

PROPOSED FAIRFAX COUNTY REDEVELOPMENT AND HOUSING AUTHORITY (FCRHA) FISCAL YEAR 2014 OPERATING AND CAPITAL BUDGET

**Subject of FCRHA Public Hearing
On March 7, 2013 – 7:00 p.m.
FCRHA Board Room – 4500 University Drive, Fairfax**

Fairfax County is committed to a policy of nondiscrimination in all County programs, services and activities and will provide reasonable accommodations upon request. Please call 703-246-5101 or TTY 703-385-3578. Please allow seven working days in advance of the event in order to make arrangements.



Budget Challenges and Drivers

- Continued flat revenue growth for the County
- Potential sequestration and federal budget cuts not yet known
- A greater number of FCRHA clients have much lower incomes, requiring deeper subsidies for a longer time
- Slow economic recovery has led to less turnover of affordable housing
- Aging properties

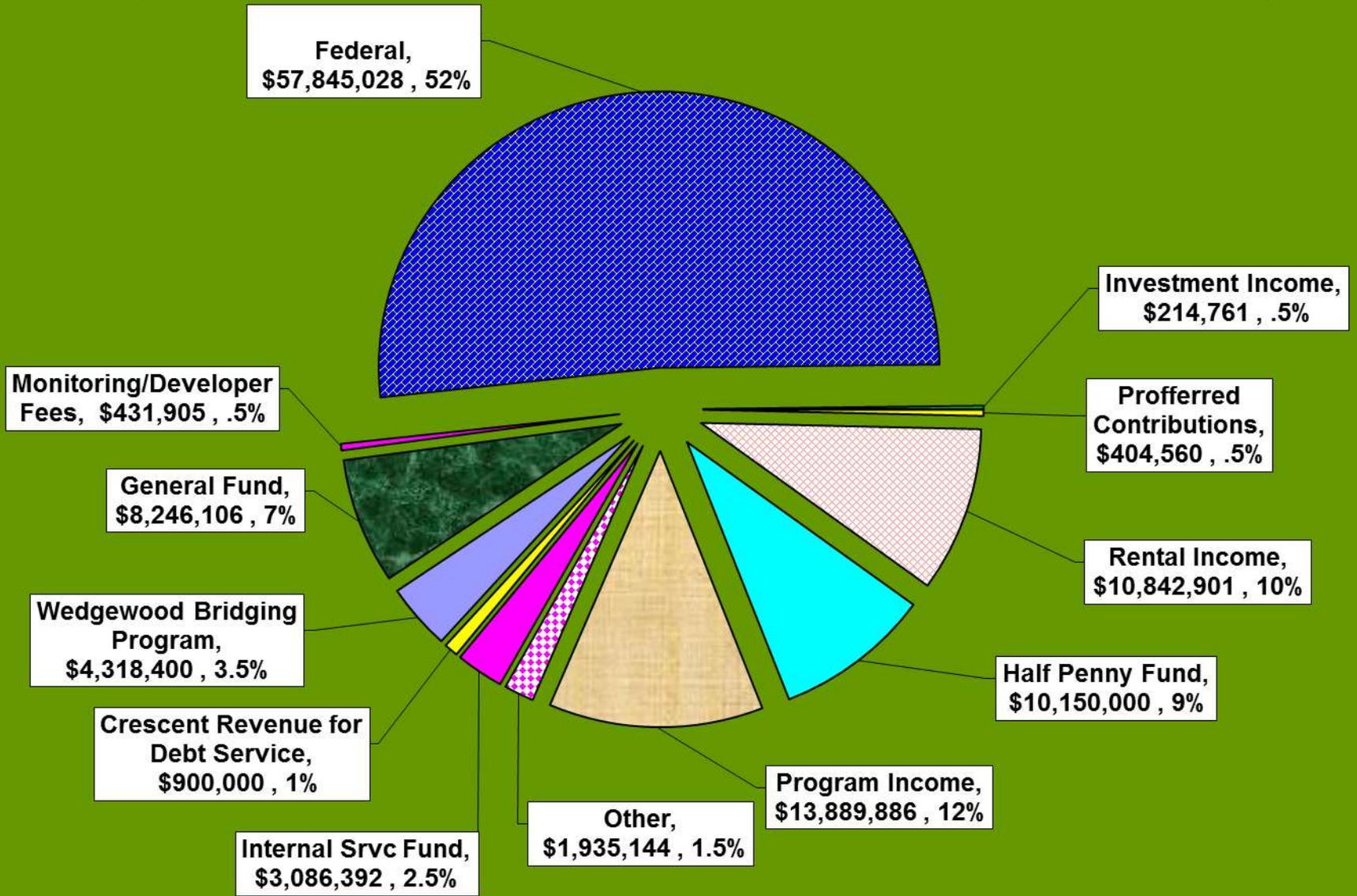
FY 2014 Budget Development Guidelines

- County-supported program budgets based on FY 2013 Adopted Budget funding level
- County General Fund supported agency's required to submit reduction recommendations equal to 5% of each agency's General Fund Operating budgets.
 - HCD Target Reduction Amount = \$386,555
 - Recommendations include:
 - Transfer one merit Administrative Assistant IV from Elderly program to agency's Fairfax County Rental Program budget
 - Transfer one merit Housing Service Specialist IV position from Elderly program to agency's Fairfax County Rental Program budget
 - Transfer one merit Administrative Assistant IV from General Fund to agency's FCRHA fund
 - Eliminate remaining General Fund refuse disposal budget
- Baseline budgeting concept applied to all FCRHA funds as appropriate
 - Submitted a balanced budget for Fund 940, FCRHA Operating; transferred one merit Housing Community Developer II position to Rental Services program
 - Required to utilize Public Housing operating reserves to balance program budget
 - HUD recapture of operating reserves in FY 2013

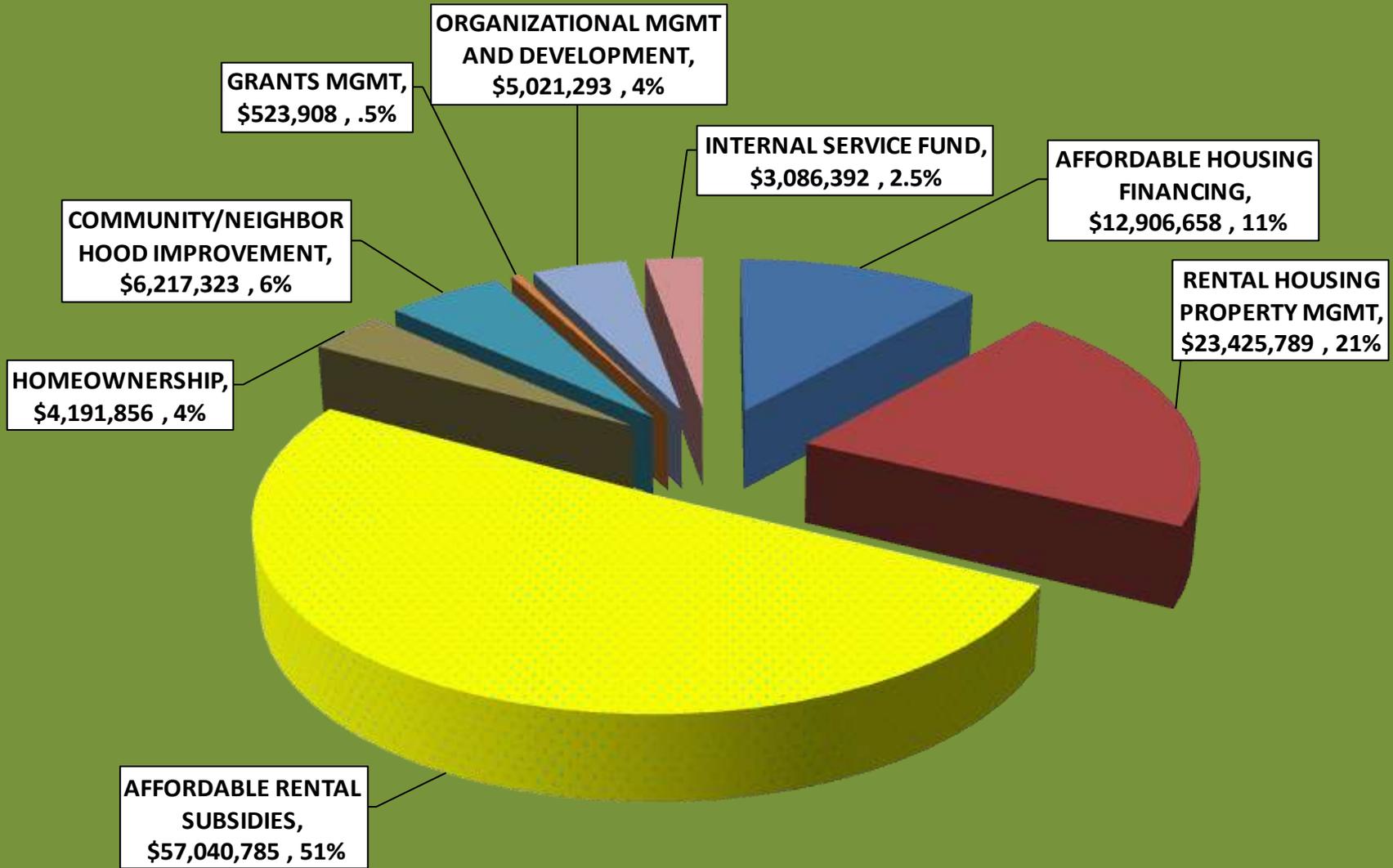
FY 2014 Budget Development Guidelines

- Annual salaries held to FY 2013 level
 - FY 2014 budget will be based on FY 2013 salary level annualized to reflect the two pay adjustments received in FY 2013
 - 2.18% market rate adjustment received in July 2012
 - 2.5 % performance-based increase effective January 2013

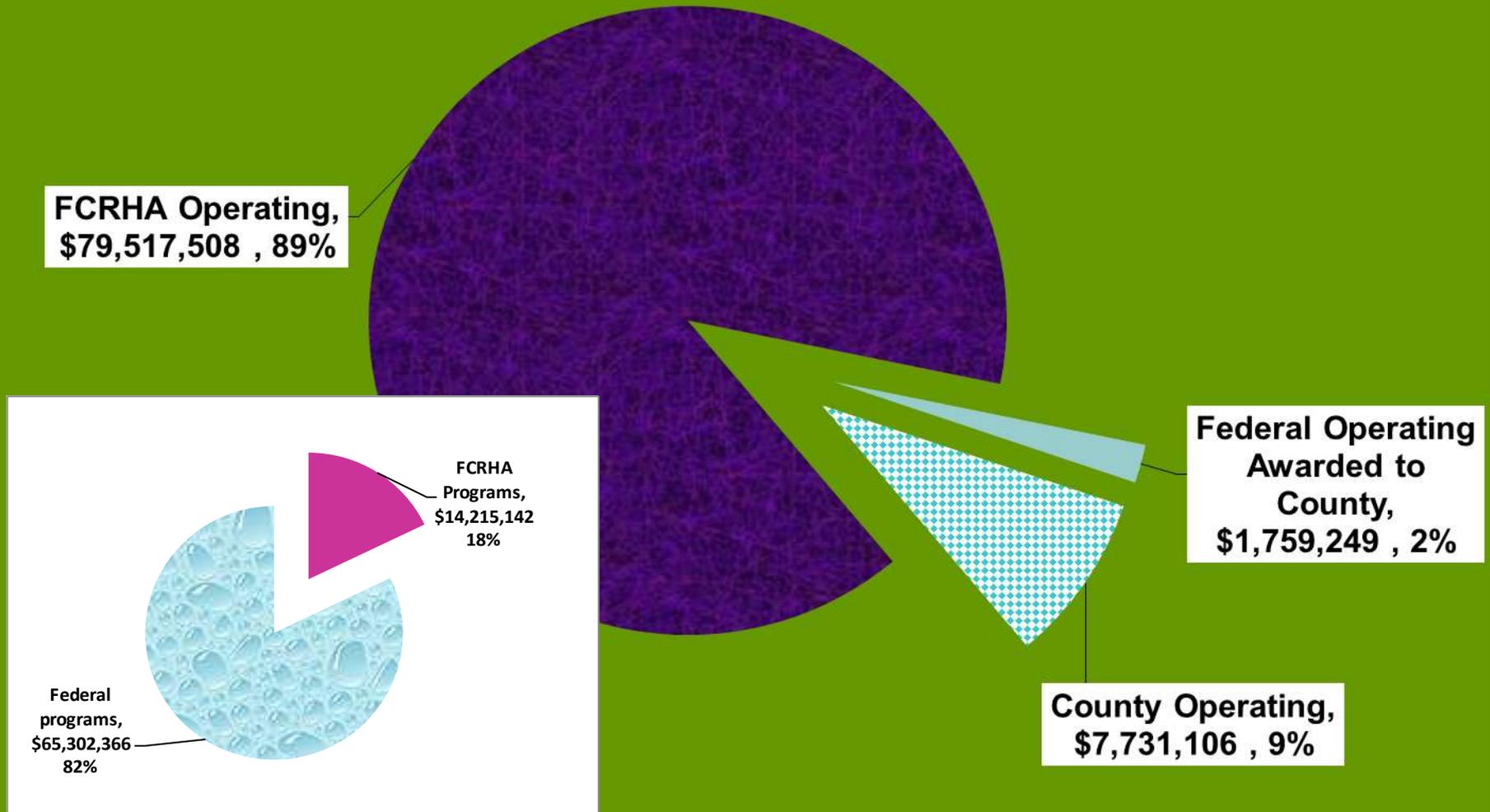
FY 2014 PROPOSED REVENUE BUDGET = \$112,265,083



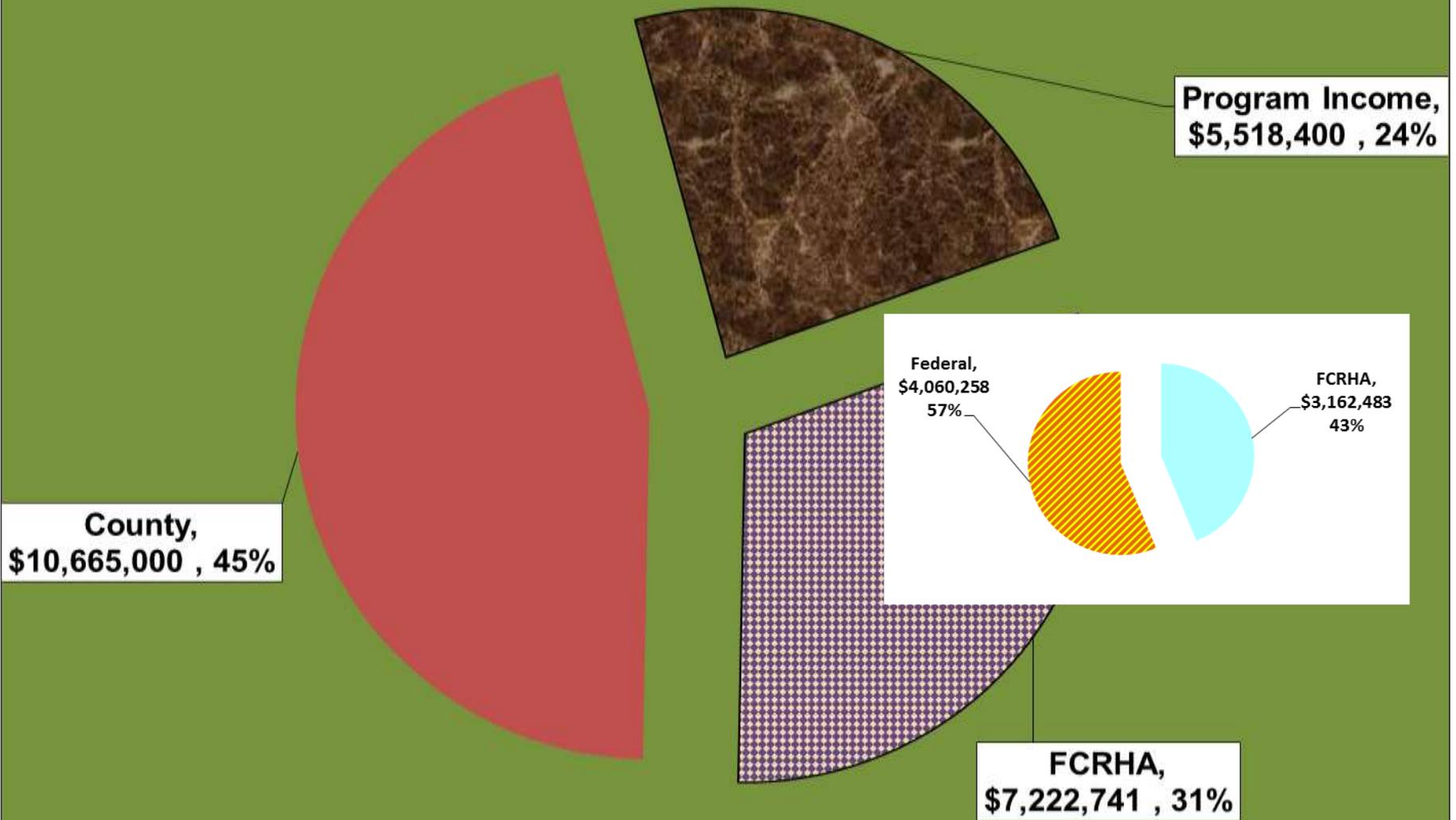
FY 2014 PROPOSED BUDGET EXPENDITURES BY PROGRAM AREA = \$112,414,004



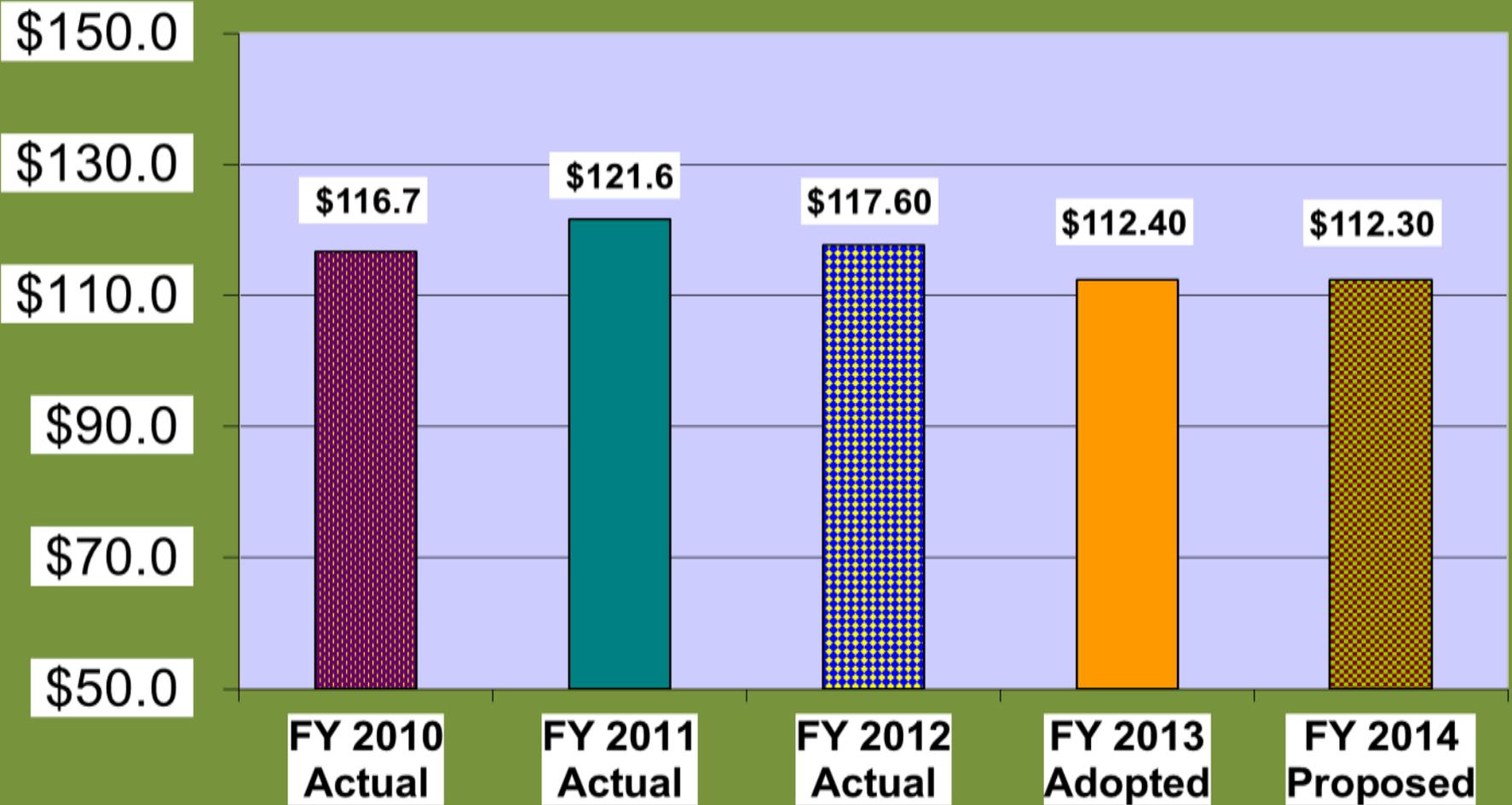
FY 2014 PROPOSED OPERATING EXPENDITURE BUDGET FOR PROGRAMS AND SERVICES = \$89,007,863



FY 2014 PROPOSED CAPITAL BUDGET = \$23,406,141

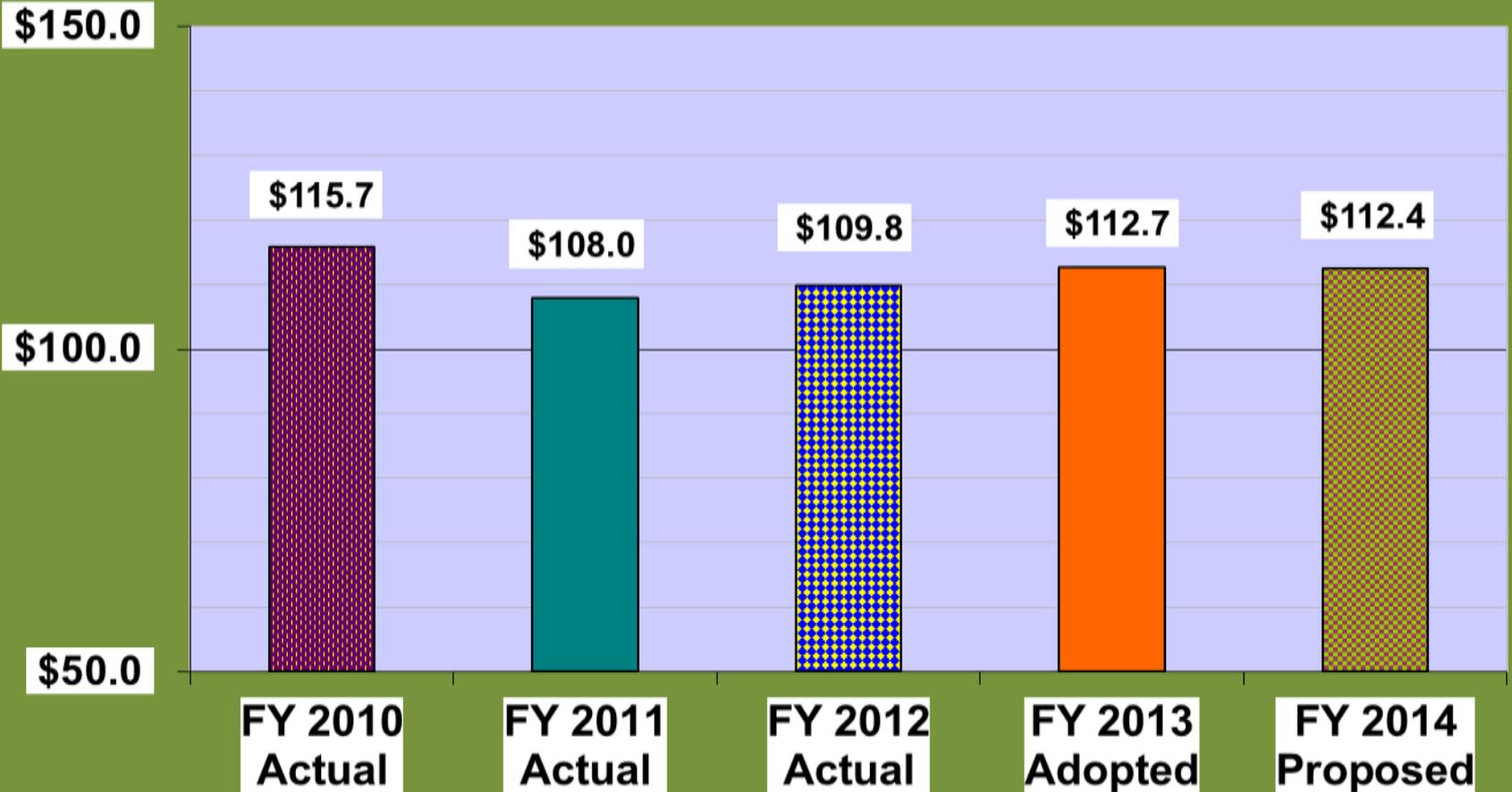


FIVE YEAR REVENUE COMPARISON



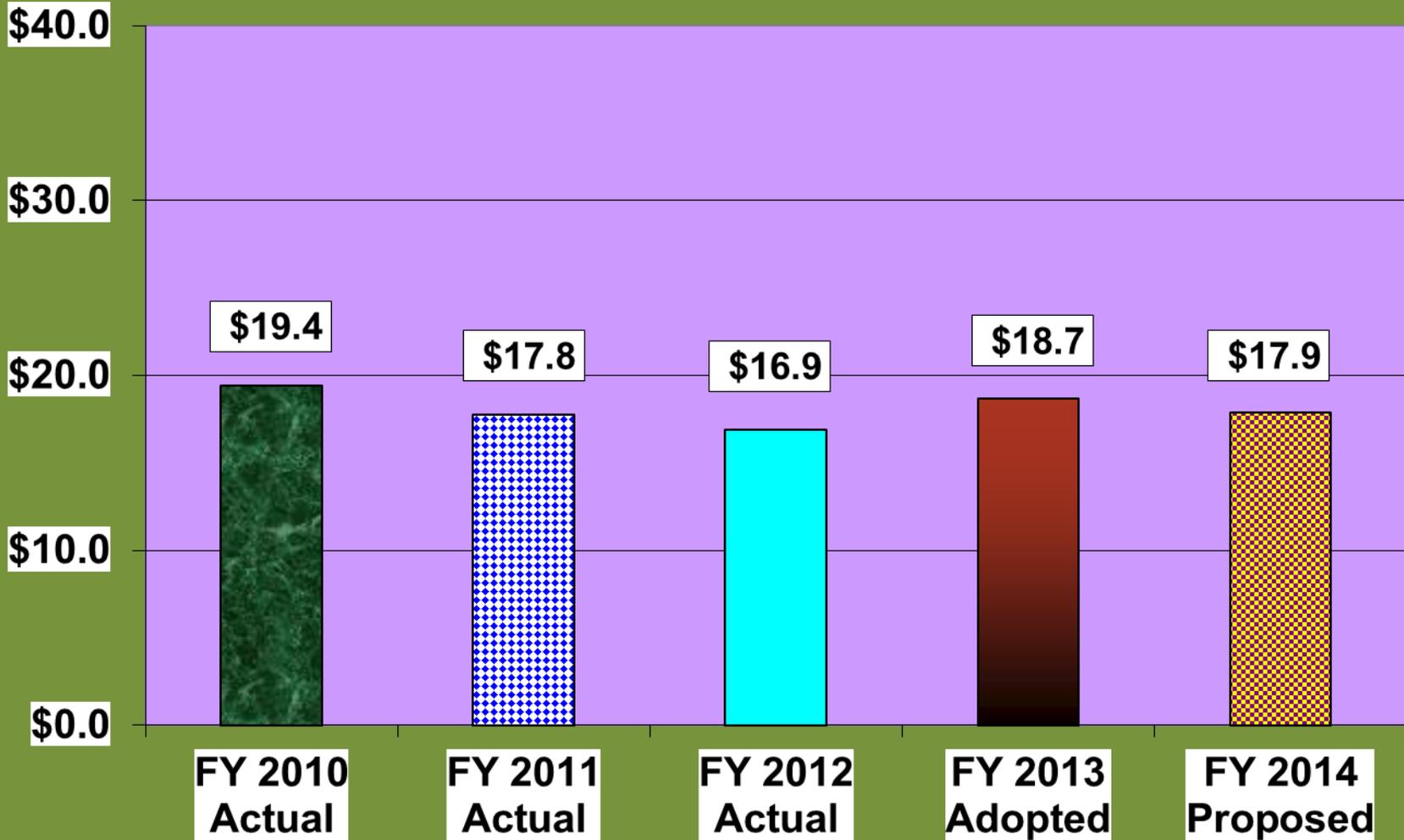
Dollars in millions

FIVE YEAR EXPENDITURE ANALYSIS



Dollars in millions

FIVE YEAR COUNTY CONTRIBUTION COMPARISON (OPERATING AND CAPITAL)



Dollars in millions

Recommended FCRHA Multi-Year Budget Strategies

- Revenue Strategies:
 - Funds raised through Public/Private Partnerships should be redirected to support future affordable housing efforts
 - Fee income could be raised by charging origination fees for AHPP loans (and waived if FCRHA bonds are used)
- Expenditure Considerations:
 - Seek to reduce operating costs at properties through energy-saving improvements; reducing overtime costs; and exploring more self-maintenance on the part of residents
 - Eliminate the Home Improvement Loan Program by FY15
 - Utilize MTW designation to create efficiencies

FY 2014 Strategic Plan Highlights

Highlights of the adopted Fairfax County Redevelopment and Housing Authority (FCRHA) Strategic Plan – Action Plan for FY 2014 include:

- Implementation of metrics associated with the Housing Blueprint, including the Bridging Affordability program;
- Implementation of HUD “Moving to Work” designation;
- Continuation of the First-Time Homebuyer Program;
- Management of the FCRHA’s three principal rental housing and tenant subsidy programs – the federally-funded Public Housing and Housing Choice Voucher programs, and the Fairfax County Rental Program (FCRP); and
- Rehabilitation/modernization of FCRHA-owned Public Housing units.

The full Strategic Plan-Action Plan for FY 2014 can be viewed at:
<http://www.fairfaxcounty.gov/rha/strategicplan/>

Next Steps

- FY 2014 Budget Calendar

Release of the County's FY 2014 Advertised Budget Plan	February 26, 2013
Board of Supervisors' Meeting: FY 2013 Third Quarter	March 5, 2013
Public Hearing on FY 2014 Budget - Board Auditorium - Govt. Center	April 9, 2013
Public Hearing on FY 2014 Budget - Board Auditorium - Govt. Center	April 10, 2013
Public Hearing on FY 2014 Budget - Board Auditorium - Govt. Center	April 11, 2013
FY 2014 Board Budget Mark-up and Approval of FY 2013 Third Quarter	April 23, 2013
Formal Adoption of the FY 2014 Budget	April 30, 2013
Beginning of FY 2014	July 1, 2013

- June 2013, FCRHA approves agency FY 2014 budget