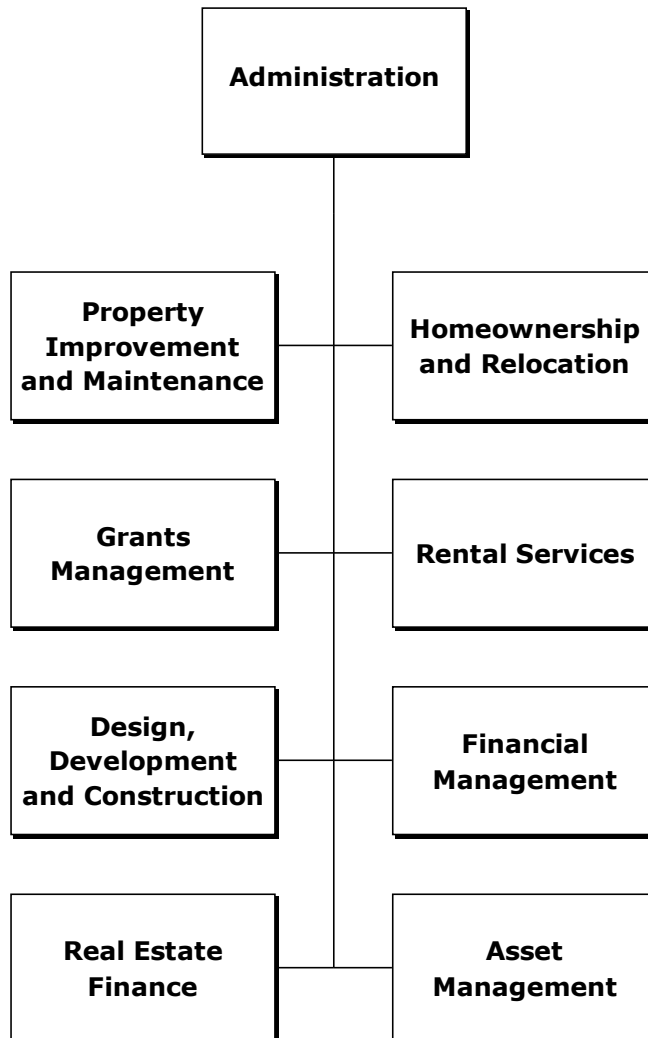


Fund 81000
Fairfax County Redevelopment and
Housing Authority General Operating



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.

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In FY 2019, revenue projections for this fund are \$2,835,380, a decrease of \$49,286 or 1.7 percent from the FY 2018 Adopted Budget Plan amount. The decrease in revenue is primarily attributable to lower monitoring and developer fees and the discontinuation of reimbursement from the Facilities Management Department (FMD) for the Pender building due to the payoff of its mortgage, partially offset by increases in program and investment income. Expenditures total \$3,493,831, an increase of \$251,889 or 7.8 percent higher than the FY 2018 Adopted Budget Plan amount. This increase is primarily due to higher costs for contractual-based services, as well as overhead charges billed from Fund 81060, FCRHA Internal Service Fund.

It should also be noted that due to limited activity in Fund 81020, FCRHA Non-County Appropriated Rehabilitation Loan Program, the fund will be closed in FY 2019 and consolidated into Fund 81000. Following the significant downsizing of the Home Improvement Loan Program, which was supported in Fund 81020, the management of outstanding loans can be accommodated in Fund 81000. All assets, liabilities and equity associated with Fund 81020, including fund balances, will be transferred to Fund 81000.

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.

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Budget and Staff Resources

Category	FY 2017 Actual	FY 2018 Adopted	FY 2018 Revised	FY 2019 Advertised	FY 2019 Adopted
FUNDING					
Expenditures:					
Personnel Services	\$2,517,088	\$2,830,761	\$2,830,761	\$3,017,478	\$3,017,478
Operating Expenses	1,267,704	566,289	600,342	751,353	751,353
Capital Equipment	222,929	0	639,552	0	0
Subtotal	\$4,007,721	\$3,397,050	\$4,070,655	\$3,768,831	\$3,768,831
Less:					
Recovered Costs	\$0	(\$155,108)	(\$155,108)	(\$275,000)	(\$275,000)
Total Expenditures	\$4,007,721	\$3,241,942	\$3,915,547	\$3,493,831	\$3,493,831
AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)					
Regular	27 / 27	27 / 27	27 / 27	27 / 27	27 / 27
ORGANIZATIONAL MANAGEMENT & DEVELOPMENT					
1 HCD Division Director					
1 Housing/Community Developer IV					
2 Financial Specialists IV					
1 Financial Specialist III					
1 Accountant III					
2 Accountants II					
1 Information Officer II					
1 Planning Tech II					
1 Administrative Assistant V					
1 Administrative Assistant II					
RENTAL HOUSING PROPERTY MANAGEMENT					
1 Housing Services Specialist IV					
1 Housing/Community Developer III					
1 Administrative Assistant III					
1 Administrative Assistant II					
AFFORDABLE HOUSING FINANCE					
1 Housing/Community Developer IV					
GRANTS MANAGEMENT					
1 Housing/Community Developer IV					
1 Housing/Community Developer III					
HOMEOWNERSHIP PROGRAM					
1 HCD Division Director					
2 Housing/Community Developers III					
COMMUNITY/NEIGHBORHOOD IMPROVEMENT					
1 HCD Division Director					
1 Housing/Community Developer V					
3 Housing/Community Developers IV					
TOTAL POSITIONS					
27 Positions / 27.0 FTE					

FY 2019 Funding Adjustments

The following funding adjustments from the *FY 2018 Adopted Budget Plan* are necessary to support the FY 2019 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 1, 2018.

- ◆
Employee Compensation **\$99,588**
 An increase of \$99,588 in Personnel Services includes \$58,362 for a 2.25 percent market rate adjustment (MRA) for all employees and \$41,226 for performance-based and longevity increases for non-uniformed merit employees.

- ◆
Other Operating Adjustments **\$185,064**
 An increase of \$185,064 in Operating Expenses is required to support an increase in audit, accounting and contractual services, as well as increased vehicle charges and other operating costs.

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- ◆ **Fringe Benefit Support** \$75,000
An increase of \$75,000 in Personnel Services is required to support increased fringe benefit costs in FY 2019 on projected health insurance premiums and employer contributions to the retirement system.

- ◆ **Other Post-Employment Benefits** \$12,129
An increase of \$12,129 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 2019 Adopted Budget Plan.

- ◆ **Implement Work Performed for Others (WPFO) for Development Staff** (\$119,892)
An increase of \$119,892 in WPFO reflects additional development staff salaries being charged to FCRHA and Housing and Community Development projects.

- ◆ **Fund Consolidation** \$0
As a result of Fund 81020, Non-County Appropriated Rehabilitation Loan Program, being consolidated into Fund 81000, FCRHA General Operating, all assets, liabilities and equity associated with Fund 81020, including a fund balance of \$238,109, are transferred to Fund 81000.

Changes to FY 2018 Adopted Budget Plan

The following funding adjustments reflect all approved changes in the FY 2018 Revised Budget Plan since passage of the FY 2018 Adopted Budget Plan. Included are all adjustments made as part of the FY 2017 Carryover Review, FY 2018 Third Quarter Review, and all other approved changes through April 30, 2018.

- ◆ **Carryover Adjustments** \$673,605
As part of *FY 2017 Carryover Review*, the Board of Supervisors approved an increase \$673,605 due to encumbered carryover.

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FUND STATEMENT

Fund 81000, FCRHA General Operating

	FY 2017 Actual	FY 2018 Adopted Budget Plan	FY 2018 Revised Budget Plan	FY 2019 Advertised Budget Plan ¹	FY 2019 Adopted Budget Plan ¹
Beginning Balance²	\$14,220,063	\$12,728,560	\$13,355,360	\$12,562,588	\$12,562,588
Revenue:					
Investment Income	\$77,653	\$30,615	\$30,615	\$70,000	\$70,000
Monitoring/Developer Fees	513,792	461,671	461,671	404,289	404,289
Rental Income	77,906	95,850	95,850	90,554	90,554
Program Income	1,919,620	2,016,070	2,016,070	2,156,558	2,156,558
Other Income	554,047	280,460	280,460	113,979	113,979
Total Revenue	\$3,143,018	\$2,884,666	\$2,884,666	\$2,835,380	\$2,835,380
Total Available	\$17,363,081	\$15,613,226	\$16,240,026	\$15,397,968	\$15,397,968
Expenditures:					
Personnel Services	\$2,517,088	\$2,830,761	\$2,830,761	\$3,017,478	\$3,017,478
Operating Expenses	1,267,704	566,289	600,342	751,353	751,353
Capital Outlay	222,929	0	639,552	0	0
Recovered Cost	0	(155,108)	(155,108)	(275,000)	(275,000)
Total Expenditures	\$4,007,721	\$3,241,942	\$3,915,547	\$3,493,831	\$3,493,831
Total Disbursements	\$4,007,721	\$3,241,942	\$3,915,547	\$3,493,831	\$3,493,831
Ending Balance	\$13,355,360	\$12,371,284	\$12,324,479	\$11,904,137	\$11,904,137
Debt Service Reserve	\$260,000	\$0	\$0	\$0	\$0
Cash with Fiscal Agent	7,951,108	7,676,108	8,211,108	7,894,728	7,894,728
Unreserved Ending Balance	5,144,252	4,695,176	4,113,371	4,009,409	4,009,409

¹ Fund 81020, Non-County Appropriated Rehabilitation Loan Program, was consolidated into Fund 81000, FCRHA General Operating. All assets, liabilities and equity associated with Fund 81020 will be transferred into Fund 81000.

¹ FY 2019 Adopted Beginning Balance includes a fund balance of \$238,109 from Fund 81020, Non-County Appropriated Rehabilitation Loan Program.