



Stanislaus Regional Housing Authority

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

Date: June 25, 2026
To: Board of Commissioners
From: Jim Kruse, CEO/Executive Director
Subject: Action Item #4: Proposed USDA Farm Labor Budget for Fiscal Year 2026-2027
Prepared By: Linh Luong, Director of Finance
Resolution No. 25-26-33

RECOMMENDATION

After review and discussion, staff recommends the Board of Commissioners adopt the attached resolution approving the United States Department of Agriculture (USDA) Farm Labor operating budget for fiscal year 2026-2027.

SUMMARY

USDA Farm Labor is a subsidized housing project financed through USDA. USDA requires the Authority to submit budget proposal by August 1 of each year.

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

1. The interest rate for investment returns for all programs is 2.9% for fiscal year 2026-2027.
2. The inflation factor used in estimating the budget proposal is 4%.
3. Fringe Benefits - PERS retirement expense estimate is 17.4%.
4. Insurance – The rate for liability insurance increased 10.1%, and the rate for property insurance decreased by 3.2% due to changes in rates for the 2026-2027 fiscal year.
5. Utilities – The rate increases for water, gas, sewer, electric and garbage of 3%-7%.
6. Employee benefits included employee wellness program.



The following are recaps of our Authority proposed budgets for the Fiscal Year 2026-2027 as compared to the 2025-2026 budgets.

The total revenue increased by \$277,028 or 7.24%, due increases in rental income, interest income and other income. The increase in rental income is due to a proposed rent increase of 7.7%. Total expenses increased by \$152,081 due to a 7.54% increase in operating costs, including administrative, utilities, and maintenance expenses. These increases were partially offset by reductions in insurance expenses and capital expenditures. This budget has \$10,371 projected to go to reserve.

ATTACHMENTS

1. Proposed fiscal year 2026-2027 operating budget
2. Proposed rental income
3. Resolution 25-26-33

FARM LABOR
BUDGET COMPARISON
2026 vs. 2027

LINE #	ITEM	BUDGET	BUDGET	BUDGET VS.	DIFF. &	COMMENTS
		2025-2026	2026-2027	BUDGET		
		FARM LABOR	FARM LABOR	DIFF.		
	OPERATING RECEIPTS					
1	DWELLING RENTALS	\$3,610,294	\$3,885,721	\$275,427	7.63%	The increase is due to a proposed 7.7% rent increase
2	INTEREST	\$72,575	\$73,976	\$1,401	1.93%	
3	OTHER RECEIPTS	\$144,656	\$144,856	\$200	0.14%	
4	TOTAL OPERATING REC.	\$3,827,525	\$4,104,553	\$277,028	7.24%	
5	ADMIN. FEE					
6	MONITORING FEE					
7	TOTAL RECEIPTS	\$3,827,525	\$4,104,553	\$277,028	7.24%	
	OPERATING EXPENDITURES					
	ADMINISTRATION:					
8	SALARIES	\$510,973	\$540,635	\$29,662	5.81%	Increase due to proration changes & COLA and merit increases
9	FRINGE BENEFITS	\$291,976	\$302,243	\$10,267	3.52%	Increase due to salary changes, per above, higher employer medical and retirees medical contribution, and increase in payroll taxes
10	OTHER ADMIN. EXP.	\$120,700	\$134,560	\$13,860	11.48%	Increase due to increase in legal fees & administrative equipment
11	TOTAL ADMIN. EXP.	\$923,649	\$977,438	\$53,789	5.82%	
	UTILITIES:					
12	UTILITIES	\$1,038,000	\$1,114,500	\$76,500	7.37%	Increase due to increases in water, sewer, electric & garbage charges
13	TOTAL UTILITIES EXP.	\$1,038,000	\$1,114,500	\$76,500	7.37%	
	ORDINARY MAINTENANCE:					
14	LABOR	\$379,139	\$386,178	\$7,039	1.86%	Increase due to COLA and merit increases
15	FRINGE BENEFITS	\$182,276	\$184,664	\$2,388	1.31%	Increase due to salary changes, per above, higher employer medical and retirees medical contribution, and increase in payroll taxes
16	MATERIALS	\$203,500	\$203,500	\$0	0.00%	
17	CONTRACT COSTS	\$351,300	\$456,500	\$105,200	29.95%	Increase due to increases in plumbing, exterior door replacement & walkway repairs
18	TOTAL ORDINARY MAINT.	\$1,116,215	\$1,230,842	\$114,627	10.27%	
	GENERAL EXPENSE:					
19	INSURANCE	\$225,823	\$221,618	-\$4,205	-1.86%	Due to decrease in property insurance, offset by increases in liability insurance & workers compensation
20	PAYMENTS ON NOTES	\$238,614	\$238,614	\$0	0.00%	
21	TOTAL GENERAL EXPENSES	\$464,437	\$460,232	-\$4,205	-0.91%	
22	TOTAL ROUTINE EXPENSES	\$3,542,301	\$3,809,382	\$267,081	7.54%	
	NONROUTINE MAINTENANCE:					
23	EXTRAORDINARY MAINT.	\$0	\$0	\$0	0.00%	

FARM LABOR
 BUDGET COMPARISON
 2026 vs. 2027

LINE #	ITEM	BUDGET	BUDGET	BUDGET VS.	DIFF. &	COMMENTS
		2025-2026	2026-2027	BUDGET		
		FARM LABOR	FARM LABOR	DIFF.		
	CAPITAL EXPENDITURES					
24	REPLACEMENT EQUIPMENT	\$35,000	\$0	-\$35,000		
25	PROPERTY BETTERMENTS	\$80,000	\$0	-\$80,000		
26	TOTAL CAPITAL EXPEND.	\$115,000	\$0	-\$115,000		
27	TOTAL EXPENDITURES	\$3,657,301	\$3,809,382	\$152,081	4.16%	
28	GAIN OR LOSS	\$170,224	\$295,171			
29	RESERVE REQUIREMENTS	\$284,800	\$284,800	\$0		
30	FARM LABOR RESERVE	\$115,000	\$0			
31		\$424	\$10,371			

DWELLING RENT
 FARM LABOR 91 CENTER
 FISCAL YEAR 10/1/2026 TO 9/30/2027

# OF UNITS	BEDROOM SIZE	CURRENT MONTHLY RENT	12 ANNUAL RENT	1.0770 RENT INCREASE	RENT INC. PER UNIT	12 NEW ANNUAL RENT	2026 FMR	% OF MARKET RENT
12	1	\$761	\$109,584	\$819	\$58	\$117,936	\$1,356	60.40%
37	2	\$857	\$380,508	\$922	\$65	\$409,368	\$1,758	52.45%
31	3	\$957	\$356,004	\$1,030	\$73	\$383,160	\$2,442	42.18%
11	4	\$1,038	\$137,016	\$1,117	\$79	\$147,444	\$2,823	39.57%
		TOTAL RENT	\$983,112	TOTAL RENT		\$1,057,908		
		VACANY LOSS 3.8%	\$37,358	VACANY LOSS 3.8%		\$40,201		
91		NET RENT	\$945,754	NET RENT		\$1,017,707		

DWELLING RENT FARM LABOR 265
 FISCAL YEAR 10/1/2026 to 9/30/2027

# OF UNITS	BEDROOM SIZE	MONTHLY RENT	12 ANNUAL RENT	1.0770 NEW MONTHLY RENT	MONTHLY RENT INCREASE	12 NEW RENT TOTAL	2026 FMR	% OF MARKET RENT		
CERES										
8	2	\$963 new	\$92,448	\$1,037	\$74	\$99,552	\$1,758	58.99%	1037	
16	3	\$1,117 new	\$214,464	\$1,203	\$86	\$230,976	\$2,442	49.26%	1203	
25	3	\$880 rehab	\$264,000	\$947	\$67	\$284,100	\$2,442	38.78%	948	
28	3	\$783	\$263,088	\$843	\$60	\$283,248	\$2,442	34.52%	843	
14	2	\$729	\$122,472	\$785	\$56	\$131,880	\$1,758	44.65%	785	
12	4	\$868	\$124,992	\$934	\$66	\$134,496	\$2,823	33.09%	935	
			\$1,081,464				\$1,164,252			
PATTERSON										
4	2	\$963 new	\$46,224	\$1,037	\$74	\$49,776	\$1,758	58.99%	1037	
2	3	\$1,117 new	\$26,808	\$1,203	\$86	\$28,872	\$2,442	49.26%	1203	
60	3	\$880 rehab	\$633,600	\$947	\$67	\$681,840	\$2,442	38.78%	948	
10	3	\$880 rehab	\$105,600	\$947	\$67	\$113,640	\$2,442	38.78%	948	
			\$812,232				\$874,128			
WESTLEY										
40	3	\$880 rehab	\$422,400	\$947	\$67	\$454,560	\$2,442	38.78%	948	
13	2	\$792 rehab	\$123,552	\$852	\$60	\$132,912	\$1,758	48.46%	853	
9	2	\$729	\$78,732	\$785	\$56	\$84,780	\$1,758	44.65%	785	
1	4	\$957 rehab	\$11,484	\$1,030	\$73	\$12,360	\$2,823	36.49%	1031	
15	4	\$863	\$155,340	\$929	\$66	\$167,220	\$2,823	32.91%	929	
2	3	\$1,117 new	\$26,808	\$1,203	\$86	\$28,872	\$2,442	49.26%	1203	
5	2	\$963 new	\$57,780	\$1,037	\$74	\$62,220	\$1,758	58.99%	1037	
			\$876,096				\$942,924			
TOTAL			\$2,769,792	TOTAL			\$2,981,304			
VACANCY LOSS 3.8%			\$105,252	VACANCY LOSS 3.8%			\$113,290			
NET RENT			\$2,664,540	NET RENT			\$2,868,014			



Stanislaus Regional Housing Authority

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

RESOLUTION NO. 25-26-33

**RESOLUTION APPROVING THE STANISLAUS REGIONAL HOUSING AUTHORITY
PERMANENT FARM LABOR CENTERS LC- 28, 29, 30 AND 31 OPERATING
BUDGET FOR FISCAL YEAR 2026-2027**

WHEREAS, Stanislaus Regional Housing Authority is administering and will continue to administer Permanent Farm Labor Housing Projects, LC-28, 29, 30 and 31, located in Ceres, Patterson, Westley and Modesto, respectively; and

WHEREAS, it is necessary in the operation of said program that Permanent Farm Labor Housing Projects Operating Budget, therefore, be adopted, subject to approval of the United States Department of Agriculture; and

WHEREAS, a budget has been prepared for said projects.

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

1. The 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 State and Local law for Permanent Farm Labor.
4. The Operating Budget as herein designated be, and the same is hereby ratified, confirmed and approved.
5. Said permanent Farm Labor Operating Budget is filed in the office of Stanislaus Regional Housing Authority and is more particularly identified as follows:

TERM	PROGRAM	AMOUNT
10/01/2026 thru 9/30/2027	Farm Labor LC-28, 29, 30 & 31	\$3,809,382

DULY AND REGULARLY ADOPTED by the Board of Commissioners of 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

