

# Stanislaus Regional Housing Authority

*Alpine ■ Amador ■ Calaveras ■ Inyo ■ Mariposa ■ Mono ■ Stanislaus ■ Tuolumne Counties*

Date: July 24, 2018  
To: Board of Commissioners  
From: Barbara S. Kauss, Executive Director  
Subject: **Action Item 6:** Proposed Local Budget 2018-2019  
Prepared By: Linh Luong, Director of Finance  
Resolution No. 17-18-27

## RECOMMENDATION

After review and discussion, staff recommends the Board of Commissioners adopt the attached resolution approving the Local Account budget for fiscal year 2018-2019.

## SUMMARY

The 2018-2019 Fiscal Year Budget was prepared with the following assumptions:

1. The interest rate for investment returns for all programs is 1.7% for fiscal year 2018-2019.
2. The administrative salary is to pay for staff time in housing management, finance, and administration. The management fee earned from Small Programs and Riverbank Housing Authority are paying for this expense.
3. Other Administrative Expense, Maintenance Materials and Contract Costs are estimated using the actual cost for last 12 months, and the inflation factor used in estimating the budget proposal is 4%.
4. Fringe Benefits- PERS Retirement expense estimate is 9.8%.
5. Insurance - The rate for liability decrease for 2018-2019 fiscal year.
6. Employee benefits included employee wellness program.



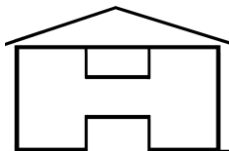
The total revenue increased by \$17,820 or 2.22% due to increases in interest income and other receipts. The total expenditures increased by \$17,023 or 2.18%. This is due to increases in administrative expense. The administrative expense increase is largely due to the reclassification and reallocation change for Operation Supervisor from maintenance labor line item to the administrative salaries line item. The Operation Supervisor was previously classified under maintenance, thus a higher worker's compensation cost. Since the position is more appropriately classified as administrative, the salary and benefit costs are now moved to the administrative line item, which results in an overall cost savings. This budget has \$23,240 projected to go to reserve.

## **ATTACHMENTS**

1. Proposed Local Account Budget
2. Resolution 17-18-27

**LOCAL  
BUDGET COMPARISON  
2018 VS. 2019**

LINE #	ITEM	BUDGET	BUDGET	BUDGET VS.	DIFF. %	COMMENTS
		2017-2018	2018-2019	BUDGET		
		LOCAL	LOCAL	DIFF.		
	<b>OPERATING RECEIPTS</b>					
1	INTEREST	\$16,940	\$29,900	\$12,960	76.51%	Increase in interest rate
2	OTHER RECEIPTS	\$786,350	\$791,210	\$4,860	0.62%	Increase in fee collected for Riverbank HA staffing
3	TOTAL OPERATING REC.	\$803,290	\$821,110	\$17,820	2.22%	
4	<b>TOTAL RECEIPTS</b>	<b>\$803,290</b>	<b>\$821,110</b>	<b>\$17,820</b>	<b>2.22%</b>	
	<b>OPERATING EXPENDITURES</b>					
	ADMINISTRATION:					
5	SALARIES	\$426,227	\$437,400	\$11,173	2.62%	Increase is due to COLA , merit increases in 2018-2019 and classification change for Operating Supervisor from Maintenance to Administration
6	EMPLOYEE BENEFIT	\$181,910	\$186,290	\$4,380	2.41%	Increase is due to salary changes per above, increase employer PERS contribution, retirees medical and increase in payroll taxes
7	OTHER ADMIN. EXP.	\$32,370	\$34,120	\$1,750	5.41%	Increase in legal expense
8	TOTAL ADMIN. EXP.	\$640,507	\$657,810	\$17,303	2.70%	
	ORDINARY MAINTENANCE:					
9	LABOR	\$48,920	\$47,540	-\$1,380	-2.82%	Decrease is due to classification change for Operation Supervisor from Maintenance to Administration, and offset by an increase in COLA and merit increase for fiscal year 2018-19
10	EMPLOYEE BENEFIT	\$20,300	\$20,280	-\$20	-0.10%	Decrease is due to the salary changes per above, and offset by an increase in employer PERS contribution and payroll taxes
11	MATERIALS	\$3,280	\$3,280	\$0	0.00%	
12	CONTRACT COSTS	\$14,600	\$15,530	\$930	6.37%	Increase in vehicle maintenance expense
13	TOTAL ORDINARY MAINT.	\$87,100	\$86,630	-\$470	-0.54%	
	GENERAL EXPENSE:					
14	INSURANCE	\$34,020	\$34,210	\$190	0.56%	Increase in Workers' Compensation insurance due to increase in salary
15	SPECIAL ASSESSMENT	\$13,120	\$13,120	\$0	0.00%	
16	TOTAL GENERAL EXPENSES	\$47,140	\$47,330	\$190	0.40%	
	<b>TOTAL ROUTINE EXPENSES</b>	<b>\$774,847</b>	<b>\$791,870</b>	<b>\$17,023</b>	<b>2.20%</b>	
	NONROUTINE MAINTENANCE:					
17	EXTRAORDINARY MAINT.	\$0	\$0	\$0	0.00%	
	CAPITAL EXPENDITURES					
18	REPLACEMENT EQUIPMENT	\$0	\$0	\$0	0.00%	
19	PROPERTY BETTERMENTS	\$0	\$0	\$0	0.00%	
20	TOTAL CAPITAL EXPEND.	\$0	\$0	\$0	0.00%	
21	CONTINGENY	\$6,000	\$6,000	\$0	100.00%	
22	TOTAL EXPENDITURES	\$780,847	\$797,870	\$17,023	2.18%	
23	<b>GAIN OR LOSS</b>	<b>\$22,443</b>	<b>\$23,240</b>			



# Stanislaus Regional Housing Authority

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## RESOLUTION NO. 17-18-27

### RESOLUTION APPROVING THE HOUSING AUTHORITY OF THE COUNTY OF STANISLAUS LOCAL ACCOUNT BUDGET FOR FISCAL YEAR 2018-2019

**WHEREAS**, the Housing Authority of the County of Stanislaus is administering and will continue to administer Local Account (also referred to as Management Account); and

**WHEREAS**, it is necessary in the operation of said program that Local Account 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 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 State and Local law.
4. That the Local Account Budget as herein designated be, and the same is hereby ratified, confirmed and approved.
5. That said Local Account Budget is filed in the office of the Housing Authority of the County of Stanislaus and is more particularly identified as follows:

<u>TERM</u>	<u>PROGRAM</u>	<u>AMOUNT</u>
10/1/2018 thru 9/30/2019	Local Account	\$797,870

**DULY AND REGULARLY ADOPTED** by the Board of Commissioners of the Housing Authority of the County of Stanislaus this 24<sup>th</sup> day of July, 2018.

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

AYES:  
 NAYS:  
 ABSTAIN:  
 ABSENT:

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

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

