



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 #7: Proposed Valley Manor Operating Budget for
Fiscal Year 2026-2027
Prepared By: Linh Luong, Director of Finance

Resolution No. 25-26-36

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 2026-2027.

SUMMARY:

Valley Manor is a 48-unit project-based Section 8 complex located in Newman. Attached is the proposed 2026-2027 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 2026-2027 fiscal year increased by \$5,112 or 1.37% due to an increase in rental income, and offset by a decrease in interest income. The total expenses for the 2026-2027 budget decreased by \$18,909 or 4.56% due to decrease in capital expenditures and insurance expenses, and offset by higher administrative expense, utilities, and maintenance expense. This budget has \$1,715 projected to go to reserve.

ATTACHMENTS:

1. Proposed fiscal year 2026-2027 Valley Manor operating budget
2. Proposed rental income
3. Resolution 25-26-36



**VALLEY MANOR PROJECT
BUDGET COMPARISON
2026 VS. 2027**

LINE #	ITEM	BUDGET	BUDGET	BUDGET VS.	DIFF. %	COMMENTS
		2025-2026 VALLEY MANOR	2026-2027 VALLEY MANOR	BUDGET DIFF.		
OPERATING RECEIPTS						
1	DWELLING RENTALS	519521	529310	9789	1.88%	The projected rent increase is 4.06% for December 2026 through September 2027, with an increase in vacancy rate from 5% to 7% Lower due to a reduction in reserves and lower interest rates.
2	INTEREST	6177	1500	-4677	-121.80%	
3	OTHER RECEIPTS	2000	2000	0	0.00%	
4	TOTAL OPERATING REC.	527698	532810	5112	1.37%	
5	TOTAL RECEIPTS	527698	532810	5112	1.37%	
OPERATING EXPENDITURES						
6	ADMINISTRATION:					
7	SALARIES	17680	18200	520	3.33%	Increase due to increase in minimum wage
8	FRINGE BENEFITS	1563	1638	75	4.84%	Increase in payroll tax expense
9	OTHER ADMIN. EXP.	15950	19100	3150	34.96%	Increase due to increase in legal expense for eviction services
10	MANAGEMENT FEES	58639	59047	408	1.02%	Increase in bookkeeping fee
11	TOTAL ADMIN. EXP.	93832	97985	4153	6.27%	
UTILITIES:						
12	UTILITIES	87760	88070	310	0.59%	Increase due to garbage cost
13	TOTAL UTILITIES EXP.	87760	88070	310	0.59%	
ORDINARY MAINTENANCE:						
13	LABOR	31169	31169	0	0.00%	
14	FRINGE BENEFITS	2594	2630	36	1.57%	Increase in payroll tax expense
15	MATERIALS	32596	33110	514	1.72%	Increase in flooring materials
16	CONTRACT COSTS	71020	71020	0	0.00%	
17	TOTAL ORDINARY MAINT.	137379	137929	550	0.53%	
GENERAL EXPENSE:						
18	INSURANCE	23832	22410	-1422	-11.25%	Due to decrease in property insurance, offset by an increase in liability insurance and worker's compensation insurance
19	COLLECTION LOSSES	2100	2100	0	0.00%	
20	PAYMENTS ON NOTES	128265	128265	0	0.00%	
21	TOTAL GENERAL EXPENSES	154197	152775	-1422	-1.07%	
22	TOTAL ROUTINE EXPENSES	473168	476759	3591	1.01%	
NONROUTINE MAINTENANCE:						
23	EXTRAORDINARY MAINT.	0	0	0	0.00%	
CAPITAL EXPENDITURES						
24	REPLACEMENT EQUIPMENT	0	0	0		
25	PROPERTY BETTERMENTS	22500	0	-22500		
26	TOTAL CAPITAL EXPEND.	22500	0	-22500		
27	TOTAL EXPENDITURES	495668	476759	-18909	-4.56%	
28	GAIN OR LOSS	32030	56051			
29	REPLACEMENT RESERVE REQUIREMENTS	54336	54336			
30	NET INCOME	-22306	1715			
31	VALLEY MANOR REPLACEMENT RESERVE	22500	0			
		194	1715			

DWELLING RENT
 VALLEY MANOR PROJECT
 FISCAL YEAR 10/1/2026 TO 9/30/2027

# OF UNITS	BEDROOM SIZE	2	10	12	2	10	RENT INCREASE PER UNIT	12	2026 MARKET RATE	% OF MARKET RATE	
		Oct- Nov 2025	Dec 2025-Sept 2026		ANNUAL RENT	Oct- Nov 2026		Dec 2026-Sept 2027			PROPOSED RENT
8	1	\$843	\$878	\$83,728	\$878	\$914	\$36	\$87,168	\$1,356	64.75%	
32	2	\$923	\$961	\$366,592	\$961	\$1,000	\$39	\$381,504	\$1,758	54.66%	
7	3	\$1,111	\$1,157	\$96,544	\$1,157	\$1,204	\$47	\$100,478	\$2,442	47.38%	
47											
		TOTAL RENT			\$546,864	TOTAL RENT			\$569,150		
		VACANY LOSS 5.0%			\$27,343	VACANY LOSS 7.0%			\$39,841		
		NET RENT			\$519,521	NET RENT			\$529,310		



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RESOLUTION NO. 25-26-36

**RESOLUTION APPROVING STANISLAUS REGIONAL HOUSING AUTHORITY
VALLEY MANOR OPERATING BUDGET FOR FISCAL YEAR 2026-2027**

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>
10/1/2026 thru 9/30/2027	Valley Manor	\$476,759

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

- AYES:
- NAYS:
- ABTAIN:
- ABSENT:

Approved: _____
Chairperson

Attest: _____
Secretary

