



## Stanislaus Regional Housing Authority

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

Date: July 20, 2023

To: Board of Commissioners

From: Jim Kruse, Executive Director

Subject: Action Item #10: Proposed Valley Manor Operating Budget for Fiscal Year 2023-2024

Prepared By: Linh Luong, Director of Finance

Resolution No. 22-23-42

### **RECOMMENDATION:**

After review and discussion, staff recommends the Board of Commissioners adopt the attached resolution approving the United States Department of Housing & Urban Development (HUD) Project Based Section 8 Valley Manor Operating Budget for Fiscal Year 2023-2024.

### **SUMMARY:**

Valley Manor is a 48-unit project-based Section 8 complex located in Newman. Attached is the proposed 2023-2024 Valley Manor Operating Budget. The proposal shows next year's estimated expenses along with a comparison of last year's operating budget.

The total revenue for the 2023-2024 fiscal year is increased by \$27,019 or 7.23% due to increases in rental income and interest income. The decrease in operating expenses for the 2023-2024 budget is \$13,915 or 3.35%. The decrease in expenses is due to a decrease in property betterment and offset by an increase in administrative expense, utilities expense, maintenance expense and insurance expense. This budget has \$1,122 projected to go to reserve.

### **ATTACHMENTS:**

1. Proposed fiscal year 2023-2024 Valley Manor operating budget
2. Proposed rental income
3. Resolution 22-23-42



**VALLEY MANOR PROJECT  
BUDGET COMPARISON  
2023 VS. 2024**

LINE #	ITEM	BUDGET	BUDGET	BUDGET VS.	DIFF. %	COMMENTS
		2022-2023	2023-2024	BUDGET		
	OPERATING RECEIPTS	VALLEY MANOR	VALLEY MANOR	DIFF.		
1	DWELLING RENTALS	388982	406399	17417	4.83%	Rent increase is provided by HUD. The projected rent increase is 5.12% for January 2024 through September 2024.
2	INTEREST	1558	11160	9602	250.05%	Increase due to increase in interest rate
3	OTHER RECEIPTS	2000	2000	0	0.00%	
4	TOTAL OPERATING REC.	392540	419559	27019	7.23%	
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	OPERATING EXPENDITURES					
6	ADMINISTRATION:					
7	SALARIES	16120	16120	0	0.00%	
8	FRINGE BENEFITS	1515	1515	0	0.00%	
9	OTHER ADMIN. EXP.	7711	8098	387	4.30%	Increase in expense over the last 12 months of operations
10	MANAGEMENT FEES	41688	41916	228	0.57%	Increase in bookkeeping fee
11	TOTAL ADMIN. EXP.	67034	67649	615	0.93%	
	UTILITIES:					
12	UTILITIES	77805	85910	8105	15.30%	Increase due to electricity, gas, water, garbage rates
13	TOTAL UTILITIES EXP.	77805	85910	8105	15.30%	
	ORDINARY MAINTENANCE:					
13	LABOR	28050	28050	0	0.00%	
14	FRINGE BENEFITS	2430	2430	0	0.00%	
15	MATERIALS	26080	29450	3370	11.27%	Increases in flooring and maintenance materials expenses
16	CONTRACT COSTS	55018	60618	5600	12.22%	Increases in plumbing and carpet replacement
17	TOTAL ORDINARY MAINT.	111578	120548	8970	8.68%	
	GENERAL EXPENSE:					
18	INSURANCE	13835	22230	8395	66.42%	Increase in property & liability insurance expense, and offset by a decrease in Worker's Compensation
19	COLLECTION LOSSES	2100	2100	0	0.00%	
20	PAYMENTS ON NOTES	118000	118000	0	0.00%	
21	TOTAL GENERAL EXPENSES	133935	142330	8395	6.32%	
22	TOTAL ROUTINE EXPENSES	390352	416437	26085	7.34%	
	NONROUTINE MAINTENANCE:					
23	EXTRAORDINARY MAINT.	0	0	0	0.00%	
	CAPITAL EXPENDITURES					
24	REPLACEMENT EQUIPMENT	0	0	0	0.00%	
25	PROPERTY BETTERMENTS	40000	0	-40000	100.00%	Budgeted for HVAC replacement for fiscal year 2022-23
26	TOTAL CAPITAL EXPEND.	40000	0	-40000	0.00%	
27	CONTINGENCY	2000	2000	0	0.00%	
28	TOTAL EXPENDITURES	432352	418437	-13915	-3.35%	
29	GAIN OR LOSS	-39812	1122			
30	VALLEY MANOR RESERVE	40000	0			
31	NET INCOME	188	1122			

DWELLING RENT  
 VALLEY MANOR PROJECT  
 FISCAL YEAR 10/1/2023 TO 9/30/2024

# OF UNITS	BEDROOM SIZE	2022			2023			NEW ANNUAL RENT	2023 MARKET RATE	% OF MARKET RATE
		3 Oct-Dec 2022	9 Jan-Sept 2023	12 ANNUAL RENT	3 Oct-Dec 2023	9 Jan-Sept 2024	12 ANNUAL RENT			
8	1	\$641	\$657	\$62,688	\$657	\$691	\$65,520	\$1,072	61.29%	
32	2	\$702	\$719	\$274,464	\$719	\$756	\$286,752	\$1,365	52.67%	
7	3	\$845	\$866	\$72,303	\$866	\$910	\$75,516	\$1,929	44.89%	
47										
	TOTAL RENT			\$409,455	TOTAL RENT		\$427,788			
	VACANY LOSS 5.0%			\$20,473	VACANY LOSS 5.0%		\$21,389			
	NET RENT			\$388,982	NET RENT		\$406,399			



**Stanislaus Regional Housing Authority**

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

**RESOLUTION NO. 22-23-42**

**RESOLUTION APPROVING STANISLAUS REGIONAL HOUSING AUTHORITY  
VALLEY MANOR OPERATING BUDGET FOR FISCAL YEAR 2023-2024**

**WHEREAS**, Stanislaus Regional Housing Authority is administering and will continue to administer Valley Manor project; and

**WHEREAS**, it is necessary in the operation of said program that Valley Manor Operating Budget, therefore, be approved and adopted; and

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

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

1. Proposed expenditures are necessary in the efficient and economical operation of the Housing Authority for the purpose of serving low-income families.
2. 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. All proposed charges and expenditures will be consistent with provisions of law and the Annual Contributions Contract.
4. The Valley Manor Operating Budget as herein designated be, and the same is hereby ratified, confirmed and approved.
5. Said Valley Manor Operating Budget is filed in the office of Stanislaus Regional Housing Authority and is more particularly identified as follows:

<u>TERM</u>	<u>PROGRAM</u>	<u>AMOUNT</u>
10/1/2023 thru 9/30/2024	Valley Manor	\$418,437

**DULY AND REGULARLY ADOPTED** by the Board of Commissioners of Stanislaus Regional Housing Authority this 20th day of July, 2023. On a motion of Commissioner \_\_\_\_\_, seconded by Commissioner \_\_\_\_\_, and of the following roll call vote:

AYES:

NAYS:

ABTAIN:

ABSENT:

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

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

