

# Fund 81000: FCRHA General Operating

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

In FY 2021, revenue projections for this fund are \$3,586,038, an increase of \$915,124 or 34.3 percent over the FY 2020 Adopted Budget Plan amount. The increase in revenue is primarily attributable to higher program and investment income in FY 2021. Expenditures total \$3,343,600, a decrease of \$53,196 or 1.6 percent from the FY 2020 Adopted Budget Plan amount. This decrease is primarily the result of an alignment of spending trends based on FY 2019 actuals.

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 this fund.

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 different 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.

It should also be noted that as a result of an effort to consolidate Housing and Community Development funds as well as combine project financing functions and more effectively leverage resources for financing housing and development projects, Fund 81050, FCRHA Private Financing is being closed and consolidated into Fund 81000. All assets, liabilities and equity associated with Fund 81050, including fund balances, will be transferred to Fund 81000.

## Fund 81000: FCRHA General Operating

### Budget and Staff Resources

Category	FY 2019 Actual	FY 2020 Adopted	FY 2020 Revised	FY 2021 Advertised
<b>FUNDING</b>				
<b>Expenditures:</b>				
Personnel Services	\$2,677,663	\$3,023,561	\$3,023,561	\$3,147,902
Operating Expenses	117,167	648,235	1,661,095	260,349
Capital Equipment	24,045	0	483,739	210,349
<b>Subtotal</b>	<b>\$2,818,875</b>	<b>\$3,671,796</b>	<b>\$5,168,395</b>	<b>\$3,618,600</b>
Less:				
Recovered Costs	(\$295,114)	(\$275,000)	(\$275,000)	(\$275,000)
<b>Total Expenditures</b>	<b>\$2,523,761</b>	<b>\$3,396,796</b>	<b>\$4,893,395</b>	<b>\$3,343,600</b>
<b>AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)</b>				
Regular	26 / 26	26 / 26	26 / 26	26 / 26

### FY 2021 Funding Adjustments

The following funding adjustments from the FY 2020 Adopted Budget Plan are necessary to support the FY 2021 program:

#### Employee Compensation \$93,411

An increase of \$93,411 in Personnel Services includes \$56,164 for a 2.06 percent market rate adjustment (MRA) for all employees and \$37,247 for performance-based and longevity increases for non-uniformed merit employees, both effective July 2020.

#### Other Post-Employment Benefits (\$18,388)

A decrease of \$18,388 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, in Volume 2 of the FY 2021 Advertised Budget Plan.

#### Other Operating Adjustments (\$338,568)

A net decrease of \$338,568 includes a decrease of \$387,886 in Operating Expenses based on an alignment of actual spending trends, partially offset by an increase of \$49,318 in Personnel Services due to an effort to align Housing and Community Development positions based on actual spending experience and programmatic operations.

#### Capital Projects \$210,349

An increase of \$210,349 is included to support capital renovations of the elevators and bathrooms at the Pender Building to ensure ADA compliance, as well as support for financing critical capital projects resulting from the consolidation of Fund 81050, FCRHA Private Financing into Fund 81000, FCRHA General Operating.

### Changes to FY 2020 Adopted Budget Plan

The following funding adjustments reflect all approved changes in the FY 2020 Revised Budget Plan since passage of the FY 2020 Adopted Budget Plan. Included are all adjustments made as part of the FY 2019 Carryover Review, and all other approved changes through December 31, 2019.

#### Carryover Adjustments \$1,496,599

As part of the FY 2019 Carryover Review, the Board of Supervisors approved encumbered carryover of \$1,496,599 primarily supporting the Down Payment Assistance Program.

## Position Detail

The FY 2021 Advertised Budget Plan includes the following positions:

FAIRFAX COUNTY REDEVELOPMENT AND HOUSING AUTHORITY GENERAL OPERATING - 26 Positions			
<b>Organizational Management &amp; Development</b>			
2	Financial Specialists IV	1	Information Officer II
1	Housing/Community Developer IV	1	Housing/Community Developer II
1	Accountant III	1	Planning Tech II
1	Management Analyst III	1	Administrative Assistant IV
2	Accountants II	1	Administrative Assistant II
<b>Rental Housing Property Management</b>			
1	HCD Division Director	1	Administrative Assistant III
2	Housing/Community Developers III	1	Administrative Assistant II
1	Housing Services Specialist IV		
<b>Affordable Housing Finance</b>			
1	Housing/Community Developer IV		
<b>Grants Management</b>			
1	Housing/Community Developer III		
<b>Homeownership Program</b>			
2	Housing/Community Developers III		
<b>Community/Neighborhood Improvement</b>			
1	HCD Division Director	2	Housing/Community Developers IV
1	Housing/Community Developer V		

## Fund 81000: FCRHA General Operating

### FUND STATEMENT

Category	FY 2019 Actual	FY 2020 Adopted Budget Plan	FY 2020 Revised Budget Plan	FY 2021 Advertised Budget Plan <sup>1</sup>
<b>Beginning Balance<sup>2</sup></b>	<b>\$13,725,738</b>	<b>\$12,798,775</b>	<b>\$25,521,728</b>	<b>\$31,617,435</b>
<b>Revenue:</b>				
Investment Income	\$1,009,821	\$82,596	\$82,596	\$480,899
Monitoring/Developer Fees	1,744,527	402,183	402,183	405,191
Rental Income	82,651	82,651	82,651	0
Program Income	3,194,722	1,928,047	1,928,047	2,395,921
Other Income <sup>3</sup>	8,288,030	175,437	175,437	304,027
<b>Total Revenue</b>	<b>\$14,319,751</b>	<b>\$2,670,914</b>	<b>\$2,670,914</b>	<b>\$3,586,038</b>
<b>Total Available</b>	<b>\$28,045,489</b>	<b>\$15,469,689</b>	<b>\$28,192,642</b>	<b>\$35,203,473</b>
<b>Expenditures:</b>				
Personnel Services	\$2,677,663	\$3,023,561	\$3,023,561	\$3,147,902
Operating Expenses	117,167	648,235	1,661,095	260,349
Capital Outlay	24,045	0	483,739	210,349
Recovered Cost	(295,114)	(275,000)	(275,000)	(275,000)
<b>Total Expenditures</b>	<b>\$2,523,761</b>	<b>\$3,396,796</b>	<b>\$4,893,395</b>	<b>\$3,343,600</b>
<b>Total Disbursements</b>	<b>\$2,523,761</b>	<b>\$3,396,796</b>	<b>\$4,893,395</b>	<b>\$3,343,600</b>
<b>Ending Balance</b>	<b>\$25,521,728</b>	<b>\$12,072,893</b>	<b>\$23,299,247</b>	<b>\$31,859,873</b>
Debt Service Reserve	\$5,307,178	\$0	\$5,307,178	\$5,307,178
FCRHA Restricted Reserves	15,744,434	7,600,755	15,744,434	15,774,434
FCRHA Operating Reserves	4,470,116	4,264,775	2,247,635	2,460,073
FCRHA Private Financing Reserve	0	0	0	8,318,188
Unreserved Ending Balance	0	207,363	0	0

<sup>1</sup> Fund 81050, FCRHA Private Financing, was consolidated into Fund 81000, FCRHA General Operating. All assets, liabilities and equity associated with Fund 81050 will be transferred into Fund 81000.

<sup>2</sup> FY 2021 Advertised Beginning Balance includes a fund balance of \$8,318,188 as a result of Fund 81050, FCRHA Private Financing being consolidated into Fund 81000.

<sup>3</sup> In order to account for revenues and expenditures in the proper fiscal year, audit adjustments have been reflected as an increase of \$104,945.18 to FY 2019 revenues to record revenue accrual adjustments. This audit adjustment was included in FY 2019 Comprehensive Annual Financial Report (CAFR). Details of the audit adjustments will be included in the FY 2020 Third Quarter Package.