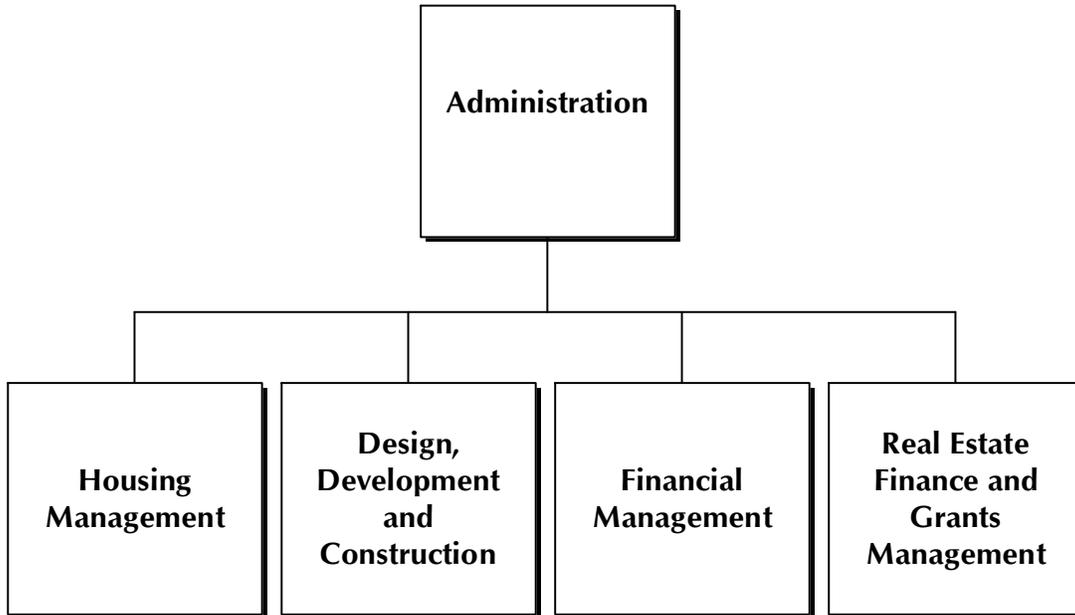


Fund 940
Fairfax County Redevelopment and
Housing Authority General Operating



Mission

To preserve and increase opportunities for affordable housing in Fairfax County based on need, community priorities and the policy of the Board of Supervisors and the Fairfax County Redevelopment and Housing Authority (FCHRA). Driven by community vision, to lead efforts to revitalize older areas of Fairfax County, to spur private reinvestment, maximize existing infrastructure and public investment, reverse negative perceptions and create employment opportunities.

Focus

This fund includes all FCRHA revenues generated by financing fees earned from the issuance of bonds, monitoring and service fees charged to developers, management fees, investment income, project reimbursements, consultant fees and ground rents on land leased to developers. Revenue supports operating expenses for the administration of the private activity bonds, Home Improvement Loan Program (HILP) staff, and other administrative costs, which crosscut many or all of the housing programs.

In FY 2011, revenue projections for Fund 940, FCRHA General Operating, are \$2,406,754 a decrease of \$486,166 or 16.8 percent from the FY 2010 Adopted Budget Plan amount. The decrease in revenue is primarily attributable to anticipated declines in developer fee, program and interest income. Expenditures are \$2,406,754, a decrease of \$455,512 or 15.9 percent from the FY 2010 Adopted Budget Plan due primarily to savings in personnel expenditures due to position adjustments.

Staff costs in the FCRHA Home Improvement Loan Program are supported by revenues from that program. Staff costs associated with FCRHA real estate development and financing activities are supported by the financing and development fees generated by these activities. In FY 2011, Fund 340, Housing Assistance Program, will continue to provide \$515,000 for revitalization activities to address current program needs for staffing and other efforts associated with countywide residential improvement and repair projects within the Department of Housing and Community Development.

The FCRHA will continue to make tax-exempt financing available and earn related financing fees. The financing will be used for the agency's own development as well as for the construction or preservation of qualified multi-family housing owned by other developers. However, because many types of projects must

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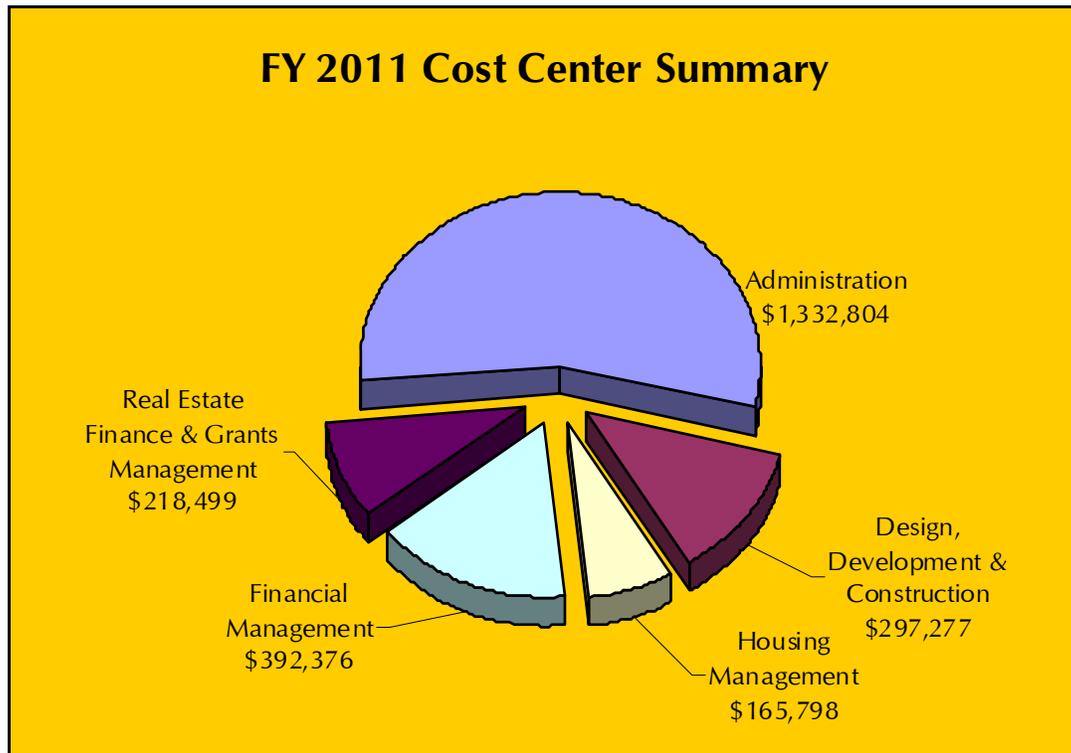
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compete for an allocation of tax-exempt bond authority from the limited pool of such authority available in the Commonwealth of Virginia, the number of FCRHA tax-exempt bond issues in any year is limited and will vary significantly from year to year. Under this financing mechanism, a percentage of the units in a housing development must meet lower income occupancy requirements. Since 1986, there have been two alternate standards for meeting these requirements. Either 20 percent of the units must be occupied by households with incomes at 50 percent or less of the Washington D.C./Baltimore Metropolitan Statistical Area (MSA) median income (adjusted for household size), or 40 percent of the units must be occupied by households with 60 percent or less of the MSA median income.

The FCRHA will continue to monitor existing tax-exempt financed multi-family housing projects to assure continuing developer compliance with program guidelines.

Budget and Staff Resources

Agency Summary					
Category	FY 2009 Actual	FY 2010 Adopted Budget Plan	FY 2010 Revised Budget Plan	FY 2011 Advertised Budget Plan	FY 2011 Adopted Budget Plan
Authorized Positions/Staff Years					
Regular	30/ 30	27/ 27	25/ 25	24/ 24	24/ 24
Expenditures					
Personnel Services	\$2,321,922	\$2,014,825	\$1,713,194	\$1,611,139	\$1,611,139
Operating Expenses	803,649	847,441	884,571	795,615	795,615
Capital Equipment	0	0	0	0	0
Total Expenditures	\$3,125,571	\$2,862,266	\$2,597,765	\$2,406,754	\$2,406,754



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Position Summary		
<u>ADMINISTRATION</u> 1 Information Officer III 1 Information Officer II 3 Administrative Assistants IV 1 Administrative Assistant III 1 Administrative Assistant II <u>FINANCIAL MANAGEMENT</u> 1 Financial Specialist IV 1 Financial Specialist III 1 Accountant III 1 Accountant II 1 Administrative Assistant II	<u>DESIGN, DEVELOPMENT AND CONSTRUCTION</u> 1 Division Director 2 Housing/Community Developers III 1 Housing/Community Developer II <u>HOUSING MANAGEMENT</u> 1 Housing Services Specialist IV 1 Housing Services Specialist II 1 Assistant Supervisor Facilities Support	<u>REAL ESTATE FINANCE AND GRANTS MANAGEMENT</u> 3 Housing/Community Developers V 1 Housing/Community Developer IV 1 Management Analyst III
TOTAL POSITIONS		
24 Positions/ 24.0 Staff Years		

Note: As a result of a transition by the U.S. Department of Housing and Urban Development to a project based budgeting model for the maintenance of public housing facilities, a number of positions are being moved within the Fairfax County Department of Housing and Community Development (DHCD) to better align the positions to the developments they support. In the *FY 2010 Revised Budget Plan*, 3/3.0 SYE positions were redirected to Fund 941, Fairfax County Rental Program (FCRP), 1/1.0 SYE position was redirected to Agency 31, Land Development Services for the Code Enforcement Strike Team, 1/1.0 SYE position was transferred from Fund 967, Public Housing Projects Under Management, and 1/1.0 SYE position was established to support Olley Glen. In addition, for FY 2011, 1/1.0 SYE position will be transferred to Fund 950, FCRHA Partnerships.

FY 2011 Funding Adjustments

The following funding adjustments reflect all changes from the *FY 2010 Adopted Budget Plan*, as approved by the Board of Supervisors on April 27, 2010.

- Employee Compensation** **\$0**
 It should be noted that no funding is included for pay for performance awards or market rate adjustments in FY 2011.
- Other Post-Employment Benefits** **\$72,254**
 An increase of \$72,254 in Personnel Services reflects the cost of providing Other Post-Employment Benefits (OPEBs) to retirees, including the Retiree Health Benefits Subsidy. Historically, costs related to these benefits have been paid by the General Fund; however, beginning in FY 2011, these annual costs will be spread to other funds in order to more appropriately reflect benefit-related expenses within each fund. For more information on Other Post-Employment Benefits, please refer to Fund 603, OPEB Trust Fund, in Volume 2 of the *FY 2011 Adopted Budget Plan*.
- Project-Based Budgeting Adjustments and Operating Requirements** **(\$527,766)**
 A decrease of \$527,766 is associated with \$475,940 in Personnel Services for program adjustments necessary to support project-based budgeting efforts and \$51,826 in Operating Expenses based on prior years' actual costs.

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Changes to FY 2010 Adopted Budget Plan

The following funding adjustments reflect all approved changes in the FY 2010 Revised Budget Plan since passage of the FY 2010 Adopted Budget Plan. Included are all adjustments made as part of the FY 2009 Carryover Review, FY 2010 Third Quarter Review, and all other approved changes through April 20, 2010.

- ◆ **Carryover Adjustments** **\$139,200**
As part of the FY 2009 Carryover Review, the Board of Supervisors approved an increase of \$139,200 due to \$102,070 in Personnel Services related to project-based budgeting and \$37,130 in Operating Expenses related to encumbered carryover.

- ◆ **Third Quarter Adjustments** **(\$403,701)**
As part of the FY 2010 Third Quarter Review, the Board of Supervisors approved a decrease of \$403,701 in Personnel Services due to decreases in salary reimbursements from the Fairfax County Rental Program (FCRP) for the Olley Glen project due to longer than anticipated position vacancies and position reallocations necessary to support project-based budgeting requirements.

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FUND STATEMENT

	Fund Type H94, FCRHA General Revenue		Fund 940, FCRHA General Operating		
	FY 2009 Actual	FY 2010 Adopted Budget Plan	FY 2010 Revised Budget Plan	FY 2011 Advertised Budget Plan	FY 2011 Adopted Budget Plan
Beginning Balance	\$11,417,222	\$11,417,222	\$11,606,881	\$11,806,428	\$11,457,884
Revenue:					
Investment Income ¹	\$194,307	\$246,716	\$193,716	\$194,307	\$194,307
Monitoring/Developer Fees ²	848,323	740,744	616,511	581,507	581,507
Rental Income	67,339	68,528	68,528	73,248	73,248
Program Income ³	1,749,691	1,440,544	1,138,709	1,155,370	1,155,370
Other Income	455,570	396,388	431,304	402,322	402,322
Total Revenue	\$3,315,230	\$2,892,920	\$2,448,768	\$2,406,754	\$2,406,754
Total Available	\$14,732,452	\$14,310,142	\$14,055,649	\$14,213,182	\$13,864,638
Expenditures:					
Personnel Services ⁴	\$2,321,922	\$2,014,825	\$1,713,194	\$1,611,139	\$1,611,139
Operating Expenses ⁵	803,649	847,441	884,571	795,615	795,615
Total Expenditures	\$3,125,571	\$2,862,266	\$2,597,765	\$2,406,754	\$2,406,754
Total Disbursements	\$3,125,571	\$2,862,266	\$2,597,765	\$2,406,754	\$2,406,754
Ending Balance	\$11,606,881	\$11,447,876	\$11,457,884	\$11,806,428	\$11,457,884
Debt Service Reserve on					
One University Plaza	\$278,106	\$2,402,086	\$2,195,925	\$2,195,925	\$2,195,925
Cash with Fiscal Agent	6,250,405	6,710,193	6,854,000	6,854,000	6,854,000
Unreserved Ending Balance	\$5,078,370	\$2,335,597	\$2,407,959	\$2,756,503	\$2,407,959

¹ The FY 2011 decrease is due to anticipated declines in interest income.

² The FY 2011 decrease is due to anticipated declines in developer fee incomes.

³ The FY 2011 decrease is to reflect the declines in Home Improvement Loan Program (HILP) and Moderate Income Direct Sales (MIDS) program income.

⁴ The FY 2011 decrease is due to savings in Personnel Services expenditures as a result of position adjustments.

⁵ The FY 2011 operating budget request is based on a three-year average of prior years' actuals.