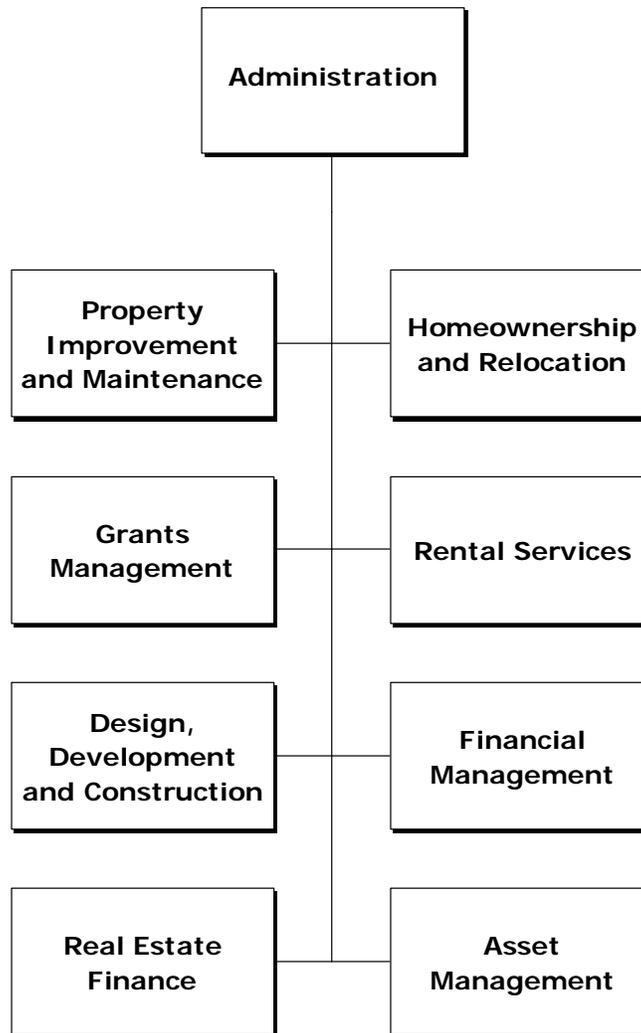


Fund 81000

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 (FCRHA). 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

Fund 81000, FCRHA General Operating, 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, Homeownership Programs, and other administrative costs, which crosscut many or all of the housing programs.

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In FY 2016, revenue projections for this fund are \$3,069,930, an increase of \$120,746 or 4.1 percent over the FY 2015 Adopted Budget Plan amount. The increase in revenue is primarily due to an anticipated increase in management fee income from various properties including the Fairfax County Rental Program and the Lincolnia Senior Residences. Expenditures are \$3,069,930, an increase of \$115,555 or 3.9 percent over the FY 2015 Adopted Budget Plan amount. This increase is primarily due to adjustments associated with project-based budgeting requirements.

A portion of the staff costs associated with the FCRHA Partnership for Resident Opportunities, Growth, Resources and Economic Self-Sufficiency (PROGRESS) Center, Homeownership Programs, and FCRHA real estate development and financing activities are supported by the financing and development/management fees generated by these activities.

In FY 2011, HCD established the Bridging Affordability Program. It was conceived during the development of the Housing Blueprint, and is intended to provide up to three years of local rental subsidies to individuals and families experiencing homelessness and households currently on Fairfax County's affordable housing waiting lists, including those managed by the FCRHA, the Fairfax-Falls Church Community Services Board, the Office to End and Prevent Homelessness and the homeless shelters. The program makes grants available to one or more of the County's non-profit partners per the Board's direction in the Housing Blueprint, and the Bridging Affordability Program is administered by HCD and funded by the operations revenue of the County-owned Wedgewood property. While the revenue and loans made for this program are recorded in Fund 30300, The Penny for Affordable Housing, a portion of the budget is used to fund three merit positions (in Fund 81000) that support this program by providing program compliance, inspecting units and administering the contracts with non-profit partners. Bridging Affordability is intended to serve as a gateway to the FCRHA's federal housing programs, including the Housing Choice Voucher and Public Housing programs.

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

Fund 81000

Fairfax County Redevelopment and Housing Authority General Operating

Budget and Staff Resources

Category	FY 2014 Actual	FY 2015 Adopted	FY 2015 Revised	FY 2016 Advertised	FY 2016 Adopted
FUNDING					
Expenditures:					
Personnel Services	\$1,990,612	\$2,185,918	\$2,185,918	\$2,346,313	\$2,351,477
Operating Expenses	709,007	768,457	865,278	718,453	718,453
Total Expenditures	\$2,699,619	\$2,954,375	\$3,051,196	\$3,064,766	\$3,069,930
AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)					
Regular	26 / 26	26 / 26	27 / 27	26 / 26	27 / 27
<u>ORGANIZATIONAL MANAGEMENT & DEVELOPMENT</u>		<u>RENTAL HOUSING PROPERTY MANAGEMENT</u>		<u>GRANTS MANAGEMENT</u>	
1 HCD Division Director		2 Housing Services Specialists IV		1 Housing/Community Developer IV	
1 Housing/Community Developer IV		1 Housing/Community Developer III		1 Housing/Community Developer III	
2 Financial Specialists IV					
2 Financial Specialist III		<u>HOMEOWNERSHIP PROGRAM</u>			
2 Accountants II		1 HCD Division Director			
1 Information Officer II		1 Housing/Community Developer V			
1 GIS Analyst II		2 Housing/Community Developers III			
1 Administrative Assistant V					
2 Administrative Assistants IV		<u>AFFORDABLE HOUSING FINANCE</u>			
2 Administrative Assistants III		1 Housing/Community Developer IV			
2 Administrative Assistants II		1 Housing Services Specialist IV			
TOTAL POSITIONS					
27 Positions / 27.0 FTE					

FY 2016 Funding Adjustments

The following funding adjustments from the FY 2015 Adopted Budget Plan are necessary to support the FY 2016 program. Included are all adjustments recommended by the County Executive that were approved by the Board of Supervisors, as well as any additional Board of Supervisors' actions, as approved in the adoption of the budget on April 28, 2015.

- ◆ **Employee Compensation** **\$61,437**
 An increase of \$61,437 in Personnel Services includes \$21,849 for a 1.10 percent market rate adjustment (MRA) for all employees and \$39,588 for performance-based and longevity increases for non-uniformed merit employees, both effective July 2015.
- ◆ **Project-Based Budgeting Adjustments** **\$53,352**
 A net increase of \$53,352 is required to support project-based budgeting based on U.S. Department of Housing and Urban Development (HUD) policy guidelines. This is comprised of an increase of \$103,356 in Personnel Services associated with salary and fringe benefit adjustments, partially offset by a decrease of \$50,004 in Operating Expenses primarily associated with projected expenses for contractual services, utilities, and repair and maintenance.

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- ◆ **Other Post-Employment Benefits** **\$766**
An increase of \$766 in Personnel Services reflects required adjustments associated with providing Other Post-Employment Benefits (OPEBs) to retirees, including the Retiree Health Benefits Subsidy. For more information on Other Post-Employment Benefits, please refer to Fund 73030, OPEB Trust Fund, in Volume 2 of the FY 2016 Adopted Budget Plan.

Changes to FY 2015 Adopted Budget Plan

The following funding adjustments reflect all approved changes in the FY 2015 Revised Budget Plan since passage of the FY 2015 Adopted Budget Plan. Included are all adjustments made as part of the FY 2014 Carryover Review, FY 2015 Third Quarter Review, and all other approved changes through April 30, 2015.

- ◆ **Carryover Adjustments** **\$96,821**
As part of the *FY 2014 Carryover Review*, the Board of Supervisors approved encumbered carryover of \$96,821 primarily associated with maintenance and repairs, computer equipment, computer services and contractual requirements.

- ◆ **Position Adjustment** **\$0**
Subsequent to the *FY 2015 Third Quarter Review*, 1/1.0 FTE Accountant II position was transferred from Fund 81200, Housing Partnerships, to Fund 81000 to properly align program duties and responsibilities with the appropriate fund. Funding adjustments, if necessary, will be included in a future quarterly review.

Fund 81000

Fairfax County Redevelopment and Housing Authority General Operating

FUND STATEMENT

Fund 81000, FCRHA General Operating

	FY 2014 Actual	FY 2015 Adopted Budget Plan	FY 2015 Revised Budget Plan	FY 2016 Advertised Budget Plan	FY 2016 Adopted Budget Plan
Beginning Balance	\$14,155,287	\$14,086,798	\$15,310,751	\$15,261,007	\$15,191,467
Revenue:					
Investment Income	\$20,328	\$37,272	\$20,000	\$35,127	\$35,127
Monitoring/Developer Fees	987,941	453,685	453,685	439,266	439,266
Rental Income	79,198	79,198	79,198	83,540	83,540
Program Income	2,459,032	2,094,990	2,094,990	2,221,760	2,221,760
Other Income	308,584	284,039	284,039	285,073	290,237
Total Revenue	\$3,855,083	\$2,949,184	\$2,931,912	\$3,064,766	\$3,069,930
Total Available	\$18,010,370	\$17,035,982	\$18,242,663	\$18,325,773	\$18,261,397
Expenditures:					
Personnel Services	\$1,990,612	\$2,185,918	\$2,185,918	\$2,346,313	\$2,351,477
Operating Expenses ¹	709,007	768,457	865,278	718,453	718,453
Total Expenditures	\$2,699,619	\$2,954,375	\$3,051,196	\$3,064,766	\$3,069,930
Total Disbursements	\$2,699,619	\$2,954,375	\$3,051,196	\$3,064,766	\$3,069,930
Ending Balance	\$15,310,751	\$14,081,607	\$15,191,467	\$15,261,007	\$15,191,467
Plaza	\$1,524,135	\$1,272,890	\$1,272,890	\$1,272,890	\$1,272,890
Cash with Fiscal Agent	7,506,315	7,565,810	7,565,810	7,565,810	7,565,810
Unreserved Ending Balance	\$6,280,301	\$5,242,907	\$6,352,767	\$6,422,307	\$6,352,767

¹ In order to account for the expenditures in the proper fiscal year, audit adjustments in the amount of \$69,539.80 have been reflected as an increase to FY 2014 expenditures to record accrual adjustments. These audit adjustments have been included in the FY 2014 Comprehensive Annual Financial Report (CAFR). Details of the audit adjustments were included in the FY 2015 Third Quarter package.