

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 2024, revenue projections for this fund are \$4,193,981, an increase of \$913,725 or 27.9 percent from the FY 2023 Adopted Budget Plan amount. The increase in revenue is primarily attributable to the One University land lease revenue of \$700,000. FY 2024 expenditures total \$3,771,383, a decrease of \$950,421 or 20.1 percent from the FY 2023 Adopted Budget Plan amount. This decrease is primarily the result of lower personnel and program expenses as well as debt payments in FY 2024.

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 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.

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.

Budget and Staff Resources

Category	FY 2022 Actual	FY 2023 Adopted	FY 2023 Revised	FY 2024 Advertised	FY 2024 Adopted
FUNDING					
Expenditures:					
Personnel Services	\$1,782,771	\$3,399,218	\$3,399,218	\$2,922,173	\$3,031,887
Operating Expenses	915,078	1,148,782	4,957,445	972,612	972,612
Capital Equipment	1,500,314	550,000	9,998,883	50,000	50,000
Subtotal	\$4,198,163	\$5,098,000	\$18,355,546	\$3,944,785	\$4,054,499
Less:					
Recovered Costs	(\$218,469)	(\$376,196)	(\$376,196)	(\$283,116)	(\$283,116)
Total Expenditures	\$3,979,694	\$4,721,804	\$17,979,350	\$3,661,669	\$3,771,383
AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)					
Regular	24 / 24	24 / 24	21 / 21	21 / 21	21 / 21

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FY 2024 Funding Adjustments

The following funding adjustments from the FY 2023 Adopted Budget Plan are necessary to support the FY 2024 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 9, 2023.

Employee Compensation **\$216,607**

An increase of \$216,607 in Personnel Services includes \$173,501 for a 5.44 percent market rate adjustment (MRA) for all employees and \$34,330 for performance-based and longevity increases for non-uniformed merit employees, both effective July 2023. The remaining increase of \$8,776 is included to support employee retention and recruitment efforts that will reduce pay compression and align the County's pay structures with the market based on benchmark data.

Other Operating Adjustments **(\$752,310)**

A decrease of \$752,310 comprises \$576,140 in Personnel Services and \$176,170 in Operating Expenses due to lower than anticipated program expenses in FY 2024.

Other Post-Employment Benefits **(\$7,798)**

A decrease of \$7,798 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 2024 Adopted Budget Plan.

Capital Projects **(\$500,000)**

A decrease of \$500,000 in Capital Projects, for a total of \$50,000 in FY 2024, is included to support capital renovation projects at the Pender building.

Implement Work Performed for Others (WPFO) for Development Staff **\$93,080**

A decrease of \$93,080 in WPFO reflects reduced anticipated reimbursements of personnel expenditures for staff working on capital and development projects in FY 2024.

Changes to FY 2023 Adopted Budget Plan

The following funding adjustments reflect all approved changes in the FY 2023 Revised Budget Plan since passage of the FY 2023 Adopted Budget Plan. Included are all adjustments made as part of the FY 2022 Carryover Review, FY 2023 Third Quarter Review, and all other approved changes through April 30, 2023.

Carryover Adjustments **\$12,043,927**

As part of the FY 2022 Carryover Review, the Board of Supervisors approved funding of \$12,043,927 due to increases of \$9,029,682 in the Private Financing Project to support planned capital projects, \$1,500,000 as a loan to the Little River Glen project to support financing in FY 2023, \$1,308,883 in encumbered carryover, \$105,142 to support ADA and HVAC projects at the Pender Building, and \$100,220 for maintenance at the Original Mount Vernon High School (OMVHS).

Out-of-Cycle Adjustments **\$1,213,619**

An increase of \$1,213,619 supports two out-of-cycle adjustments including \$1,000,000 for an additional loan to the Little River Glen project to support financing in FY 2023 and \$213,619 to support energy efficiency projects at the Pender Building.

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 2023.

Position Detail

The FY 2024 Adopted Budget Plan includes the following positions:

FAIRFAX COUNTY REDEVELOPMENT AND HOUSING AUTHORITY GENERAL OPERATING - 21 Positions			
Organizational Management & Development			
1	Planner V	1	Accountant II
1	Management Analyst III	1	Housing Services Specialist II
1	Accountant III	1	Administrative Assistant II
Rental Housing Property Management			
3	Housing/Community Developers IV	1	Financial Specialist III
1	Housing Services Specialist V	1	Management Analyst II
2	Management Analysts III	1	Administrative Assistant IV
Homeownership Program			
1	Housing/Community Developer III		
Community/Neighborhood Improvement			
1	Housing/Community Developer V	1	Housing/Community Developer III
2	Housing/Community Developers IV	1	Planning Technician II

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FUND STATEMENT

Category	FY 2022 Actual	FY 2023 Adopted Budget Plan	FY 2023 Revised Budget Plan	FY 2024 Advertised Budget Plan	FY 2024 Adopted Budget Plan
Beginning Balance	\$31,588,486	\$18,988,654	\$34,162,671	\$20,297,719	\$20,084,100
Revenue:					
Investment Income	\$21,929	\$104,477	\$25,000	\$21,929	\$21,929
Monitoring/Developer Fees	703,991	526,921	526,921	459,325	459,325
Rental Income	380,108	0	700,000	700,000	700,000
Program Income ¹	2,976,515	2,456,670	2,456,670	2,900,168	2,900,168
Other Income	2,471,336	192,188	192,188	112,559	112,559
Total Revenue	\$6,553,879	\$3,280,256	\$3,900,779	\$4,193,981	\$4,193,981
Total Available	\$38,142,365	\$22,268,910	\$38,063,450	\$24,491,700	\$24,278,081
Expenditures:					
Personnel Services	\$1,782,771	\$3,399,218	\$3,399,218	\$2,922,173	\$3,031,887
Operating Expenses	915,078	1,148,782	4,957,445	972,612	972,612
Capital Equipment	1,500,314	550,000	9,998,883	50,000	50,000
Recovered Cost ¹	(218,469)	(376,196)	(376,196)	(283,116)	(283,116)
Total Expenditures	\$3,979,694	\$4,721,804	\$17,979,350	\$3,661,669	\$3,771,383
Total Disbursements	\$3,979,694	\$4,721,804	\$17,979,350	\$3,661,669	\$3,771,383
Ending Balance	\$34,162,671	\$17,547,106	\$20,084,100	\$20,830,031	\$20,506,698
Debt Service Reserve	\$5,618,896	\$4,394,445	\$4,394,445	\$4,652,180	\$4,394,445
FCRHA Restricted Reserves	8,600,755	8,600,755	8,600,755	8,050,755	8,600,755
FCRHA Operating Reserves	5,597,689	1,490,770	491,679	334,409	914,277
FCRHA Legal Reserve	995,347	0	995,347	995,347	995,347
FCRHA Private Financing Reserve	6,890,802	0	0	3,646,780	0
FCRHA Project Reserve	6,459,182	3,061,136	5,601,874	3,150,560	5,601,874
Unreserved Ending Balance	\$0	\$0	\$0	\$0	\$0

¹ In order to account for revenues and expenditures in the proper fiscal year, audit adjustments have been reflected as an increase of \$293,676.00 to FY 2022 revenues and a decrease of \$29,997.00 to FY 2022 expenditures to accurately record revenue and expenditure accruals. The Annual Comprehensive Financial Report (ACFR) reflects all audit adjustments in FY 2022. Details of the audit adjustments were included in the FY 2023 *Third Quarter Review*.