

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 2022, revenue projections for this fund are \$3,626,199, an increase of \$40,161 or 1.1 percent over the FY 2021 Adopted Budget Plan amount. The increase in revenue is primarily attributable to higher program income and monitoring and developer fees, offset by decreases in investment and other income in FY 2022. Expenditures total \$6,207,655, an increase of \$2,957,466 or 91 percent over the FY 2021 Adopted Budget Plan amount. This increase is primarily the result of upcoming debt payments and the Department of Housing and Community Development (HCD) shifting its property management functions to third-party management in FY 2022.

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.

In FY 2020, Fund 81050, FCRHA Private Financing, was closed as part 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 was consolidated into Fund 81000. All assets, liabilities, and equity associated with Fund 81050, including fund balances, were transferred to Fund 81000.

In October of 2020, the County Executive approved the reassignment of merit positions to effectuate the transition from County management of residential properties to private third-party management. This action necessitated the ongoing reassignment of merit positions and the transition will be effective July 1, 2021.

Fund 81000: FCRHA General Operating

Budget and Staff Resources

Category	FY 2020 Actual	FY 2021 Adopted	FY 2021 Revised	FY 2022 Advertised	FY 2022 Adopted
FUNDING					
Expenditures:					
Personnel Services	\$2,774,989	\$3,054,491	\$3,071,179	\$3,836,719	\$3,870,668
Operating Expenses	1,645,870	260,349	3,374,226	2,692,242	2,692,242
Capital Equipment	601,673	210,349	4,080,423	200,000	200,000
Subtotal	\$5,022,532	\$3,525,189	\$10,525,828	\$6,728,961	\$6,762,910
Less:					
Recovered Costs	(\$282,646)	(\$275,000)	(\$275,000)	(\$555,255)	(\$555,255)
Total Expenditures	\$4,739,886	\$3,250,189	\$10,250,828	\$6,173,706	\$6,207,655
AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)					
Regular	26 / 26	26 / 26	26 / 26	26 / 26	28 / 28

FY 2022 Funding Adjustments

The following funding adjustments from the FY 2021 Adopted Budget Plan are necessary to support the FY 2022 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 4, 2021.

Employee Compensation \$33,949

An increase of \$33,949 in Personnel Services is included for a 1.00 percent market rate adjustment (MRA) for all employees effective July 2021.

Other Operating Adjustments \$3,210,012

An increase of \$3,210,012 and 2/2.0 FTE positions comprises \$778,119 in Personnel Services and \$2,431,893 in Operating Expenses due to HCD shifting its property management functions to third-party management in FY 2022 and to support upcoming debt payments.

Other Post-Employment Benefits \$4,109

An increase of \$4,109 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 2022 Adopted Budget Plan.

Capital Projects (\$10,349)

A decrease of \$10,349 in Capital Equipment is included to align the FY 2022 Adopted Budget Plan with necessary capital renovation projects in FY 2022.

Implement Work Performed for Others (WPFO) for Development Staff (\$280,255)

An increase of \$280,255 in WPFO reflects additional development staff salaries being charged to FCRHA and Housing and Community Development projects.

**Changes to
FY 2021
Adopted
Budget Plan**

The following funding adjustments reflect all approved changes in the FY 2021 Revised Budget Plan since passage of the FY 2021 Adopted Budget Plan. Included are all adjustments made as part of the FY 2020 Carryover Review, FY 2021 Mid-Year Review, FY 2021 Third Quarter Review, and all other approved changes through April 30, 2021.

Carryover Adjustments **\$3,190,853**

As part of the *FY 2020 Carryover Review*, the Board of Supervisors approved encumbered carryover of \$2,844,570 and an appropriation of \$346,283 to support renovations at the former Mount Vernon Athletic Club and Pender Drive.

Out-Of-Cycle Adjustments **\$3,488,008**

An increase of \$3,488,008 was included to support FCRHA and Housing and Community Development capital projects.

Out-Of-Cycle Adjustments **\$40**

An increase of \$40 was included as an adjustment to support the full amount of the Down Payment Assistance Program as required by an audit by the U.S. Department of Housing and Urban Development (HUD).

Mid-Year Adjustments **\$305,050**

As part of the *FY 2021 Mid-Year Review*, the Board of Supervisors approved funding of \$305,050 due to an appropriation required for the prepayment of a bond sold for Castellani Meadows.

Third Quarter Adjustments **\$16,688**

As part of the *FY 2021 Third Quarter Review*, the Board of Supervisors approved funding of \$16,688 in Personnel Services for a one-time compensation adjustment of \$1,000 for merit employees and \$500 for non-merit employees paid in May 2021. Additionally, a transfer of \$3,226,872 from the General Fund is included as part of the *FY 2021 Revised Budget Plan*. This is due to the repayment of a loan by the Fairfax County Board of Supervisors to the FCRHA for the purchase of the Mount Vernon Athletic Club.

Fund 81000: FCRHA General Operating

Position Detail

The FY 2022 Adopted Budget Plan includes the following positions:

FAIRFAX COUNTY REDEVELOPMENT AND HOUSING AUTHORITY GENERAL OPERATING - 28 Positions			
Organizational Management & Development			
1	Accountant III	1	Planning Tech II
1	Management Analyst III	1	Administrative Assistant IV
1	Housing/Community Developer II	1	Administrative Assistant II
1	Accountant II		
Rental Housing Property Management			
2	HCD Division Directors	1	Housing Services Specialist IV
2	Housing/Community Developers IV	1	Housing Services Specialist III
2	Housing/Community Developers III	1	Financial Specialist III [1T]
1	Housing/Community Developer II	1	Administrative Assistant IV
1	Housing Services Specialist V [1T]	1	Administrative Assistant II
Affordable Housing Finance			
1	Housing/Community Developer IV		
Homeownership Program			
1	Housing/Community Developer III		
Community/Neighborhood Improvement			
1	HCD Division Director	4	Housing/Community Developers IV
1	Housing/Community Developer V		
T	Denotes Transferred Position(s)		

Fund 81000: FCRHA General Operating

FUND STATEMENT

Category	FY 2020 Actual	FY 2021 Adopted Budget Plan	FY 2021 Revised Budget Plan	FY 2022 Advertised Budget Plan	FY 2022 Adopted Budget Plan
Beginning Balance¹	\$25,521,728	\$28,377,504	\$28,238,689	\$21,590,587	\$24,800,771
Revenue:					
Investment Income	\$347,102	\$480,899	\$480,899	\$348,924	\$348,924
Monitoring/Developer Fees	418,593	405,191	405,191	453,425	453,425
Rental Income	82,651	0	0	0	0
Program Income	3,026,838	2,395,921	2,395,921	2,662,020	2,662,020
Other Income	93,655	304,027	304,027	161,830	161,830
Total Revenue	\$3,968,839	\$3,586,038	\$3,586,038	\$3,626,199	\$3,626,199
Transfers In:					
General Fund (10001)	\$0	\$0	\$3,226,872	\$0	\$0
Total Transfers In	\$0	\$0	\$3,226,872	\$0	\$0
Total Available	\$29,490,567	\$31,963,542	\$35,051,599	\$25,216,786	\$28,426,970
Expenditures:					
Personnel Services	\$2,774,989	\$3,054,491	\$3,071,179	\$3,836,719	\$3,870,668
Operating Expenses	1,645,870	260,349	3,374,226	2,692,242	2,692,242
Capital Equipment	601,673	210,349	4,080,423	200,000	200,000
Recovered Cost	(282,646)	(275,000)	(275,000)	(555,255)	(555,255)
Total Expenditures	\$4,739,886	\$3,250,189	\$10,250,828	\$6,173,706	\$6,207,655
Total Disbursements	\$4,739,886	\$3,250,189	\$10,250,828	\$6,173,706	\$6,207,655
Ending Balance	\$24,750,681	\$28,713,353	\$24,800,771	\$19,043,080	\$22,219,315
Debt Service Reserve	\$5,307,178	\$5,307,178	\$5,002,128	\$4,664,133	\$4,664,133
FCRHA Restricted Reserves	8,600,755	13,944,434	8,600,755	9,609,417	9,609,417
FCRHA Operating Reserves	7,069,069	3,324,122	2,597,337	995,851	945,214
FCRHA Private Financing Reserve	0	6,137,619	3,226,872	0	3,226,872
FCRHA Project Reserve	3,773,679	0	5,373,679	3,773,679	3,773,679
Unreserved Ending Balance	\$0	\$0	\$0	\$0	\$0

¹ Fund 81050, FCRHA Private Financing, was consolidated into Fund 81000, FCRHA General Operating, in FY 2020. All assets, liabilities and equity associated with Fund 81050 were transferred to Fund 81000. The FY 2021 Revised Beginning Balance includes the \$3,488,008 balance that was transferred from Fund 81050.