

# 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 (FCRHA) 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 housing programs.

In FY 2023, revenue projections for this fund are \$3,280,256, a decrease of \$345,943 or 9.5 percent from the FY 2022 Adopted Budget Plan amount. The decrease in revenue is primarily attributable to lower investment and management fee income in FY 2023. FY 2023 expenditures total \$4,721,804, a decrease of \$1,485,851 or 23.9 percent from the FY 2022 Adopted Budget Plan amount. This decrease is primarily the result of lower personnel and program expenses as well as debt payments in FY 2023.

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.

The FCRHA General Operating fund also includes the Private Financing program, which allows funds to be used effectively to leverage resources for financing housing and development projects.

## Budget and Staff Resources

Category	FY 2021 Actual	FY 2022 Adopted	FY 2022 Revised	FY 2023 Advertised	FY 2023 Adopted
<b>FUNDING</b>					
<b>Expenditures:</b>					
Personnel Services	\$2,232,023	\$3,870,668	\$3,893,284	\$3,399,218	\$3,399,218
Operating Expenses	2,914,246	2,692,242	4,504,083	1,148,782	1,148,782
Capital Equipment	93,320	200,000	8,383,919	550,000	550,000
<b>Subtotal</b>	<b>\$5,239,589</b>	<b>\$6,762,910</b>	<b>\$16,781,286</b>	<b>\$5,098,000</b>	<b>\$5,098,000</b>
Less:					
Recovered Costs	(\$278,906)	(\$555,255)	(\$555,255)	(\$376,196)	(\$376,196)
<b>Total Expenditures</b>	<b>\$4,960,683</b>	<b>\$6,207,655</b>	<b>\$16,226,031</b>	<b>\$4,721,804</b>	<b>\$4,721,804</b>
<b>AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)</b>					
Regular	26 / 26	28 / 28	24 / 24	25 / 25	24 / 24

### FY2023 Funding Adjustments

*The following funding adjustments from the FY 2022 Adopted Budget Plan are necessary to support the FY 2023 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 May 10, 2022.*

**Employee Compensation** **\$236,291**

An increase of \$236,291 in Personnel Services includes \$138,296 for a 4.01 percent market rate adjustment (MRA) for all employees and \$29,089 for performance-based and longevity increases for non-uniformed merit employees, both effective July 2022. The remaining increase of \$68,906 is included for employee pay increases for specific job classes identified in the County's benchmark class survey of comparator jurisdictions.

**Other Operating Adjustments** **(\$2,239,377)**

A decrease of \$2,239,377 comprises \$695,917 in Personnel Services and \$1,543,460 in Operating Expenses due to lower than anticipated program expenses in FY 2023 as a result of HCD shifting its property management functions to third-party management in FY 2022.

**Other Post-Employment Benefits** **(\$11,824)**

A decrease of \$11,824 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 2023 Adopted Budget Plan.

**Capital Projects** **\$350,000**

An increase of \$350,000 in Capital Projects, for a total of \$550,000 in FY 2023, is included to support capital renovation projects at the Pender building and on-going Americans with Disabilities Act (ADA) compliances.

**Implement Work Performed for Others (WPFO) for Development Staff** **\$179,059**

A decrease of \$179,059 in WPFO reflects reduced anticipated reimbursements of personnel expenditures for staff working on capital and development projects in FY 2023.

### Changes to FY 2022 Adopted Budget Plan

*The following funding adjustments reflect all approved changes in the FY 2022 Revised Budget Plan since passage of the FY 2022 Adopted Budget Plan. Included are all adjustments made as part of the FY 2021 Carryover Review, FY 2022 Mid-Year Review, FY 2022 Third Quarter Review, and all other approved changes through April 30, 2022.*

**Carryover Adjustments** **\$8,307,980**

As part of the *FY 2021 Carryover Review*, the Board of Supervisors approved funding of \$8,307,980, including \$22,616 in Personnel Services for a one-time compensation adjustment of \$1,000 for merit employees and \$500 for non-merit employees paid in November 2021. The remaining amount of \$8,285,364 is due to increases of \$4,726,872 based on actual revenues received in FY 2021 reimbursed to the Private Financing Project to support Mount Vernon Community Center and Murraygate Village Apartments and \$3,558,492 in encumbered carryover.

**Third Quarter Adjustments** **\$1,710,396**

As part of the *FY 2022 Third Quarter Review*, the Board of Supervisors approved funding of \$1,710,396 due to an appropriation to the Private Financing Project for the continued acquisition of land and associated closing costs and a contribution to Fund 50810, HOME Investment Partnerships Program, to support the reconciliation of past financial statements.

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**Position Adjustments** **\$0**

As part of an internal review of positions in the Department of Housing and Community Development, 3/3.0 FTE positions were abolished based on anticipated program needs in FY 2022. Additionally, 1/1.0 FTE position was transferred to Fund 81510, Housing Choice Voucher Program to support program operations.

## Position Detail

*The FY 2023 Adopted Budget Plan includes the following positions:*

FAIRFAX COUNTY REDEVELOPMENT AND HOUSING AUTHORITY GENERAL OPERATING - 24 Positions			
<b>Organizational Management &amp; Development</b>			
1	Accountant III	1	Housing Services Specialist II
1	Management Analyst III	1	Accountant II
1	Housing/Community Developer IV	1	Administrative Assistant II
<b>Rental Housing Property Management</b>			
2	HCD Division Directors	1	Financial Specialist III
3	Housing/Community Developers IV	1	Housing/Community Developer II
1	Housing Services Specialist V	1	Administrative Assistant IV
2	Management Analysts III		
<b>Homeownership Program</b>			
1	Housing/Community Developer III		
<b>Community/Neighborhood Improvement</b>			
1	HCD Division Director	1	Housing/Community Developer III
1	Housing/Community Developer V	1	Planning Technician II
2	Housing/Community Developers IV		

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## FUND STATEMENT

Category	FY 2021 Actual	FY 2022 Adopted Budget Plan	FY 2022 Revised Budget Plan	FY 2023 Advertised Budget Plan	FY 2023 Adopted Budget Plan
<b>Beginning Balance</b>	<b>\$28,238,689</b>	<b>\$24,800,771</b>	<b>\$31,588,486</b>	<b>\$20,699,050</b>	<b>\$18,988,654</b>
<b>Revenue:</b>					
Investment Income	\$102,655	\$348,924	\$348,924	\$104,477	\$104,477
Monitoring/Developer Fees	2,314,537	453,425	453,425	526,921	526,921
Rental Income	85,130	0	0	0	0
Program Income	2,325,544	2,662,020	2,662,020	2,456,670	2,456,670
Other Income	255,742	161,830	161,830	192,188	192,188
<b>Total Revenue</b>	<b>\$5,083,608</b>	<b>\$3,626,199</b>	<b>\$3,626,199</b>	<b>\$3,280,256</b>	<b>\$3,280,256</b>
<b>Transfers In:</b>					
General Fund (10001)	\$3,226,872	\$0	\$0	\$0	\$0
<b>Total Transfers In</b>	<b>\$3,226,872</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Total Available</b>	<b>\$36,549,169</b>	<b>\$28,426,970</b>	<b>\$35,214,685</b>	<b>\$23,979,306</b>	<b>\$22,268,910</b>
<b>Expenditures:</b>					
Personnel Services	\$2,232,023	\$3,870,668	\$3,893,284	\$3,399,218	\$3,399,218
Operating Expenses	2,914,246	2,692,242	4,504,083	1,148,782	1,148,782
Capital Equipment	93,320	200,000	8,383,919	550,000	550,000
Recovered Cost	(278,906)	(555,255)	(555,255)	(376,196)	(376,196)
<b>Total Expenditures</b>	<b>\$4,960,683</b>	<b>\$6,207,655</b>	<b>\$16,226,031</b>	<b>\$4,721,804</b>	<b>\$4,721,804</b>
<b>Total Disbursements</b>	<b>\$4,960,683</b>	<b>\$6,207,655</b>	<b>\$16,226,031</b>	<b>\$4,721,804</b>	<b>\$4,721,804</b>
<b>Ending Balance</b>	<b>\$31,588,486</b>	<b>\$22,219,315</b>	<b>\$18,988,654</b>	<b>\$19,257,502</b>	<b>\$17,547,106</b>
Debt Service Reserve	\$5,002,128	\$4,664,133	\$4,394,445	\$3,388,445	\$4,394,445
FCRHA Restricted Reserves	8,600,755	9,609,417	8,600,755	8,050,755	8,600,755
FCRHA Operating Reserves	7,885,052	945,214	2,932,318	4,957,166	1,490,770
FCRHA Private Financing Reserve	4,726,872	3,226,872	0	0	0
FCRHA Project Reserve	5,373,679	3,773,679	3,061,136	2,861,136	3,061,136
<b>Unreserved Ending Balance</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>