



Stanislaus Regional Housing Authority

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Date: June 25, 2026

To: Board of Commissioners

From: Jim Kruse, CEO/Executive Director

Subject: Action Item #2: Proposed Housing Choice Voucher Program
Operating Budget for Fiscal Year 2026-2027

Prepared By: Linh Luong, Director of Finance

Resolution No. 25-26-31

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) Housing Choice Voucher Operating Budget for Fiscal Year 2026-2027.

SUMMARY

The 2026-2027 Fiscal Year Budget was prepared with the following assumptions:

1. The inflation factor used in estimating the budget proposal is 4%.
2. Fringe Benefits - PERS retirement expense estimate is 17.4%.
3. Insurance – The rate for liability insurance increased 10.1% for 2026-2027 fiscal year.
4. Employee benefits included employee wellness program.

The following are recap of the Authority's proposed budget for the Fiscal Year 2026-2027 as compared to the 2025-2026 budget.



HOUSING CHOICE VOUCHER (SECTION 8)

The HAP (Housing Assistance Payments) is budgeted at 99% funding proration and is based on anticipated voucher utilization.

Admin. Fee – This fee is calculated based on an 86% lease-up of vouchers, an 88% funding level from HUD from October 2026 through December 2026, and an 82% funding level from January through September 2027. This fee could change for calendar year 2027.

The total revenue for the 2026-2027 fiscal year is increased by \$3,689,290 or 6.66% due to the increase in HAP Contribution, and offset by decreases in administrative fees from HUD and other revenue. The increase in expenditure is \$3,871,361 or 6.96% due to increases in HAP expense, administrative expense, insurance expense, and offset by a decrease in contract cost. This budget is projected to utilize reserves from Housing Voucher Program administrative fee of \$444,226.

HOUSING CHOICE VOUCHER (SECTION 8) - CENTRAL OFFICE COST CENTER (COCC)

The total revenue for the 2026-2027 fiscal year is decreased by \$68,380 or 6.23% due to decrease in management fee income. The increase in expenditures is \$57,150 or 4.6% due to increase in administrative expense and insurance expense. This budget is projected to utilize reserves from Housing Choice Voucher COCC of \$269,940.

ATTACHMENTS

1. Proposed Fiscal Year 2026-2027 Operating Budget
2. Resolutions 25-26-31

**HOUSING CHOICE VOUCHER
BUDGET COMPARISON
2026 VS. 2027**

LINE #	ITEM	BUDGET	BUDGET	BUDGET VS.	DIFF. &	COMMENTS
		2025-2026	2026-2027	BUDGET		
		HCV	HCV	DIFF.		
	OPERATING RECEIPTS					
1	OTHER RECEIPTS	\$39,470	\$37,140	-\$2,330	-5.90%	Decrease in miscellaneous income over the last 12 months of operations
2	TOTAL OPERATING REC.	\$39,470	\$37,140	-\$2,330	-5.90%	
3	HAP CONTRIBUTION	\$50,048,840	\$53,794,800	\$3,745,960	7.48%	HAP projected based on 99% funding level.
4	ADMIN. FEE HUD	\$5,287,185	\$5,232,845	-\$54,340	-1.03%	Projected lower lease-up rate
5	TOTAL RECEIPTS	\$55,375,495	\$59,064,785	\$3,689,290	6.66%	
	OPERATING EXPENDITURES					
	ADMINISTRATION:					
6	SALARIES	\$2,122,440	\$2,275,270	\$152,830	7.20%	Increase due to COLA and merit increases
7	FRINGE BENEFITS	\$1,211,830	\$1,240,682	\$28,852	2.38%	Increase due to salary changes, per above, higher employer medical and retirees medical contribution, and increase in payroll taxes
8	OTHER ADMIN. EXP.	\$614,690	\$614,690	\$0	0.00%	
9	MANAGEMENT FEE EXP.	\$1,097,540	\$1,029,160	-\$68,380	-6.23%	Decrease due to a decrease in lease up rate
10	TOTAL ADMIN. EXP.	\$5,046,500	\$5,159,802	\$113,302	2.25%	
	ORDINARY MAINTENANCE:					
11	MATERIALS	\$11,410	\$11,410	\$0	0.00%	
12	CONTRACT COSTS	\$406,610	\$396,140	-\$10,470	-2.57%	Decrease in expense over the last 12 months of operations
13	TOTAL ORDINARY MAINT.	\$418,020	\$407,550	-\$10,470	-2.50%	
	GENERAL EXPENSE:					
14	INSURANCE	\$81,390	\$89,680	\$8,290	10.19%	Increase in workers compensation and liability insurance
15	OTHER GENERAL EXPENSES	\$42,900	\$57,179	\$14,279	33.28%	Increase was due to increase in actual administrative fee paid for outgoing portable vouchers that are administered by other Housing Authorities
16	TOTAL GENERAL EXPENSES	\$124,290	\$146,859	\$22,569	18.16%	
17	TOTAL ROUTINE EXPENSES	\$5,588,810	\$5,714,211	\$125,401	2.24%	
18	HOUSING ASSISTANCE PAYMENTS	\$50,048,840	\$53,794,800	\$3,745,960	7.48%	Based on current average per unit month HAP expense and 86% voucher utilization
19	TOTAL EXPENSES	\$55,637,650	\$59,509,011	\$3,871,361	6.96%	
	NONROUTINE MAINTENANCE:					

**HOUSING CHOICE VOUCHER
BUDGET COMPARISON
2026 VS. 2027**

LINE #	ITEM	BUDGET	BUDGET	BUDGET VS.	COMMENTS
		2025-2026	2026-2027	BUDGET	
		HCV	HCV	DIFF.	DIFF. &
20	EXTRAORDINARY MAINT.	\$0	\$0	\$0	0.00%
	CAPITAL EXPENDITURES				
21	REPLACEMENT EQUIPMENT	\$0	\$0	\$0	0.00%
22	PROPERTY BETTERMENTS	\$0	\$0	\$0	0.00%
23	TOTAL CAPITAL EXPEND.	\$0	\$0	\$0	0.00%
24	TOTAL EXPENDITURES	\$55,637,650	\$59,509,011	\$3,871,361	6.96%
25	RESERVE FROM HCV ADMIN FEE	\$262,155	\$444,226		
26	GAIN OR LOSS	\$0	\$0		

**HOUSING CHOICE VOUCHER COCC
BUDGET COMPARISON
2026 VS. 2027**

LINE #	ITEM	BUDGET	BUDGET	BUDGET VS.		COMMENTS
		2025-2026	2026-2027	BUDGET		
		HCV COCC	HCV COCC	DIFF.	DIFF. &	
	OPERATING RECEIPTS					
1	MANAGEMENT FEE	\$1,097,540	\$1,029,160	-\$68,380	-6.23%	Decrease in lease-up rate
2	TOTAL RECEIPTS	\$1,097,540	\$1,029,160	-\$68,380	-6.23%	
	OPERATING EXPENDITURES					
	ADMINISTRATION:					
3	SALARIES	\$753,480	\$797,920	\$44,440	5.90%	Increase due to COLA and merit increases
4	FRINGE BENEFITS	\$337,030	\$347,000	\$9,970	2.96%	Increase due to salary changes, per above, higher employer medical and retirees medical contribution, and increase in payroll taxes
5	OTHER ADMIN. EXP.	\$120,070	\$120,070	\$0	0.00%	
6	TOTAL ADMIN. EXP.	\$1,210,580	\$1,264,990	\$54,410	4.49%	
	ORDINARY MAINTENANCE:					
7	MATERIALS	\$3,720	\$3,720	\$0	0.00%	
8	CONTRACT COSTS	\$6,750	\$6,750	\$0	0.00%	
9	TOTAL ORDINARY MAINT.	\$10,470	\$10,470	\$0	0.00%	
	GENERAL EXPENSE:					
10	INSURANCE	\$20,900	\$23,640	\$2,740	13.11%	Increase in workers compensation due to salary changes and rate, and increase in liability insurance
11	TOTAL GENERAL EXPENSES	\$20,900	\$23,640	\$2,740	13.11%	
12	TOTAL ROUTINE EXPENSES	\$1,241,950	\$1,299,100	\$57,150	4.60%	
	NONROUTINE MAINTENANCE:					
13	EXTRAORDINARY MAINT.	\$0	\$0	\$0	0.00%	
	CAPITAL EXPENDITURES					
14	REPLACEMENT EQUIPMENT	\$0	\$0	\$0	0.00%	
15	PROPERTY BETTERMENTS	\$0	\$0	\$0	0.00%	
16	TOTAL CAPITAL EXPEND.	\$0	\$0	\$0	0.00%	
17	TOTAL EXPENDITURES	\$1,241,950	\$1,299,100	\$57,150	4.60%	
18	RESERVE FROM COCC HCV	\$144,410	\$269,940			
19	GAIN OR LOSS	\$0	\$0			



Stanislaus Regional Housing Authority

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RESOLUTION NO. 25-26-31

**RESOLUTION APPROVING THE STANISLAUS REGIONAL HOUSING AUTHORITY
HOUSING CHOICE VOUCHER PROGRAM
OPERATING BUDGET FOR FISCAL YEAR 2026-2027**

WHEREAS, the Stanislaus Regional Housing Authority is administering and will continue to administer a Housing Choice Voucher Assistance Payments Program, consisting of projects designated as CA26-V026-78, and providing rental assistance to families living throughout Stanislaus County; and

WHEREAS, it is necessary in the operation of said project that a Housing Choice Voucher Assistance Program Operating Budget, therefore, be adopted, subject to approval of the Department of Housing and Urban Development; and

WHEREAS, a budget has been prepared for said projects.

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the 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 Housing Choice Voucher Program Operating Budget as herein designated be, and the same is hereby ratified, confirmed and approved.
5. Said Housing Choice Voucher Payments Program Operating Budget is submitted to the Department of Housing and Urban Development for consideration and approval.
6. Said Housing Choice Voucher Payments Program Operating Budget is filed in the office Stanislaus Regional Housing Authority and is more particularly identified as follows:

TERM	PROGRAM	AMOUNT
10/01/2026 thru 9/30/2027	Housing Choice Voucher	\$59,509,011
10/01/2026 thru 9/30/2027	Housing Choice Voucher Central Office Cost Center	\$ 1,299,100



DULY AND REGULARLY ADOPTED by the Board of Commissioners of the Stanislaus Regional Housing Authority this 25th day of June 2026. On motion of Commissioner ____, seconded by Commissioner _____, and on the following roll call vote:

AYES:

NAYS:

ABSTAIN:

ABSENT:

Approved: _____
Chairperson

Attest: _____
Secretary