law.



If the property was inspected within 3 years prior to January 1, 2019, by an inspector as described in the law and a report of that inspector was issued stating that the exterior elevated elements and associated waterproofing elements are in proper working condition and do not pose a threat to the health and safety of the public, no new inspection shall be required until January 1, 2025.

Who Can Perform the Inspections?

- A licensed architect, Licensed civil or structural engineer, General Contractor holding any or all A, B, or C-5 Licenses issued by the Contractors State License Board;
- Individuals certified as a building inspector or building official, as specified; (these individuals cannot be employed by the local jurisdiction while performing these inspections).

What Must the Inspection Cover?

The inspection required by this law must, at a minimum, include:

- Identification of each exterior elevated element or associated waterproofing elements that, if found to be defective, decayed, or deteriorated to the extent that it does not meet its load requirements, would, in the opinion of the inspector, constitute a threat to the health or safety of the occupants.
- “Associated waterproofing elements” are defined to mean flashings, membranes, coatings, and sealants that protect the load-bearing components of exterior elevated elements from exposure to water and the elements.
- Assessments of elevated elements using methods allowing for evaluation of their performance by direct visual examination or comparable means of evaluating their performance. For purposes of this section, a sample of at least 15 percent of each type of exterior elevated element shall be inspected.
- The evaluation and assessment shall address each of the following as of the date of the evaluation:
 - The current condition of the exterior elevated elements.
 - Expectations of future performance and projected service life.
 - Recommendations of any further inspection necessary.
 - Recommendations of any necessary repair or replacement.

The Report

The inspector conducting the inspection shall produce an initial report and a final report indicating that any required repairs have been completed.

A written report of the evaluation stamped or signed by the inspector presented to the owner of the building or the owner’s designated agent within 45 days of completion of the inspection.

The report shall include photographs, any test results, and narrative sufficient to establish a baseline of the condition of the components inspected that can be compared to the results of subsequent inspections. In addition to the evaluation required by this section, the report shall advise which, if any, exterior elevated element poses an immediate threat to the safety of the occupants, and whether preventing occupant access or conducting emergency repairs, including shoring, are necessary.



A copy of the inspection report must be presented to the owner of the building within 45 days of the completion of the inspection. The law requires that if the inspection reveals conditions that pose an immediate hazard to the safety of the occupants, the inspection report be delivered to the owner of the building within 15 days and emergency repairs be undertaken, as specified, with notice given to the local enforcement agency.

Who Keeps the Report?

Copies of all inspection reports shall be maintained in the building owner's permanent records for not less than two inspection cycles. They shall be disclosed and delivered to the buyer at any subsequent building sale.

What if Repairs are Required?

Immediate Threat – An exterior elevated element that the inspector advises poses an immediate threat to the safety of the occupants, or finds preventing occupant access or emergency repairs, including shoring, or both, are necessary, shall be considered an emergency condition and the owner of the building shall perform required preventive measures immediately.

Immediately preventing occupant access to the exterior elevated element until emergency repairs can be completed constitutes compliance with this paragraph. Repairs of emergency conditions shall comply with the requirements of the law, be inspected by the inspector, and reported to the local enforcement agency.

No Immediate Threat – The owner of the building that requires corrective work to an exterior elevated element that, in the opinion of the inspector, does not pose an immediate threat to the safety of the occupants, shall apply for a permit within 120 days of receipt of the inspection report. Once the permit is approved, the owner of the building shall have 120 days to make the repairs unless an extension of time is granted by the local enforcement agency.

If the owner of the building does not comply with the repair requirements within 180 days, the inspector shall notify the local enforcement agency and the owner of the building. If within 30 days of the date of the notice the repairs are not completed, the owner of the building shall be assessed a civil penalty based on a fee of not less than \$100 or more than \$500 per day until the repairs are completed, unless an extension of time is granted by the local enforcement agency. If a civil penalty is assessed, a building safety lien may be recorded against the property.

Can a Local Government Pass a More Stringent Law?

Yes. The State law provides that the governing body of any city, county, or city and county, may enact ordinances or laws imposing requirements greater than those imposed by this law.

References:

SB 721 (Hill), Ch. 445, Stats. 2018
Health and Safety Code Section 17973, et seq.



Unit 305 Exterior Elevated Elements

1. Exterior Elevated Elements Observations

Floor Materials: Wood framed. • Magnesite.

Cover Materials: Stucco railing. • Iron railing.

Observations:

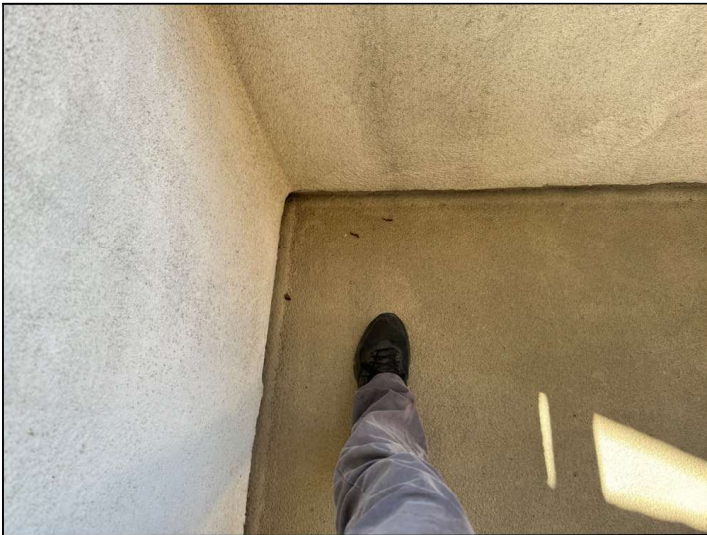
- Balcony's underside is covered with wood or stucco and inaccessible for a full inspection. Further evaluation may be necessary. You may consider installing removable ventilation/inspection panels on the underside of the balcony to allow for ventilation and future required (every six years) inspections.
- No visible structural problems were observed at the time of inspection.
- You may consider installing removable ventilation/inspection panels on the underside of the balcony to allow for ventilation and future required (every six years) inspections.
- Measurement of balcony in one direction.
- The Magnesite floor coating is damaged, cracked, bubbling or deteriorated. Repairs or resurfacing should be considered.
- Improper floor drainage or evidence of pooling water was observed.
- The Balcony floor is improperly sloped towards the structure instead of away. This will cause moisture to pool at the wall-to-floor junction or cause moisture to penetrate into the dwelling.
- Flashings are not properly sealed at the stucco railing junction and may allow moisture penetration and damage.
- Further evaluation by a licensed contractor is recommended.



Balcony's underside is covered with wood or stucco and inaccessible for a full inspection. Further evaluation may be necessary. You may consider installing removable ventilation/inspection panels on the underside of the balcony to allow for ventilation and future required (every six years) inspections.



No visible structural problems were observed at the time of inspection.



The Magnesite floor coating is damaged, cracked, bubbling or deteriorated. Repairs or resurfacing should be considered.



Flashings are not properly sealed at the stucco railing junction and may allow moisture penetration and damage.



The Balcony floor is improperly sloped towards the structure instead of away. This will cause moisture to pool at the wall-to-floor junction or cause moisture to penetrate into the dwelling.



The Balcony floor is improperly sloped towards the structure instead of away. This will cause moisture to pool at the wall-to-floor junction or cause moisture to penetrate into the dwelling.



The Balcony floor is improperly sloped towards the structure instead of away. This will cause moisture to pool at the wall-to-floor junction or cause moisture to penetrate into the dwelling.



Measurement of balcony in one direction.



Measurement of balcony in one direction.



Unit 315 Exterior Elevated Elements

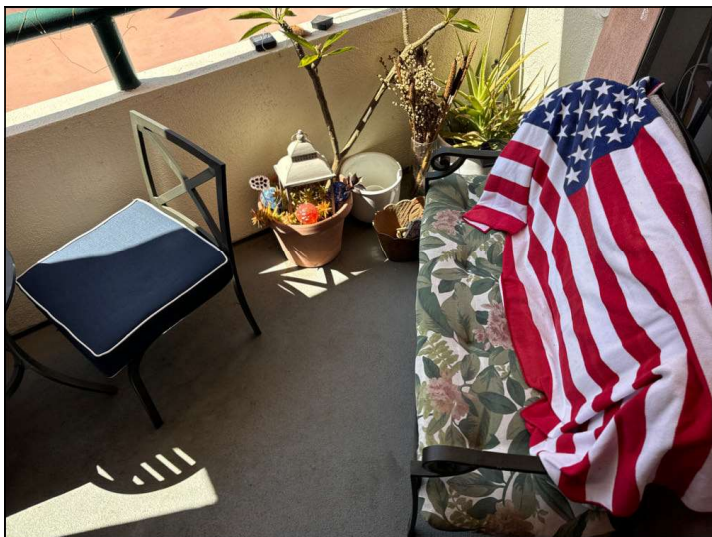
1. Exterior Elevated Elements Observations

Floor Materials: Wood framed. • Magnesite.

Cover Materials: Stucco railing. • Iron railing.

Observations:

- Balcony's underside is covered with wood or stucco and inaccessible for a full inspection. Further evaluation may be necessary. You may consider installing removable ventilation/inspection panels on the underside of the balcony to allow for ventilation and future required (every six years) inspections.
- Unable to fully view the balcony due to occupants' belongings. The inspector did not move the occupants' belongings during the inspection. Further evaluation is recommended.
- No visible structural problems were observed at the time of inspection.
- You may consider installing removable ventilation/inspection panels on the underside of the balcony to allow for ventilation and future required (every six years) inspections.
- Slope for drainage appears adequate.
- Flashings are not properly sealed at the stucco railing junction and may allow moisture penetration and damage.
- Stucco railing is damaged, cracked or deteriorated and may allow moisture penetration and damage.
- Further evaluation by a licensed contractor is recommended.



Unable to fully view the balcony due to occupants' belongings. The inspector did not move the occupants' belongings during the inspection. Further evaluation is recommended.



Flashings are not properly sealed at the stucco railing junction and may allow moisture penetration and damage.



Stucco railing is damaged, cracked or deteriorated and may allow moisture penetration and damage.



Slope for drainage appears adequate.

Unit 324 Exterior Elevated Elements

1. Exterior Elevated Elements Observations

Floor Materials: Wood framed. • Magnesite.

Cover Materials: Stucco railing. • Iron railing.

Observations:

- Balcony's underside is covered with wood or stucco and inaccessible for a full inspection. Further evaluation may be necessary. You may consider installing removable ventilation/inspection panels on the underside of the balcony to allow for ventilation and future required (every six years) inspections.
- Unable to fully view the balcony due to occupants' belongings. The inspector did not move the occupants' belongings during the inspection. Further evaluation is recommended.
- No visible structural problems were observed at the time of inspection.
- No visible problems were observed on the floor during inspection.
- No visible problems were observed with the railings during the inspection.
- You may consider installing removable ventilation/inspection panels on the underside of the balcony to allow for ventilation and future required (every six years) inspections.
- Slope for drainage appears adequate.



Unable to fully view the balcony due to occupants' belongings. The inspector did not move the occupants' belongings during the inspection. Further evaluation is recommended.



Slope for drainage appears adequate.

Unit 325 Exterior Elevated Elements

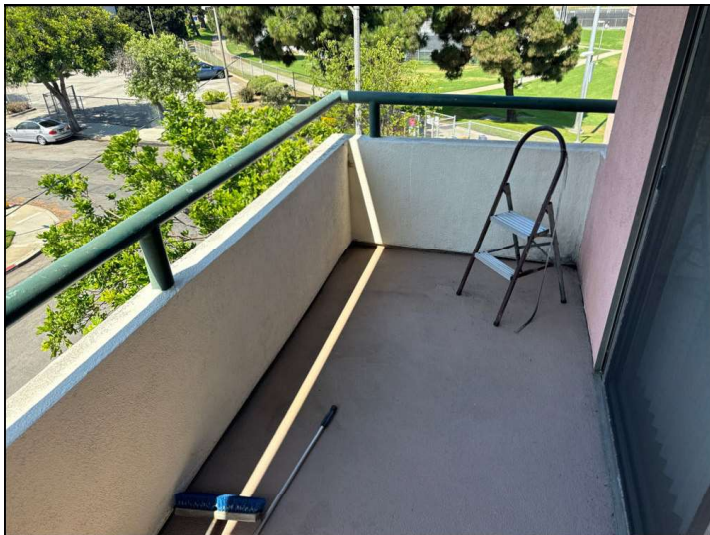
1. Exterior Elevated Elements Observations

Floor Materials: Wood framed. • Magnesite.

Cover Materials: Stucco railing. • Iron railing.

Observations:

- Balcony's underside is covered with wood or stucco and inaccessible for a full inspection. Further evaluation may be necessary. You may consider installing removable ventilation/inspection panels on the underside of the balcony to allow for ventilation and future required (every six years) inspections.
- No visible structural problems were observed at the time of inspection.
- No visible problems were observed on the floor during inspection.
- You may consider installing removable ventilation/inspection panels on the underside of the balcony to allow for ventilation and future required (every six years) inspections.
- Measurement of balcony in one direction.
- Slope for drainage appears adequate.
- Flashings are not properly sealed at the floor-to-wall junction and may allow moisture penetration and damage.
- Further evaluation by a licensed contractor is recommended.



Balcony's underside is covered with wood or stucco and inaccessible for a full inspection. Further evaluation may be necessary. You may consider installing removable ventilation/inspection panels on the underside of the balcony to allow for ventilation and future required (every six years) inspections.



Flashings are not properly sealed at the floor-to-wall junction and may allow moisture penetration and damage.





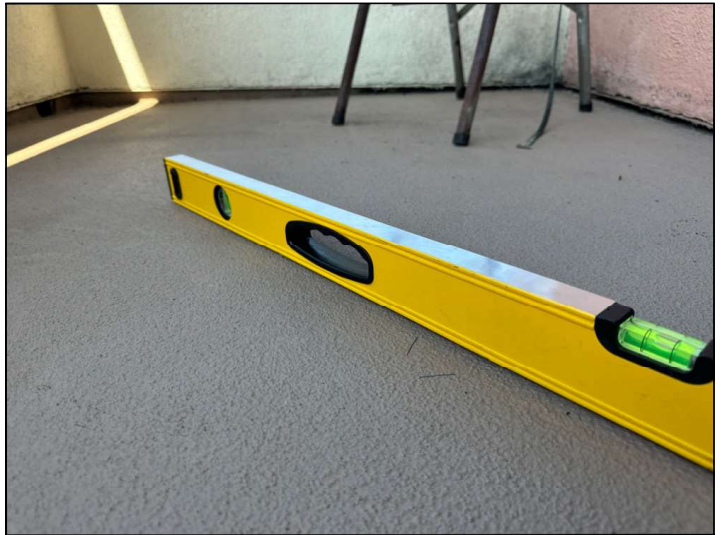
Flashings are not properly sealed at the floor-to-wall junction and may allow moisture penetration and damage.



Flashings are not properly sealed at the floor-to-wall junction and may allow moisture penetration and damage.



Flashings are not properly sealed at the floor-to-wall junction and may allow moisture penetration and damage.



Slope for drainage appears adequate.



Measurement of balcony in one direction.



Unit 401 Exterior Elevated Elements

1. Exterior Elevated Elements Observations

Floor Materials: Wood framed. • Magnesite.

Cover Materials: Stucco railing. • Iron railing.

Observations:

- Balcony's underside is covered with wood or stucco and inaccessible for a full inspection. Further evaluation may be necessary. You may consider installing removable ventilation/inspection panels on the underside of the balcony to allow for ventilation and future required (every six years) inspections.
- No visible structural problems were observed at the time of inspection.
- No visible problems were observed on the floor during inspection.
- You may consider installing removable ventilation/inspection panels on the underside of the balcony to allow for ventilation and future required (every six years) inspections.
- Measurement of balcony in one direction.
- Slope for drainage appears adequate.
- Flashings are not properly sealed at the floor-to-wall junction and may allow moisture penetration and damage.
- Further evaluation by a licensed contractor is recommended.



Balcony's underside is covered with wood or stucco and inaccessible for a full inspection. Further evaluation may be necessary. You may consider installing removable ventilation/inspection panels on the underside of the balcony to allow for ventilation and future required (every six years) inspections.



Flashings are not properly sealed at the floor-to-wall junction and may allow moisture penetration and damage.

Unit 405 Exterior Elevated Elements

1. Exterior Elevated Elements Observations

Floor Materials: Wood framed. • Magnesite.

Cover Materials: Stucco railing. • Iron railing.

Observations:

- Balcony's underside is covered with wood or stucco and inaccessible for a full inspection. Further evaluation may be necessary. You may consider installing removable ventilation/inspection panels on the underside of the balcony to allow for ventilation and future required (every six years) inspections.
- No visible structural problems were observed at the time of inspection.
- You may consider installing removable ventilation/inspection panels on the underside of the balcony to allow for ventilation and future required (every six years) inspections.
- Measurement of balcony in one direction.
- The floor drains at the balcony are blocked and do not provide adequate drainage.
- The Magnesite floor coating is damaged, cracked, bubbling or deteriorated. Repairs or resurfacing should be considered.
- Cracks observed are moderate and may allow moisture penetration and damage.
- Improper floor drainage or evidence of pooling water was observed.
- The Balcony floor is improperly sloped towards the structure instead of away. This will cause moisture to pool at the wall-to-floor junction or cause moisture to penetrate into the dwelling.
- Flashings are not properly sealed at the floor-to-wall junction and may allow moisture penetration and damage.
- Flashings are not properly sealed at the stucco railing junction and may allow moisture penetration and damage.
- Further evaluation by a licensed contractor is recommended.



No visible structural problems were observed at the time of inspection.



Balcony's underside is covered with wood or stucco and inaccessible for a full inspection. Further evaluation may be necessary. You may consider installing removable ventilation/inspection panels on the underside of the balcony to allow for ventilation and future required (every six years) inspections.





The Magnesite floor coating is damaged, cracked, bubbling or deteriorated. Repairs or resurfacing should be considered.



Flashings are not properly sealed at the stucco railing junction and may allow moisture penetration and damage.



Improper floor drainage or evidence of pooling water was observed.



The floor drains at the balcony are blocked and do not provide adequate drainage.



Flashings are not properly sealed at the floor-to-wall junction and may allow moisture penetration and damage.



The Balcony floor is improperly sloped towards the structure instead of away. This will cause moisture to pool at the wall-to-floor junction or cause moisture to penetrate into the dwelling.



Flashings are not properly sealed at the floor-to-wall junction and may allow moisture penetration and damage.



The Balcony floor is improperly sloped towards the structure instead of away. This will cause moisture to pool at the wall-to-floor junction or cause moisture to penetrate into the dwelling.



Measurement of balcony in one direction.



Measurement of balcony in one direction.



Unit 410 Exterior Elevated Elements

1. Exterior Elevated Elements Observations

Floor Materials: Wood framed. • Magnesite.

Cover Materials: Stucco railing. • Iron railing.

Observations:

- Balcony's underside is covered with wood or stucco and inaccessible for a full inspection. Further evaluation may be necessary. You may consider installing removable ventilation/inspection panels on the underside of the balcony to allow for ventilation and future required (every six years) inspections.
- Unable to fully view the balcony due to occupants' belongings. The inspector did not move the occupants' belongings during the inspection. Further evaluation is recommended.
- No visible structural problems were observed at the time of inspection.
- You may consider installing removable ventilation/inspection panels on the underside of the balcony to allow for ventilation and future required (every six years) inspections.
- Measurement of balcony in one direction.
- Moisture stains and or damage were observed on the underside of the balcony. This is an indication of prolonged moisture penetration, which could have affected the balcony structure.
- The Magnesite floor coating is damaged, cracked, bubbling or deteriorated. Repairs or resurfacing should be considered.
- Cracks observed are moderate and may allow moisture penetration and damage.
- Improper floor drainage or evidence of pooling water was observed.
- The Balcony floor is improperly sloped towards the structure instead of away. This will cause moisture to pool at the wall-to-floor junction or cause moisture to penetrate into the dwelling.
- Evidence of moisture penetration was observed on the underside of the balcony, indicating moisture penetration on the floor above.
- Flashings are not properly sealed at the floor-to-wall junction and may allow moisture penetration and damage.
- Further evaluation by a licensed contractor is recommended.



The Magnesite floor coating is damaged, cracked, bubbling or deteriorated. Repairs or resurfacing should be considered.



No visible structural problems were observed at the time of inspection.





The Magnesite floor coating is damaged, cracked, bubbling or deteriorated. Repairs or resurfacing should be considered.



Improper floor drainage or evidence of pooling water was observed.



Evidence of moisture penetration was observed on the underside of the balcony, indicating moisture penetration on the floor above.



The Balcony floor is improperly sloped towards the structure instead of away. This will cause moisture to pool at the wall-to-floor junction or cause moisture to penetrate into the dwelling.



Improper floor drainage or evidence of pooling water was observed.



Measurement of balcony in one direction.



Measurement of balcony in one direction.



Unit 422 Exterior Elevated Elements

1. Exterior Elevated Elements Observations

Floor Materials: Wood framed. • Magnesite.

Cover Materials: Stucco railing. • Iron railing.

Observations:

- Balcony's underside is covered with wood or stucco and inaccessible for a full inspection. Further evaluation may be necessary. You may consider installing removable ventilation/inspection panels on the underside of the balcony to allow for ventilation and future required (every six years) inspections.
- No visible structural problems were observed at the time of inspection.
- You may consider installing removable ventilation/inspection panels on the underside of the balcony to allow for ventilation and future required (every six years) inspections.
- Measurement of balcony in one direction.
- Improper floor drainage or evidence of pooling water was observed.
- The Balcony floor is improperly sloped towards the structure instead of away. This will cause moisture to pool at the wall-to-floor junction or cause moisture to penetrate into the dwelling.
- Flashings are not properly sealed at the floor-to-wall junction and may allow moisture penetration and damage.
- Further evaluation by a licensed contractor is recommended.



Balcony's underside is covered with wood or stucco and inaccessible for a full inspection. Further evaluation may be necessary. You may consider installing removable ventilation/inspection panels on the underside of the balcony to allow for ventilation and future required (every six years) inspections.



The Balcony floor is improperly sloped towards the structure instead of away. This will cause moisture to pool at the wall-to-floor junction or cause moisture to penetrate into the dwelling.





Improper floor drainage or evidence of pooling water was observed.



Measurement of balcony in one direction.



Unit 501 Exterior Elevated Elements

1. Exterior Elevated Elements Observations

Floor Materials: Wood framed. • Magnesite.

Cover Materials: Stucco railing. • Iron railing.

Observations:

- Balcony's underside is covered with wood or stucco and inaccessible for a full inspection. Further evaluation may be necessary. You may consider installing removable ventilation/inspection panels on the underside of the balcony to allow for ventilation and future required (every six years) inspections.
- No visible structural problems were observed at the time of inspection.
- Measurement of balcony in one direction.
- Slope for drainages appears adequate.
- Flashings are not properly sealed at the floor-to-wall junction and may allow moisture penetration and damage.
- Flashings are not properly sealed at the stucco railing junction and may allow moisture penetration and damage.
- The Door frame/threshold is not properly sealed at the floor junction and may allow moisture penetration and damage.



Balcony's underside is covered with wood or stucco and inaccessible for a full inspection. Further evaluation may be necessary. You may consider installing removable ventilation/inspection panels on the underside of the balcony to allow for ventilation and future required (every six years) inspections.



The Door frame/threshold is not properly sealed at the floor junction and may allow moisture penetration and damage.





Flashings are not properly sealed at the stucco railing junction and may allow moisture penetration and damage.



Flashings are not properly sealed at the floor-to-wall junction and may allow moisture penetration and damage.



Flashings are not properly sealed at the floor-to-wall junction and may allow moisture penetration and damage.



Slope for drainages appears adequate.



Measurement of balcony in one direction.



Unit 506 Exterior Elevated Elements

1. Exterior Elevated Elements Observations

Floor Materials: Wood framed. • Magnesite.

Cover Materials: Stucco railing. • Iron railing.

Observations:

- Balcony's underside is covered with wood or stucco and inaccessible for a full inspection. Further evaluation may be necessary. You may consider installing removable ventilation/inspection panels on the underside of the balcony to allow for ventilation and future required (every six years) inspections.
- No visible structural problems were observed at the time of inspection.
- No visible problems were observed on the floor during inspection.
- No visible problems were observed with the flashings during inspection.
- No visible problems were observed with the railings during the inspection.
- You may consider installing removable ventilation/inspection panels on the underside of the balcony to allow for ventilation and future required (every six years) inspections.
- Measurement of balcony in one direction.
- Slope for drainage appears adequate.



No visible structural problems were observed at the time of inspection.



Slope for drainage appears adequate.



Measurement of balcony in one direction.



Unit 510 Exterior Elevated Elements

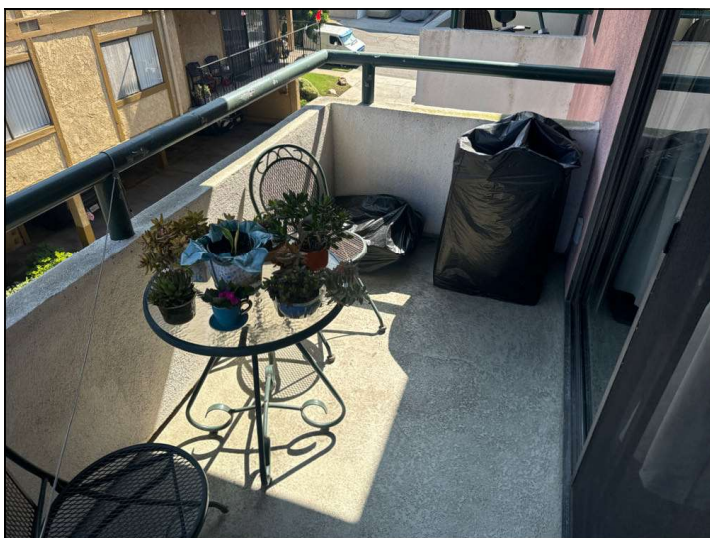
1. Exterior Elevated Elements Observations

Floor Materials: Wood framed. • Magnesite.

Cover Materials: Stucco railing. • Iron railing.

Observations:

- Balcony's underside is covered with wood or stucco and inaccessible for a full inspection. Further evaluation may be necessary. You may consider installing removable ventilation/inspection panels on the underside of the balcony to allow for ventilation and future required (every six years) inspections.
- Unable to fully view the balcony due to occupants' belongings. The inspector did not move the occupants' belongings during the inspection. Further evaluation is recommended.
- No visible structural problems were observed at the time of inspection.
- No visible problems were observed with the railings during the inspection.
- You may consider installing removable ventilation/inspection panels on the underside of the balcony to allow for ventilation and future required (every six years) inspections.
- Measurement of balcony in one direction.
- Slope for drainage appears adequate.
- The Magnesite floor coating is damaged, cracked, bubbling or deteriorated. Repairs or resurfacing should be considered.
- Flashings are not properly sealed at the floor-to-wall junction and may allow moisture penetration and damage.
- Flashings are not properly sealed at the stucco railing junction and may allow moisture penetration and damage.
- Further evaluation by a licensed contractor is recommended.



Unable to fully view the balcony due to occupants' belongings. The inspector did not move the occupants' belongings during the inspection. Further evaluation is recommended.



Flashings are not properly sealed at the floor-to-wall junction and may allow moisture penetration and damage.





Flashings are not properly sealed at the floor-to-wall junction and may allow moisture penetration and damage.



Flashings are not properly sealed at the stucco railing junction and may allow moisture penetration and damage.



The Magnesite floor coating is damaged, cracked, bubbling or deteriorated. Repairs or resurfacing should be considered.



Slope for drainage appears adequate.





The Magnesite floor coating is damaged, cracked, bubbling or deteriorated. Repairs or resurfacing should be considered.



Measurement of balcony in one direction.

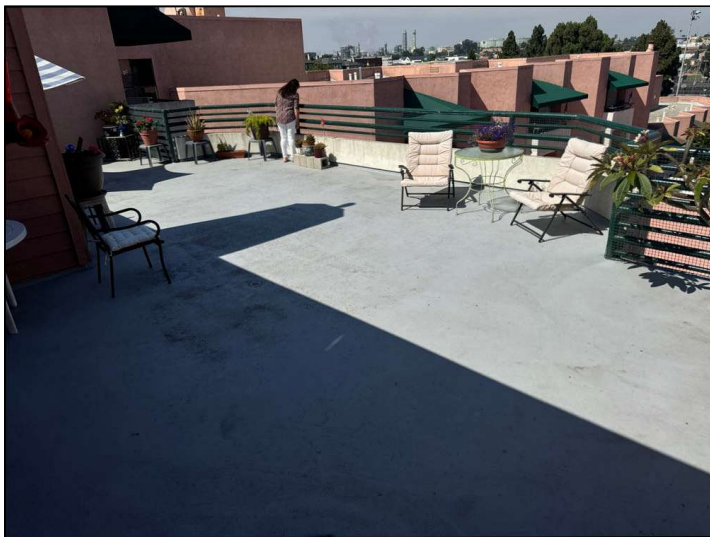
5th Floor Common Area Exterior Elevated Elements

1. Exterior Elevated Elements Observations

Floor Materials: Wood framed • Magnesite
Cover Materials: Stucco railing. • Iron railing.

Observations:

- Balcony's underside is covered with wood or stucco and inaccessible for a full inspection. Further evaluation may be necessary. You may consider installing removable ventilation/inspection panels on the underside of the balcony to allow for ventilation and future required (every six years) inspections.
- No visible structural problems were observed at the time of inspection.
- No visible problems were observed with the railings during the inspection.
- You may consider installing removable ventilation/inspection panels on the underside of the balcony to allow for ventilation and future required (every six years) inspections.
- Measurement of balcony in one direction.
- Slope for drainage appears adequate.
- The Magnesite floor coating is damaged, cracked, bubbling or deteriorated. Repairs or resurfacing should be considered.
- Cracks observed are moderate and may allow moisture penetration and damage.
- Flashings are not properly sealed at the floor-to-wall junction and may allow moisture penetration and damage.
- Further evaluation by a licensed contractor is recommended.



No visible structural problems were observed at the time of inspection.



Flashings are not properly sealed at the floor-to-wall junction and may allow moisture penetration and damage.





Cracks observed are moderate and may allow moisture penetration and damage.



Cracks observed are moderate and may allow moisture penetration and damage.



The Magnesite floor coating is damaged, cracked, bubbling or deteriorated. Repairs or resurfacing should be considered.



Slope for drainage appears adequate.



The Magnesite floor coating is damaged, cracked, bubbling or deteriorated. Repairs or resurfacing should be considered.



Measurement of balcony in one direction.



Measurement of balcony in one direction.



Measurement of balcony in one direction.





Balcony's underside is covered with wood or stucco and inaccessible for a full inspection. Further evaluation may be necessary. You may consider installing removable ventilation/inspection panels on the underside of the balcony to allow for ventilation and future required (every six years) inspections.



3rd Floor Common Area Exterior Elevated Elements

1. Exterior Elevated Elements Observations

Floor Materials: Wood framed • Magnesite
Cover Materials: Stucco railing. • Iron railing.

Observations:

- Balcony's underside is covered with wood or stucco and inaccessible for a full inspection. Further evaluation may be necessary. You may consider installing removable ventilation/inspection panels on the underside of the balcony to allow for ventilation and future required (every six years) inspections.
- No visible structural problems were observed at the time of inspection.
- You may consider installing removable ventilation/inspection panels on the underside of the balcony to allow for ventilation and future required (every six years) inspections.
- Measurement of balcony in one direction.
- The Magnesite floor coating is damaged, cracked, bubbling or deteriorated. Repairs or resurfacing should be considered.
- Cracks observed are moderate and may allow moisture penetration and damage.
- Cracks noted are significant and may allow moisture penetration and damage.
- Improper floor drainage or evidence of pooling water was observed.
- The Balcony floor is improperly sloped towards the structure instead of away. This will cause moisture to pool at the wall-to-floor junction or cause moisture to penetrate into the dwelling.
- Evidence of moisture penetration was observed on the underside of the balcony, indicating moisture penetration on the floor above.
- Flashings are not properly sealed at the floor-to-wall junction and may allow moisture penetration and damage.
- Flashings at the floor-to-railing junction are not properly sealed, which may allow moisture penetration and damage.
- The Door frame/threshold is not properly sealed at the floor junction and may allow moisture penetration and damage.
- Further evaluation by a licensed contractor is recommended.



No visible structural problems were observed at the time of inspection.



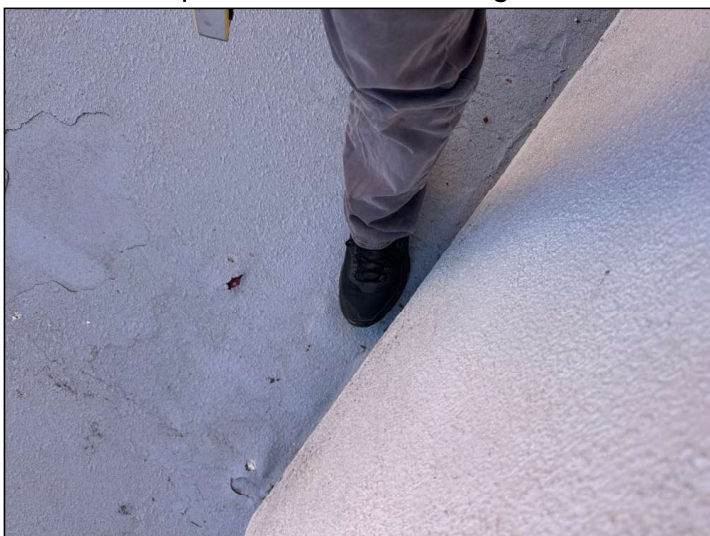
The Door frame/threshold is not properly sealed at the floor junction and may allow moisture penetration and damage.



Flashings at the floor-to-railing junction are not properly sealed, which may allow moisture penetration and damage.



Improper floor drainage or evidence of pooling water was observed.



The Magnesite floor coating is damaged, cracked, bubbling or deteriorated. Repairs or resurfacing should be considered.



Improper floor drainage or evidence of pooling water was observed.





Improper floor drainage or evidence of pooling water was observed.



Cracks observed are moderate and may allow moisture penetration and damage.



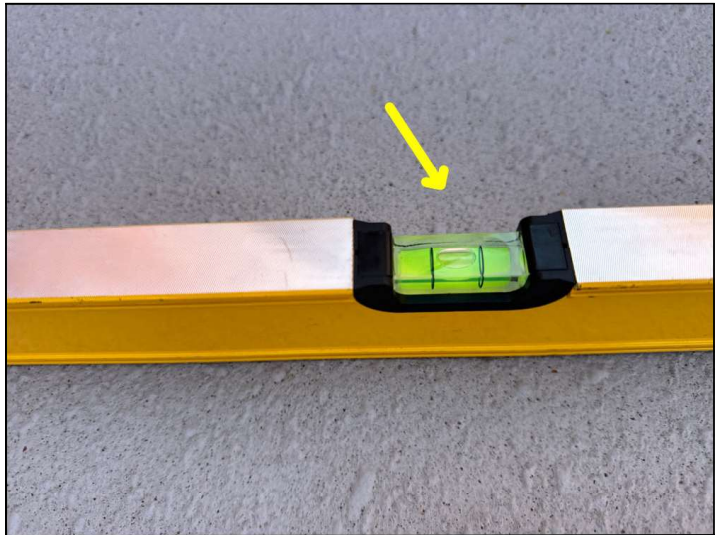
Flashings at the floor-to-railing junction are not properly sealed, which may allow moisture penetration and damage.



Cracks noted are significant and may allow moisture penetration and damage.



The Balcony floor is improperly sloped towards the structure instead of away. This will cause moisture to pool at the wall-to-floor junction or cause moisture to penetrate into the dwelling.



The Balcony floor is improperly sloped towards the structure instead of away. This will cause moisture to pool at the wall-to-floor junction or cause moisture to penetrate into the dwelling.



Flashings at the floor-to-railing junction are not properly sealed, which may allow moisture penetration and damage.



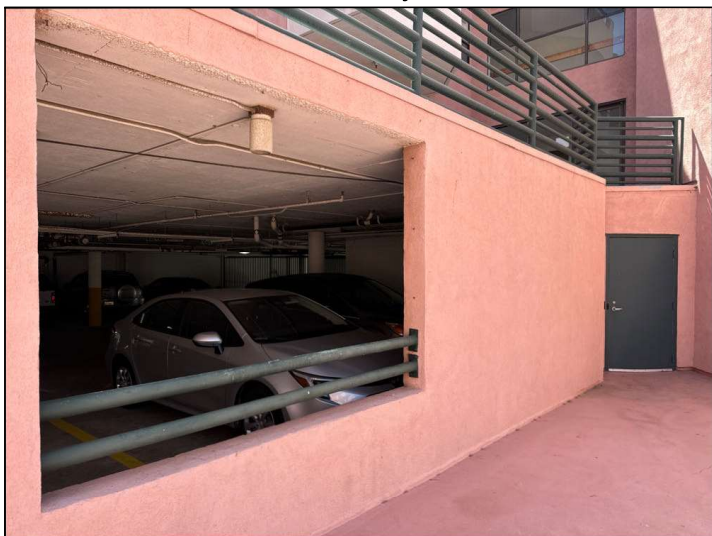
The Door frame/threshold is not properly sealed at the floor junction and may allow moisture penetration and damage.



Measurement of balcony in one direction.



Measurement of balcony in one direction.



Balcony's underside is covered with wood or stucco and inaccessible for a full inspection. Further evaluation may be necessary. You may consider installing removable ventilation/inspection panels on the underside of the balcony to allow for ventilation and future required (every six years) inspections.



No visible structural problems were observed at the time of inspection.





Evidence of moisture penetration was observed on the underside of the balcony, indicating moisture penetration on the floor above.

2nd Floor Common Area Exterior Elevated Elements

1. Exterior Elevated Elements Observations

Floor Materials: Wood framed • Magnesite
Cover Materials: Stucco railing. • Iron railing.

Observations:

- Balcony's underside is covered with wood or stucco and inaccessible for a full inspection. Further evaluation may be necessary. You may consider installing removable ventilation/inspection panels on the underside of the balcony to allow for ventilation and future required (every six years) inspections.
- No visible structural problems were observed at the time of inspection.
- No visible problems were observed with the railings during the inspection.
- You may consider installing removable ventilation/inspection panels on the underside of the balcony to allow for ventilation and future required (every six years) inspections.
- See photos.
- Measurement of balcony in one direction.
- Moisture stains and or damage were observed on the underside of the balcony. This is an indication of prolonged moisture penetration, which could have affected the balcony structure.
- The Magnesite floor coating is damaged, cracked, bubbling or deteriorated. Repairs or resurfacing should be considered.
- Improper floor drainage or evidence of pooling water was observed.
- The Balcony floor is improperly sloped towards the structure instead of away. This will cause moisture to pool at the wall-to-floor junction or cause moisture to penetrate into the dwelling.
- Evidence of moisture penetration was observed on the underside of the balcony, indicating moisture penetration on the floor above.
- Flashings are not properly sealed at the floor-to-wall junction and may allow moisture penetration and damage.
- The Door frame/threshold is not properly sealed at the floor junction and may allow moisture penetration and damage.
- Further evaluation by a licensed contractor is recommended.



Improper floor drainage or evidence of pooling water was observed.



No visible structural problems were observed at the time of inspection.



The Magnesite floor coating is damaged, cracked, bubbling or deteriorated. Repairs or resurfacing should be considered.



No visible structural problems were observed at the time of inspection.



Moisture stains and or damage were observed on the underside of the balcony. This is an indication of prolonged moisture penetration, which could have affected the balcony structure.



Evidence of moisture penetration was observed on the underside of the balcony, indicating moisture penetration on the floor above.



You may consider installing removable ventilation/inspection panels on the underside of the balcony to allow for ventilation and future required (every six years) inspections.



Flashings are not properly sealed at the floor-to-wall junction and may allow moisture penetration and damage.



Flashings are not properly sealed at the floor-to-wall junction and may allow moisture penetration and damage.



The Magnesite floor coating is damaged, cracked, bubbling or deteriorated. Repairs or resurfacing should be considered.



The Door frame/threshold is not properly sealed at the floor junction and may allow moisture penetration and damage.



The Balcony floor is improperly sloped towards the structure instead of away. This will cause moisture to pool at the wall-to-floor junction or cause moisture to penetrate into the dwelling.



The Balcony floor is improperly sloped towards the structure instead of away. This will cause moisture to pool at the wall-to-floor junction or cause moisture to penetrate into the dwelling.



Improper floor drainage or evidence of pooling water was observed.





Improper floor drainage or evidence of pooling water was observed.



The Balcony floor is improperly sloped towards the structure instead of away. This will cause moisture to pool at the wall-to-floor junction or cause moisture to penetrate into the dwelling.



Improper floor drainage or evidence of pooling water was observed.



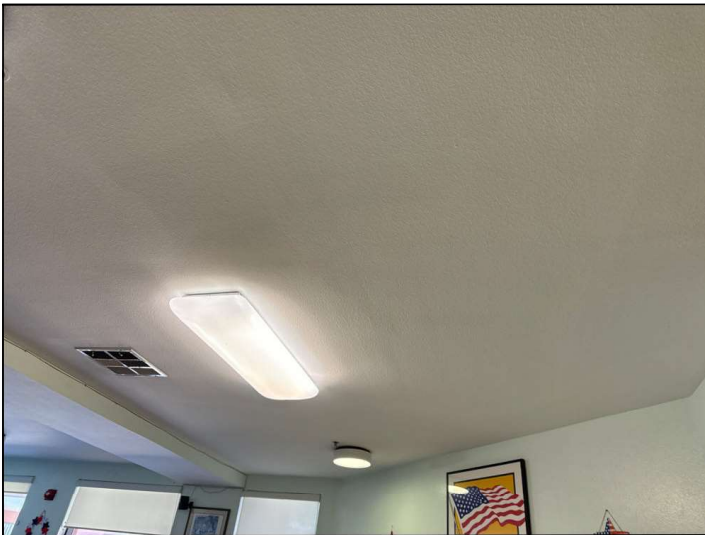
Improper floor drainage or evidence of pooling water was observed.



Measurement of balcony in one direction.



Measurement of balcony in one direction.



Balcony's underside is covered with wood or stucco and inaccessible for a full inspection. Further evaluation may be necessary. You may consider installing removable ventilation/inspection panels on the underside of the balcony to allow for ventilation and future required (every six years) inspections.



See photos.

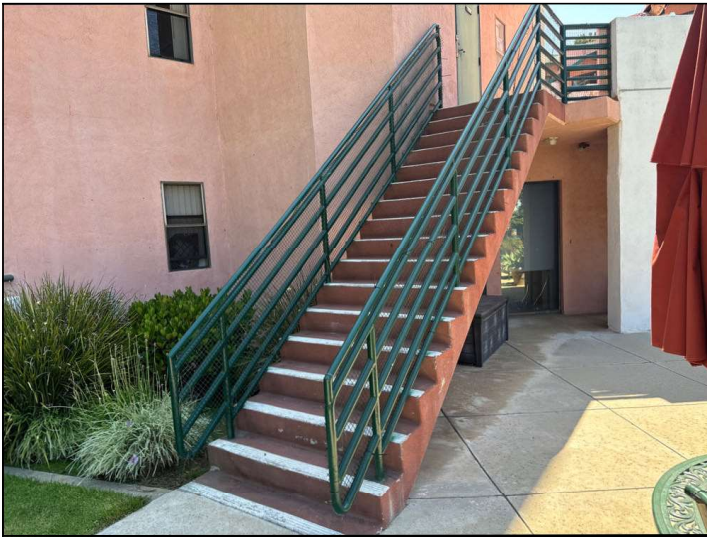
2. Exterior Stairs & Steps

Materials: Location: West • Wood framed

Observations:

- No visible structural problems were noted during the inspection.
- No visible problems were observed with the railings during the inspection.
- You may consider installing removable ventilation/inspection panels on the underside of the balcony to allow for ventilation and future required (every six years) inspections.
- [Moisture stains or damage noted under the stairwell.](#)
- [Further evaluation by a licensed contractor is recommended.](#)





No visible problems were observed with the railings during the inspection.



Moisture stains or damage noted under the stairwell.

SB-721 Findings

1. SB-721 Findings

Observations:

- Per SB-721, no visible problems were observed at the time of the inspection that pose an immediate threat to the safety of the tenants. Your next inspection is due in six years.
- Most of the deficiencies noted in the report are maintenance-related and minor repairs. You should budget and schedule these repairs with your maintenance team or handyman at your convenience.
- Because the deficiencies noted in the report are minor and maintenance-related, it does not appear that permits are necessary from the local building department.
- [Further evaluation by a licensed termite inspector is recommended.](#)
- [Further evaluation by a licensed contractor is recommended.](#)



**EL SEGUNDO SENIOR CITIZEN HOUSING CORPORATION
dba PARK VISTA**

FINANCIAL STATEMENTS

AND SUPPLEMENTARY INFORMATION

December 31, 2023 and 2022

DRAFT



EL SEGUNDO SENIOR CITIZEN HOUSING CORPORATION

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INDEPENDENT AUDITORS' REPORT

**To the Board of Directors
El Segundo Senior Citizen Housing Corporation
dba Park Vista**

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **El Segundo Citizen Housing Corporation dba Park Vista**, which comprise the statements of financial position as of **December 31, 2023 and 2022**, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements present fairly, in all material respects, the financial position of El Segundo Senior Citizen Housing Corporation dba Park Vista as of December 31, 2023 and 2022, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. 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 El Segundo Senior Citizen Housing Corporation dba Park Vista 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 these 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 El Segundo Senior Citizen Housing Corporation dba Park Vista's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted 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 generally accepted 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 El Segundo Senior Citizen Housing Corporation dba Park Vista'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 El Segundo Senior Citizen Housing Corporation dba Park Vista's ability to continue as a going concern for a reasonable period of time.

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

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying supplementary information shown on page 11 is presented for the 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. The information has been subjected to the auditing procedures applied in the audits 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.

Hoffman, Short, Rubin, DeWinter, Sanderson

**HOFFMAN, SHORT, RUBIN, DEWINTER, SANDERSON
AN ACCOUNTANCY CORPORATION**

Covina, California

July 16, 2024

Lead Auditor: Joanne Hoffman, CPA

Employer Identification Number: 81-3709413

EL SEGUNDO SENIOR CITIZEN HOUSING CORPORATION

STATEMENTS OF FINANCIAL POSITION

December 31, 2023 and 2022

ASSETS

	2023	2022
CURRENT ASSETS		
Cash and cash equivalents	\$ 729,060	\$ 507,932
Restricted cash	1,234,789	1,172,490
Accounts receivable	-	4,000
Prepaid expenses	53,269	41,763
Total Current Assets	2,017,118	1,726,185
PROPERTY AND EQUIPMENT		
Building improvements	1,046,041	1,046,041
Equipment	184,779	167,194
Furnishings	153,863	153,863
Total Property and Equipment	1,384,683	1,367,098
Less: accumulated depreciation	1,049,598	1,013,306
Net Property and Equipment	335,085	353,792
Total Assets	\$ 2,352,203	\$ 2,079,977
<u>LIABILITIES AND NET ASSETS</u>		
CURRENT LIABILITIES		
Accounts payable	\$ 11,000	\$ 6,144
Prepaid rent	6,402	8,384
Total Current Liabilities	17,402	14,528
TENANT SECURITY DEPOSITS	74,933	69,222
Total Liabilities	92,335	83,750
NET ASSETS		
Without donor restrictions		
Undesignated	1,025,079	823,737
Designated by the City	1,234,789	1,172,490
Total Net Assets	2,259,868	1,996,227
Total Liabilities and Net Assets	\$ 2,352,203	\$ 2,079,977

The accompanying Notes to Financial Statements
are an integral part of these statements

EL SEGUNDO SENIOR CITIZEN HOUSING CORPORATION

STATEMENTS OF ACTIVITIES

Years Ended December 31, 2023 and 2022

	2023	2022
REVENUES		
Rent	\$ 916,305	\$ 856,799
Parking	19,122	18,731
Interest	62,299	20,219
Other revenue	29,990	5,516
Total Revenue	1,027,716	901,265
EXPENSES		
Administrative	74,426	65,803
Management fees	186,000	183,500
Utilities	135,518	155,595
Operating and maintenance	246,674	218,760
Licenses and permits	120	475
Insurance	85,045	115,023
Depreciation	36,292	39,292
Total Expenses	764,075	778,448
Change in Net Assets Without Donor Restrictions	263,641	122,817
Previous Year Net Assets Without Donor Restrictions	1,996,227	1,873,410
Net Assets Without Donor Restrictions	\$ 2,259,868	\$ 1,996,227

The accompanying Notes to Financial Statements
are an integral part of these statements

EL SEGUNDO SENIOR CITIZEN HOUSING CORPORATION

STATEMENTS OF CASH FLOWS

Years Ended December 31, 2023 and 2022

	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 263,641	\$ 122,817
<i>Adjustments to reconcile change in net assets to net cash provided by operating activities:</i>		
Depreciation	36,292	39,292
(Increase) decrease in assets:		
Accounts receivable	4,000	(4,000)
Prepaid expenses	(11,506)	(9,816)
Security deposits, net	5,711	3,386
Increase (decrease) in liabilities:		
Accounts payable	4,856	(4,687)
Prepaid rent	(1,982)	1,064
	301,012	148,056
Net Cash Provided by Operating Activities		
	283,427	148,056
Net Increase in Cash		
	1,680,422	1,532,366
Cash, Cash Equivalents, and Restricted Cash at Beginning of Year		
	\$ 1,963,849	\$ 1,680,422
Cash, Cash Equivalents, and Restricted Cash at End of Year		
	\$ 1,963,849	\$ 1,680,422
Cash, Cash Equivalents, and Restricted Cash Comprised of:		
Cash in bank - checking	\$ 729,060	\$ 507,932
Restricted cash	1,234,789	1,172,490
	\$ 1,963,849	\$ 1,680,422
Total		

The accompanying Notes to Financial Statements
are an integral part of these statements

EL SEGUNDO SENIOR CITIZEN HOUSING CORPORATION

NOTES TO FINANCIAL STATEMENTS

December 31, 2023 and 2022

1. ORGANIZATION

El Segundo Senior Citizen Housing Corporation dba Park Vista ("the Corporation") is a California nonprofit public benefit corporation formed by the City of El Segundo ("the City") in 1984 to operate a low income senior apartment complex. The apartment complex was built and funded by the City. In 1987, the complex was ready for occupancy and was turned over to the Corporation for operation and management. The Corporation is governed by a seven-member Board of Directors which is appointed by the City Council. All members of the Board of Directors are unpaid volunteers.

The apartment complex consists of 97 apartment units, known as Park Vista ("the Project"), located at 615 East Holly Avenue in the City of El Segundo. The Corporation is responsible for the operation of Park Vista pursuant to an Operating Agreement dated May 6, 1986, between the City and the Corporation (see Note 4).

The Park Vista apartment complex is owned by the City of El Segundo and is recorded as 'Asset' under the Enterprise Fund of the City. The Corporation's role is to oversee its operation and management of the apartment complex. The facility is managed by an independent property management company (see Note 4).

The accompanying financial statements are those of the Corporation and do not represent the financial statements of El Segundo Senior Citizen Housing Corporation dba Park Vista.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

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

Cash and Cash Equivalents

For purposes of the Statements of Cash Flows, the Project considers all highly liquid debt instruments purchased with an initial maturity of three months or less to be cash equivalents.

Accounts Receivable and Allowance for Credit Losses

The Project is subject to the provisions of *Statement of Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments* of the Financial Accounting Standards Board (FASB) Accounting Standards Update ASU No. 2016-13. Under the new Standard, the entities are required to measure credit losses of financial assets using the current expected credit loss (CECL) model for estimating an allowance for credit losses. Under the CECL model, the allowance for credit losses is determined by using the accounts receivable aging schedule. The new Standard is effective for the fiscal year after December 15, 2022. The Project implemented the Standard prospectively starting with calendar year 2023.

The Project believes all receivables will be collected; therefore, no allowance for credit losses has been established for the year ended December 31, 2023.

EL SEGUNDO SENIOR CITIZEN HOUSING CORPORATION

NOTES TO FINANCIAL STATEMENTS

December 31, 2023 and 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Property and Equipment and Depreciation

Property and equipment are stated at cost. Assets are depreciated over their estimated useful lives of 5 to 27.5 years using the straight-line method. Major additions, betterments and improvements are capitalized, while expenditures for maintenance and repairs are charged to expense as incurred. Upon disposal of depreciable property, the appropriate property accounts are reduced by the related costs and accumulated depreciation. Depreciation expense as of December 31, 2023 and 2022, was \$36,292 and \$39,292, respectively.

Impairment of Long-Lived Assets

The Project reviews its long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying value may not be recoverable. Recoverability is measured by a comparison of the carrying amount to the future net undiscounted cash flow expected to be generated and any estimated proceeds from the eventual disposition. If long-lived assets are considered to be impaired, the impairment to be recognized is measured at the amount by which the carrying amount exceeds the fair value as determined from an appraisal, discounted cash flow analysis, or other valuation technique. No impairment loss was recognized during the years ended December 31, 2023 and 2022.

Rental Revenue

Rental revenue is recognized as rents become due. Rental payments received in advance are deferred until earned. All leases between Project and tenants of the property are operating leases.

Advertising Costs

Advertising and marketing costs are expensed as incurred. Total advertising and marketing costs for the years ended December 31, 2023 and 2022 totaled \$10,902 and \$-0-, respectively.

Income Taxes

The Project is exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code and Section 23701(d) of the California Revenue and Taxation Code, respectively. Accordingly, no provision for income taxes is included in the financial statements.

The Project's federal and state income tax returns are subject to possible examination by the taxing authorities until the expiration of the related statutes of limitations on those tax returns. In general, the federal income tax returns have a three-year statute of limitations, and the state income tax returns have a four-year statute of limitations.

The Project evaluates all significant tax positions. As of December 31, 2023 and 2022, the Project does not believe that it has taken any positions that would require the recording of any additional tax liability nor does it believe that there are any unrealized tax benefits that would either increase or decrease within the next year. It is the Project's policy to recognize any interest and penalties in the year incurred. There was no interest or penalties incurred in 2023 and 2022.

EL SEGUNDO SENIOR CITIZEN HOUSING CORPORATION

NOTES TO FINANCIAL STATEMENTS

December 31, 2023 and 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Description of Net Assets

The Project is subject to the provisions of *Presentation of Financial Statements for Not-for-Profit Entities* in accordance with *Topic 958*. This guidance includes presentation of two classes of net assets and enhances disclosures for board designated amounts, compositions of net assets with donor restrictions and how the restrictions affect the use of resources, qualitative and quantitative information about the liquidity and availability of financial assets to meet general expenditures within one year of the statement of financial position date, and expenses by both their natural and functional classification, including methods used to allocate costs among program and support functions.

Net assets are classified based on existence or absence of donor-imposed restrictions as follows:

- *Without Donor Restrictions - Undesignated* are resources available to support operations and not subject to donor restrictions. The only limits on the use of net assets without donor restrictions are the broad limits resulting from the nature of the Organization, the environment in which it operates, the purposes specified in the corporate documents and its application for tax-exempt status, and any limits resulting from contractual agreements with creditors and others that are entered into in the course of its operations.
- *Designated by the City* are funds held by the City in accordance with the Agreement for Investment of Funds, entered into on May 20, 1998, by and between the City and the Corporation. The Corporation has access to the funds within 14 days of providing notice to the City of its desire to withdraw some or all of the funds. Under this Agreement, the City is holding these funds in its investment pool and as of December 31, 2023 and 2022, the balances are \$1,234,789 and \$1,172,490, respectively.

Use of Estimates

Management uses estimates and assumptions in preparing financial statements in accordance with U.S. generally accepted accounting principles. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure or contingent assets and liabilities and the reported revenues and expenses. Actual results could vary from the estimates that were utilized in preparing the financial statements.

Fair Value Measurement

In accordance with U.S. generally accepted accounting principles, valuation techniques are based on observable and unobservable inputs. Observable inputs reflect readily obtainable data from independent sources, while unobservable inputs are internally derived, reflecting what the reporting entity believes to be market assumptions. U.S. generally accepted accounting principles classifies these inputs into the following hierarchy:

- Level One Inputs - Quoted prices in active market for identical assets and liabilities as of the reporting date.

EL SEGUNDO SENIOR CITIZEN HOUSING CORPORATION

NOTES TO FINANCIAL STATEMENTS

December 31, 2023 and 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fair Value Measurement (continued)

- Level Two Inputs - Observable inputs other than Level One prices, such as quoted prices for identical instruments, quoted prices in market that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets and liabilities.
- Level Three Inputs - Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the asset or liabilities.

These standards do not have any financial impact on the Project's financial statements.

3. RESTRICTED CASH

Investment with City

Investment with City are funds held by the City in accordance with the Agreement for Investment of Funds, entered into on May 20, 1998, by and between the City and the Corporation. The Corporation has access to the funds within 14 days of providing notice to the City of its desire to withdraw some or all of the funds. Under this Agreement, the City is holding these funds in its investment pool.

As of December 31, 2023 and 2022 restricted cash consists of the following:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance</u>
Investment with City	\$ 1,172,490	\$ 62,299	\$ -	\$ 1,234,789
Total	\$ 1,172,490	\$ 62,299	\$ -	\$ 1,234,789

4. FACILITY OPERATIONS – OPERATING AND MANAGEMENT AGREEMENTS / RELATED PARTY TRANSACTIONS

Operating Agreement - On May 6, 1986, the City entered into an Operating Agreement with the Corporation to operate and manage the Park Vista facility for the City. This Agreement provides that the Corporation's relationship with the City is one of an independent contractor and that the City, through its City Council, at all times has ultimate control and authority over the Park Vista facility. Under the Operating Agreement, the Corporation (through its Board of Directors) is charged with preparing an annual Plan of Operation which covers matters necessary and appropriate to the efficient and effective management of the Park Vista facility. The Plan of Operation includes such items as eligibility standards, rental contracts, rental rates, methods and standards for general maintenance and upkeep of the facility, insurance coverage, ongoing management of the facility through the retention of a professional real estate management firm and a recommended annual budget.

The Operating Agreement provides that the Corporation is responsible for hiring, supervising and discharging of employees, contractors and other persons necessary to properly maintain and operate the Park Vista facility. The Corporation also must maintain the Park Vista facility in good order and condition according to standards consistent with the Plan of Operation. The Operating Agreement further requires that any check drawn in an amount equal to or greater than \$5,000 shall require the signature of the City Treasurer. Finally, the Agreement provides that it may be terminated by either the City or by the Corporation at any time upon giving at least thirty days prior written notice of such termination.

EL SEGUNDO SENIOR CITIZEN HOUSING CORPORATION

NOTES TO FINANCIAL STATEMENTS

December 31, 2023 and 2022

4. FACILITY OPERATIONS – OPERATING AND MANAGEMENT AGREEMENTS / RELATED PARTY TRANSACTIONS (continued)

Property Management Agreement - The Corporation entered into a Management Agreement with Cadman Group, a property management firm. The Agreement provides that Cadman Group will manage, maintain, operate, lease and rent the Park Vista units for the Corporation. The term of service also provides that Cadman Group will: hire, discharge and supervise all labor required for the operation and maintenance of the property as employees of Cadman Group; make repairs and alterations, decorations of the premises, purchases of supplies, and payments of all bills of the Park Vista facility; assume responsibility for periodic cleaning and maintenance of the facility as provided in the Agreement. The Property Management Agreement provides compensation at \$15,250 per month, which includes rent payments and payroll related expenses. Effective November 1, 2022, the compensation increased to \$15,500 per month. Total management fees for the years ended December 31, 2023 and 2022 was \$186,000 and \$181,500, respectively. During 2022, it was discovered the management fees were erroneously miscalculated, resulting in overpayment of \$4,000 paid to the Cadman Group, which was subsequently repaid in 2023.

5. LIQUIDITY AND FUNDS AVAILABLE

The following reflects the Project's financial assets as of December 31, 2023 and 2022, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the statement of financial position date.

Financial assets available to meet cash needs for general expenditures within one year as December 31, 2023 and 2022:

	2023	2022
Financial assets		
Cash and cash equivalents	\$ 729,060	\$ 507,932
Investment with City	1,234,789	1,172,490
Total Financial Assets	\$ 1,963,849	\$ 1,680,422
Less those unavailable for general expenditure within one year, due to:		
Investment with City not available within the next 12 months	(1,234,789)	(1,172,490)
Financial Assets Available to Meet Cash Needs for General Expenditures within One Year	\$ 729,060	\$ 507,932

6. SUBSEQUENT EVENTS

The Project has evaluated events and transactions occurring subsequent to the statement of financial position date of December 31, 2023 for items that should potentially be recognized or disclosed in these financial statements. The evaluation was conducted through July 16, 2024, the date these financial statements were available to be issued. No such material events or transactions were noted to have occurred.

EL SEGUNDO SENIOR CITIZEN HOUSING CORPORATION
SCHEDULES OF ADMINISTRATIVE, UTILITIES, MAINTENANCE,
TAXES AND INSURANCE EXPENSES

Years Ended December 31, 2023 and 2022

	<u>2023</u>	<u>2022</u>
ADMINISTRATIVE EXPENSES		
Advertising	\$ 10,902	\$ -
Office expenses	4,401	2,658
Manager rent-free unit	27,000	27,000
Auditing	5,875	5,875
Legal	890	-
Telephone	25,146	30,036
Miscellaneous administrative	212	234
Total Administrative	<u>\$ 74,426</u>	<u>\$ 65,803</u>
MANAGEMENT FEES		
	<u>\$ 186,000</u>	<u>\$ 183,500</u>
UTILITIES		
Electricity	\$ 26,277	\$ 23,658
Water	43,960	44,492
Gas	19,567	18,738
Cable TV	45,714	68,707
Total Utilities	<u>\$ 135,518</u>	<u>\$ 155,595</u>
MAINTENANCE EXPENSES		
Janitorial contract	\$ 23,852	\$ 17,985
Exterminating contract	3,270	5,559
Ground contract	20,343	14,962
Repairs material	27,253	16,101
Repairs contract	102,733	98,370
Elevator maintenance	14,380	6,308
Decorating contract	6,896	17,786
Decorating supplies	31,189	28,964
Fire protection expense	16,758	12,725
Total Maintenance	<u>\$ 246,674</u>	<u>\$ 218,760</u>
LICENSES AND PERMITS		
Miscellaneous	<u>\$ 120</u>	<u>\$ 475</u>
INSURANCE EXPENSE		
Property insurance	\$ 19,158	\$ 36,669
Earthquake insurance	65,887	78,354
Total Insurance	<u>\$ 85,045</u>	<u>\$ 115,023</u>

See Independent Auditors' Report

EL SEGUNGO SENIOR CITIZEN CORPORATION
dba PARK VISTA

July 16, 2024

Hoffman, Short, Rubin, DeWinter, Sanderson
An Accountancy Corporation
1037 Park View Drive
Covina, CA 91724

This representation letter is provided in connection with your audit of the financial statements of **EI Segundo Senior Citizen Corporation dba Park Vista**, which comprise the statements of financial position as of **December 31, 2023 and 2022**, and the related statements of activities, and cash flows for the years then ended, and the disclosures (collectively, "the financial statements"), for the purpose of expressing an opinion as to whether the financial statements presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm to the best of our knowledge and belief, as of **July 16, 2024** the following representations made to you during your audits:

Financial Statements

1. We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated February 1, 2024, including our responsibility for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP.
2. The financial statements referred to above are fairly presented in conformity with U.S. GAAP.
3. We acknowledge our responsibility 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.
4. We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
5. The methods, significant assumptions and data used in making accounting estimates and their related disclosures are appropriate to achieve recognition, measurement, or disclosure that is reasonable in accordance with U.S. GAAP.
6. Related-party relationships and transactions have been appropriately accounted for and disclosed in accordance with U.S. GAAP.
7. All events subsequent to the date of the financial statements and for which U.S. GAAP requires adjustment or disclosure have been adjusted or disclosed.

8. The effects of the uncorrected misstatements (if any) are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.
9. The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with U.S. GAAP.
10. Material concentrations have been appropriately disclosed in accordance with U.S. GAAP.
11. Guarantees, whether written or oral, under which the Organization is contingently liable, have been properly disclosed in accordance with U.S. GAAP.

Information Provided

12. We have provided you with:
 - a. Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records (including information from outside of the general and subsidiary ledgers), documentation, and other matters.
 - b. Additional information that you have requested from us for the purpose of the audit.
 - c. Unrestricted access to persons within the Organization from whom you determined it necessary to obtain audit evidence.
 - d. Minutes of meetings of the governing board or summaries of actions of recent meetings for which minutes have not yet been prepared.
13. All material transactions have been recorded in the accounting records and are reflected in the financial statements.
14. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
15. We have no knowledge of any fraud or suspected fraud that affects the Organization and involves:
 - a. Management,
 - b. Employees who have significant roles in internal control, or
 - c. Others where the fraud could have a material effect on the financial statements.
16. We have no knowledge of any allegations of fraud or suspected fraud affecting the Organization's financial statements communicated by employees, former employees, grantors, regulators, or others.
17. We have no knowledge of any instances of noncompliance or suspected noncompliance with laws and regulations whose effects should be considered when preparing financial statements.
18. We have disclosed to you all known actual or possible litigations, claims, and assessments whose effects should be considered when preparing the financial statements.
19. We have disclosed to you the names of all the Organization's related parties and all the related-party relationships and transactions, including any side agreements.
20. The Organization has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.

21. We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us.
22. El Segundo Senior Citizen Corporation dba Park Vista is an exempt organization under Section 501(c)(3) of the Internal Revenue Code. Any activities of which we are aware that would jeopardize the Organization's tax-exempt status, and all activities subject to tax on unrelated business income or excise or other tax, have been disclosed to you (if any). All required filings with tax authorities are up-to-date.
23. We acknowledge our responsibility for presenting the supplementary information in accordance with U.S. GAAP, and we believe the supplementary information, including its form and content, is fairly presented in accordance with U.S. GAAP. The methods of measurement and presentation of the supplementary information have not changed from those used in the prior period, and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of the supplementary information.

Signature: _____

Title: _____