



## Stanislaus Regional Housing Authority

ALPINE | AMADOR | CALAVERAS | INYO | MARIPOSA  
MONO | STANISLAUS | TUOLUMNE COUNTIES

DATE: July 27, 2020  
TO: Board of Commissioners  
FROM: Barbara S. Kauss, Executive Director  
SUBJECT: Action Item #5: Proposed Conant Place Operating Budget  
2020-2021  
PREPARED BY: Linh Luong, Director of Finance  
Resolution No. 19-20-32

### **RECOMMENDATION:**

After review and discussion, staff recommends the Board of Commissioners adopt the attached resolution approving the Conant Place Operating Budget for fiscal year 2020-2021.

### **SUMMARY:**

Conant Place is a subsidized affordable housing project financed through the California Housing Finance Agency (CalHFA). CalHFA requires the Authority to submit a budget proposal by August 1 of each year.

Attached is the proposed 2020-2021 Conant Place Operating Budget (See Attachment A). The proposal shows next year's estimated expenses along with a comparison of last year's operating budget.

The total revenue for the 2020-2021 fiscal year is decreased by \$16 or 0.003% due to a decrease in Interest Income. The increase in operating expenses for the 2020-2021 budget is \$2,875 or .57%. The increase in expenses is due to increases in payroll expense, administrative expense, utilities expense, maintenance expense and insurance expense. After meeting our reserve requirements, the budget proposal for 2020-2021 still anticipates \$102 to go to reserve.

Attached is a list of proposed maintenance items to be funded from replacement reserves. (See Attachment B).

### **ATTACHMENTS:**

1. Proposed fiscal year 2020-2021 Conant Place operating budget.
2. Proposed Extra Ordinary Maintenance Items.
3. Proposed Rental Income.
4. Resolution 19-20-32



# ATTACHMENT A

## CALIFORNIA HOUSING FINANCE AGENCY

### Proposed Annual Operating Budget

PROJECT NAME: Conant Place

CHFA# 93-007-N

FISCAL YEAR BEGINNING: 10/1/2020

NUMBER OF UNITS # 81

Budget Line Item:	10/19 - 9/20 Proposed	10/20 - 9/21 Proposed	Diff.	% Chg	COMMENTS
<b>INCOME:</b>					
<b>Gross Potential Rental Income</b>	522,168.00	522,168.00	0.00	0.00%	
<b>Interest Income</b>	465.00	449.00	-16.00	-3.44%	Decrease due to decrease in interest rate
Laundry Income	3,900.00	3,900.00	0.00	0.00%	
Tenant Charges	450.00	450.00	0.00	0.00%	
Other Income (Specify)					
<b>Total Gross Income</b>	526,983.00	526,967.00	-16.00	0.00%	
<b>Less:</b>					
Vacancy Loss	15,665.00	15,665.00	0.00	0.00%	
Employee Apartment Rents	7,668.00	7,668.00	0.00	0.00%	
<b>TOTAL NET REVENUE</b>	503,650.00	503,634.00	-16.00	0.00%	
<b>DISBURSEMENTS:</b>					
<b>Payroll:</b>					
Office Administrative	13,570.00	13,841.00	271.00	2.00%	Increase due to COLA Increase
On Site Manager	14,400.00	14,400.00	0.00	0.00%	
Maintenance Janitorial	0.00	0.00	0.00	0.00%	
Other Services (Specify)					
<b>Subtotal Payroll</b>	27,970.00	28,241.00	271.00	0.97%	
<b>Payroll Taxes Workers Comp</b>	3,820.00	3,850.00	30.00	0.79%	
<b>Employee Benefits</b>	12,920.00	13,572.00	652.00	5.05%	Due to increase in Employer PERS Contribution
<b>Total Payroll</b>	44,710.00	45,663.00	953.00	2.13%	
<b>Administrative Expenses:</b>					
Renting expenses					
Office Expenses	8,900.00	8,900.00	0.00	0.00%	
Management fee	62,208.00	62,208.00	0.00	0.00%	

Budget Line Item:	10/19 - 9/20 Proposed	10/20 - 9/21 Proposed	Diff.	% Chg	COMMENTS
Legal	1,950.00	2,000.00	50.00	2.56%	Increase in legal fees over the past 12 months
Audit Exp (Project Related Only)	1,380.00	1,380.00	0.00	0.00%	
Accounting / Bookkeeping	9,234.00	9,234.00	0.00	0.00%	
Misc (Specify) (Forms & Copies)	1,500.00	1,500.00	0.00	0.00%	
<b>Total Administrative</b>	85,172.00	85,222.00	50.00	0.06%	
<b>Utilities:</b>					
Electricity	15,400.00	15,400.00	0.00	0.00%	
Water and Sewer	51,300.00	51,460.00	160.00	0.31%	Projected increase in water & sewer costs
Gas	3,790.00	3,790.00	0.00	0.00%	
Other (Specify)					
<b>Total Utilities</b>	70,490.00	70,650.00	160.00	0.23%	
<b>Operating and Maintenance</b>					
Maintenance Supplies	14,825.00	15,100.00	275.00	1.85%	Increase in costs over the past 12 months
Maintenance & Repair Contracts	120,450.00	120,450.00	0.00	0.00%	
Trash Removal	9,600.00	10,550.00	950.00	9.90%	Increase due to projected increase in cost
Heating & A/C Services	2,100.00	2,100.00	0.00	0.00%	
<b>Total Operating and Maint.</b>	146,975.00	148,200.00	1,225.00	0.83%	
<b>Insurance and Taxes:</b>					
Property & Liability Insurance	13,295.00	13,782.00	487.00	3.66%	Increase in rates
Other Taxes (Specify)					
<b>Total Insurance and Taxes</b>	13,295.00	13,782.00	487.00	3.66%	
<b>Financial Expenses:</b>					
Mortgage Payments (1st Loan)	81,290.00	81,290.00	0.00	0.00%	
Other Mortgages					
Reserve for Replacement Deposits	58,725.00	58,725.00	0.00	0.00%	
Other (Specify)					
<b>Total Financial</b>	140,015.00	140,015.00	0.00	0.00%	
<b>TOTAL OPERATING DISBURS.</b>	500,657.00	503,532.00	2,875.00	0.57%	
<b>NET REVENUE OR DEFICIT</b>	2,993.00	102.00	-2,891.00	-96.59%	

## ATTACHMENT B

### CONANT PLACE Fiscal Year 2020-2021 Extra Ordinary Maintenance

**1. Phased HVAC Replacement (Replacement Reserve)**

This will be the first phase of HVAC replacement for the 81 units, the community center and laundry facility, and manager's office on-site. (15 HVAC units replaced)

**Estimated cost is \$125,000.00**

**2. Maintenance and Removal of Trees (Replacement Reserve)**

This is ongoing maintenance to remove trees causing damage to concrete and creating trip hazards.

**Estimated cost is \$20,000.00**

**3. Flooring Replacement at Community Center Building (Replacement Reserve)**

To replace the worn flooring at the Community Center, laundry facility, and manager's office with LVT flooring throughout.

**Estimated cost is \$15,000.00**

**ATTACHMENT C**

CONANT PLACE  
 DWELLING RENT  
 FISCAL YEAR 2020-2021

# OF UNITS	BEDROOM SIZE	MONTHLY RENT	ANNUAL RENT	INCREASE 1.0%	<b>PROPOSED ANNUAL RENT</b>	DIFF	FAIR MARKET RENT	% OF MARKET	CALHFA RENT	% OF CALHFA
15	1	\$461	\$82,980	\$461	<b>\$82,980</b>	\$0	\$885	52.09%	\$700	65.86%
55	1	\$542	\$357,720	\$542	<b>\$357,720</b>	\$0	\$885	61.24%	\$700	77.43%
2	2	\$519	\$12,456	\$519	<b>\$12,456</b>	\$0	\$1,105	46.97%	\$873	59.45%
9	2	\$639	\$69,012	\$639	<b>\$69,012</b>	\$0	\$1,105	57.83%	\$873	73.20%
TOTAL RENT			\$522,168		<b>\$522,168</b>					
VACANCY LOSS 3%			\$15,665		<b>\$15,665</b>					
EMPLOYEE RENT			<b>\$7,668</b>		<b>\$7,668</b>					
NET RENT			\$498,835		<b>\$498,835</b>	\$0				



**Stanislaus Regional Housing Authority**

ALPINE | AMADOR | CALAVERAS | INYO | MARIPOSA  
MONO | STANISLAUS | TUOLUMNE COUNTIES

**RESOLUTION NO. 19-20-32**

**RESOLUTION APPROVING THE HOUSING AUTHORITY OF THE COUNTY OF STANISLAUS CONANT PLACE OPERATING BUDGET FOR FISCAL YEAR 2020/2021**

**WHEREAS**, the Housing Authority of the County of Stanislaus is administering and will continue to administer elderly housing project Conant Place; and

**WHEREAS**, it is necessary in the operation of said program that Conant Place Operating Budget, therefore, be adopted, subject to approval of California Housing Finance Agency (CalHFA); and

**WHEREAS**, the budget has been prepared for said project.

**NOW, THEREFORE, BE IT RESOLVED** by the Commissioners of the Housing Authority of the County of Stanislaus, that

1. That proposed expenditures are necessary in the efficient and economical operation of the Housing Authority for the purpose of serving low income families.
2. That the financial plan is reasonable in that:
  - a. It indicates a source of funding adequate to cover all proposed expenditures.
  - b. It does not provide for funding in excess of income.
3. That all proposed charges and expenditures will be consistent with provisions of law and the Annual Contributions Contract.
4. That the Conant Place Operating Budget as herein designated be, and the same is hereby ratified, confirmed and approved.
5. That said Conant Place Operating Budget is filed in the office of the Housing Authority of the County of Stanislaus and is more particularly identified as follows:

<b>TERM</b>	<b>PROGRAM</b>	<b>AMOUNT</b>
10/1/2020 thru 9/30/2021	Conant Place	\$503,532

**DULY AND REGULARLY ADOPTED** by the Board of Commissioners of the Stanislaus



Regional Housing Authority this 27<sup>th</sup> day of July 2020

On motion of Commissioner \_\_, seconded by Commissioner \_\_\_\_\_, and on the following roll call vote:

AYES:

NAYS:

ABSTAIN:

ABSENT:

Approved: \_\_\_\_\_  
Chairperson

Attest: \_\_\_\_\_  
Secretary