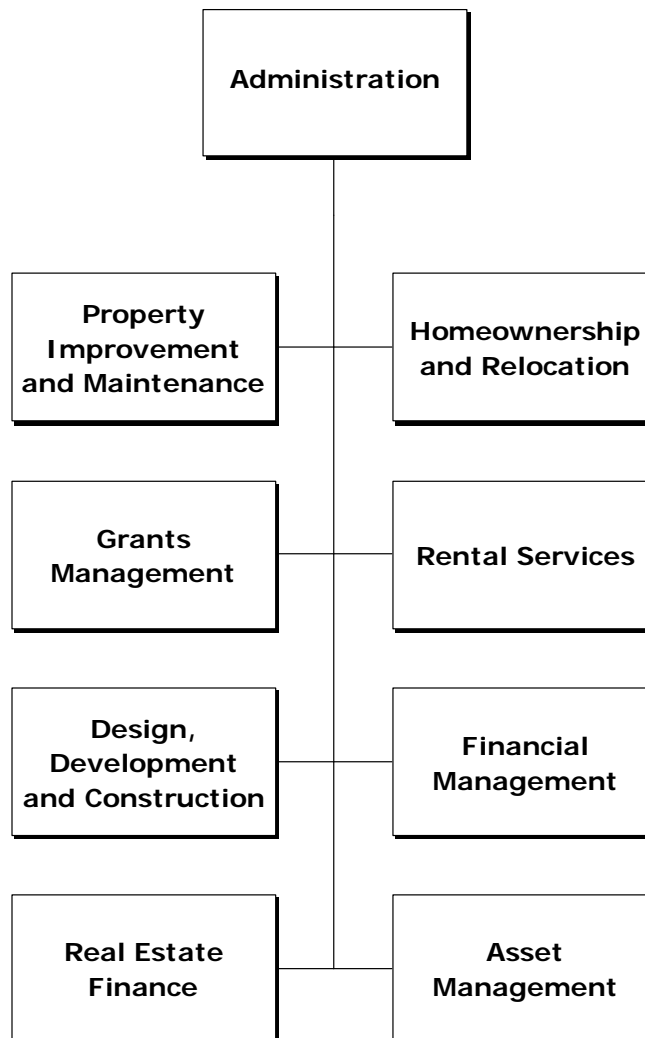


Fund 81000

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 (FCHRA). Driven by community vision, to lead efforts to revitalize older 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 many or all of the housing programs.

Fund 81000

Fairfax County Redevelopment and Housing Authority General Operating

In FY 2018, revenue projections for this fund are \$2,884,666, a decrease of \$198,309 or 6.4 percent of the FY 2017 Adopted Budget Plan amount. The decrease in revenue is primarily due to an alignment of Program Income with actual experience. Expenditures are \$3,241,942, a decrease of \$273,887 or 7.8 percent less than the FY 2017 Adopted Budget Plan amount. This decrease is primarily due to adjustments related to project-based budgeting requirements, reduced debt service requirements associated with the early payoff of the mortgage on the administrative building, and the implementation of charging for development staff costs to projects.

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.

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.

Budget and Staff Resources

Category	FY 2016 Actual	FY 2017 Adopted	FY 2017 Revised	FY 2018 Advertised	FY 2018 Adopted
FUNDING					
Expenditures:					
Personnel Services	\$2,532,244	\$2,837,775	\$2,647,776	\$2,830,761	\$2,830,761
Operating Expenses	1,311,659	678,054	1,588,990	566,289	566,289
Capital Equipment	0	0	779,000	0	0
Subtotal	\$3,843,903	\$3,515,829	\$5,015,766	\$3,397,050	\$3,397,050
Less:					
Recovered Costs	\$0	\$0	\$0	(\$155,108)	(\$155,108)
Total Expenditures	\$3,843,903	\$3,515,829	\$5,015,766	\$3,241,942	\$3,241,942
AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)					
Regular	27 / 27	27 / 27	27 / 27	27 / 27	27 / 27

Fund 81000

Fairfax County Redevelopment and Housing Authority General Operating

<u>ORGANIZATIONAL MANAGEMENT & DEVELOPMENT</u>	<u>RENTAL HOUSING PROPERTY MANAGEMENT</u>	<u>GRANTS MANAGEMENT</u>
1 HCD Division Director	1 Housing Services Specialist IV	1 Housing/Community Developer IV
1 Housing/Community Developer IV	1 Housing/Community Developer III	1 Housing/Community Developer III
1 Financial Specialist IV	1 Administrative Assistant III	
1 Financial Specialist III	1 Administrative Assistant II	<u>HOMEOWNERSHIP PROGRAM</u>
1 Accountant III		1 HCD Division Director
2 Accountants II	<u>AFFORDABLE HOUSING FINANCE</u>	1 Housing/Community Developer V
1 Information Officer II	1 Housing/Community Developer IV	2 Housing/Community Developers III
1 Planning Tech II		<u>COMMUNITY/NEIGHBORHOOD IMPROVEMENT</u>
1 Administrative Assistant V		1 Housing/Community Developer V
3 Administrative Assistants II		2 Housing/Community Developers IV
 TOTAL POSITIONS 27 Positions / 27.0 FTE		

FY 2018 Funding Adjustments

The following funding adjustments from the FY 2017 Adopted Budget Plan are necessary to support the FY 2018 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 2, 2017.

- ◆
Employee Compensation **\$37,794**
 An increase of \$37,794 in Personnel Services is included for performance-based and longevity increases for non-uniformed merit employees effective July 2017.
- ◆
Other Post-Employment Benefits **\$2,456**
 An increase of \$2,456 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 2018 Adopted Budget Plan.
- ◆
Implement Work Performed for Others (WPFO) for Development Staff **(\$155,108)**
 Implementation of \$155,108 in WPFO is associated with selected development staff salaries being charged to FCRHA/HCD projects, similar to the processes used in the Department of Public Works and Environmental Services.
- ◆
Other Operating Adjustments **(\$159,029)**
 A net decrease of \$159,029 comprises \$47,264 in Personnel Services due adjustments associated with project-based budgeting requirements and \$111,765 in Operating Expenses associated with changing program requirements, including the early payoff of debt requirements for the administrative building.

Fund 81000
Fairfax County Redevelopment and
Housing Authority General Operating

Changes to FY 2017 Adopted Budget Plan

The following funding adjustments reflect all approved changes in the FY 2017 Revised Budget Plan since passage of the FY 2017 Adopted Budget Plan. Included are all adjustments made as part of the FY 2016 Carryover Review, FY 2017 Third Quarter Review, and all other approved changes through April 30, 2017.

- ◆ **Carryover Adjustments** **\$1,335,970**
As part of *FY 2016 Carryover Review*, the Board of Supervisors approved an increase \$1,335,970 due to encumbered carryover of \$21,970 for consulting services and the appropriation of \$1,314,000 from the fund balance to address FCRHA infrastructure projects and debt payoff at the Pender Building.

- ◆ **Third Quarter Adjustments** **\$163,967**
As part of the *FY 2017 Third Quarter Review*, expenditures are required to increase a net \$163,967 due to maintenance and operation of vehicles, as well as overhead spread based on audit requirements.

Fund 81000

Fairfax County Redevelopment and Housing Authority General Operating

FUND STATEMENT

Fund 81000, FCRHA General Operating

	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Beginning Balance	\$15,196,815	\$14,226,114	\$14,220,063	\$12,494,758	\$12,728,560
Revenue:					
Investment Income ¹	\$39,713	\$32,064	\$66,196	\$30,615	\$30,615
Monitoring/Developer Fees	420,042	405,205	413,206	461,671	461,671
Rental Income	97,443	85,809	77,906	95,850	95,850
Program Income	2,021,810	2,279,291	1,736,199	2,016,070	2,016,070
Other Income	288,143	280,606	1,230,756	280,460	280,460
Total Revenue	\$2,867,151	\$3,082,975	\$3,524,263	\$2,884,666	\$2,884,666
Total Available	\$18,063,966	\$17,309,089	\$17,744,326	\$15,379,424	\$15,613,226
Expenditures:					
Personnel Services ¹	\$2,532,244	\$2,837,775	\$2,647,776	\$2,830,761	\$2,830,761
Operating Expenses ¹	1,311,659	678,054	1,588,990	566,289	566,289
Capital Outlay	0	0	779,000	0	0
WPFO	0	0	0	(155,108)	(155,108)
Total Expenditures	\$3,843,903	\$3,515,829	\$5,015,766	\$3,241,942	\$3,241,942
Total Disbursements	\$3,843,903	\$3,515,829	\$5,015,766	\$3,241,942	\$3,241,942
Ending Balance²	\$14,220,063	\$13,793,260	\$12,728,560	\$12,137,482	\$12,371,284
Debt Service Reserve on One University Plaza	\$785,000	\$535,000	\$535,000	\$0	\$0
Cash with Fiscal Agent	7,676,108	7,676,108	7,676,108	7,676,108	7,676,108
Unreserved Ending Balance	\$5,758,955	\$5,582,152	\$4,517,452	\$4,461,374	\$4,695,176

¹In order to account for revenues and expenditures in the proper fiscal year, audit adjustments have been reflected as a decrease of \$4,876.37 in FY 2016 revenues and an increase of \$38,643.01 in FY 2016 expenditures to record interest income, payment to bond holders, and to reclassify expenditures and adjust for cost allocation and leave accrual. These audit adjustments were included in the FY 2016 Comprehensive Annual Financial Report (CAFR). Details of the audit adjustments were included in the FY 2017 Third Quarter Package.

²Ending balances fluctuate due to adjustments in revenues and expenditures, as well as the carryover of balances each year.