



## Rental Assistance Program Fund<sup>1</sup>

The Rental Assistance Program Fund, managed by the Division of Housing and Community Development in the Department of Family Services, accounts for the U.S. Department of Housing and Urban Development (HUD) programs including the Housing Choice Voucher (HCV) program, the Veterans Administration Supportive Housing (VASH) program, the Project Based Voucher (PBV) program, the Mainstream Voucher program, and the Family Unification Program (FUP). HCV assists very low-income families, the elderly, and persons with disabilities to afford decent, safe, and sanitary housing in the private market. VASH combines rental assistance for homeless veterans and their families with case management and clinical services provided by the Department of Veterans Administration at its medical centers and in the community. FUP provides housing assistance to families involved in the child welfare system and youth ages 18 to 21 who have aged out of foster care.

Participants are free to choose any housing that meets the requirement of the program; however, it is the family's responsibility to find a unit where the owner agrees to rent under the guidelines established for the HCV program. Housing subsidies are paid by the County directly to the landlord; participants are responsible for paying the difference between the actual rent charged and the subsidy.

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<sup>1</sup> The Housing and Community Development Division in the Department of Family Services will officially become the Office of Housing – a division within the County Administrator's Office on July 1, 2020.

**Rental Assistance Program Fund****Revenues, Expenditures, and Changes in Fund Balance<sup>1</sup>**

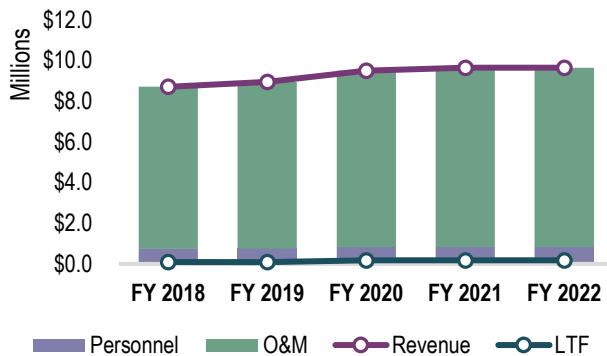
|  | FY 2018<br>Actual <sup>2</sup> | FY 2019<br>Actual <sup>3</sup> | FY 2020<br>Adopted | FY 2021<br>Proposed | FY 2022<br>Projected |
|--|--------------------------------|--------------------------------|--------------------|---------------------|----------------------|
| <b>Beginning Fund Balance</b>                    | <b>\$0</b>                     | <b>\$0</b>                     | <b>\$0</b>         | <b>\$0</b>          | <b>\$0</b>           |
| <b>Revenues</b>                                  |                                |                                |                    |                     |                      |
| Use of Money and Property                        | \$2,006                        | \$832                          | \$1,501            | \$4,400             | \$4,400              |
| Miscellaneous Revenue                            | 13,547                         | 26,237                         | 12,500             | 100,000             | 100,000              |
| Recovered Costs                                  | 406,201                        | 669,468                        | 700,000            | 750,000             | 750,000              |
| Intergovernmental – Federal                      | 8,206,195                      | 8,181,152                      | 8,612,876          | 8,625,397           | 8,625,397            |
| Transfer from the General Fund                   | 88,142                         | 86,468                         | 177,390            | 177,390             | 177,390              |
| <b>Total – Revenue</b>                           | <b>\$8,716,092</b>             | <b>\$8,964,157</b>             | <b>\$9,504,288</b> | <b>\$9,657,187</b>  | <b>\$9,657,187</b>   |
| <b>Expenditures</b>                              |                                |                                |                    |                     |                      |
| Rental and Utility Assistance                    | \$7,979,858                    | \$8,211,788                    | \$8,672,584        | \$8,825,483         | \$8,825,483          |
| Administration                                   | 736,234                        | 752,370                        | 831,704            | 831,704             | 831,704              |
| <b>Total – Expenditure</b>                       | <b>\$8,716,092</b>             | <b>\$8,964,157</b>             | <b>\$9,504,288</b> | <b>\$9,657,187</b>  | <b>\$9,657,187</b>   |
| <b>Estimated Ending Fund Balance<sup>4</sup></b> | <b>\$0</b>                     | <b>\$0</b>                     | <b>\$0</b>         | <b>\$0</b>          | <b>\$0</b>           |
| Percent Change                                   | 0%                             | 0%                             | 0%                 | 0%                  | 0%                   |
| <b>FTE</b>                                       | <b>9.00</b>                    | <b>9.00</b>                    | <b>9.00</b>        | <b>9.00</b>         | <b>9.00</b>          |

<sup>1</sup> Sums may not equal due to rounding.<sup>2</sup> Source: Loudoun County FY 2018 Comprehensive Annual Financial Report (CAFR).<sup>3</sup> Source: Loudoun County FY 2019 CAFR.<sup>4</sup> The Rental Assistance Program Fund does not maintain a fund balance. The HCV Program is an advance-funded program, meaning revenues are received before expenditures are incurred. Any unspent funds at the end of a fiscal year are classified as unearned revenues.



## Rental Assistance Program Fund

### Revenue and Expenditure History



#### Revenue/Local Tax Funding

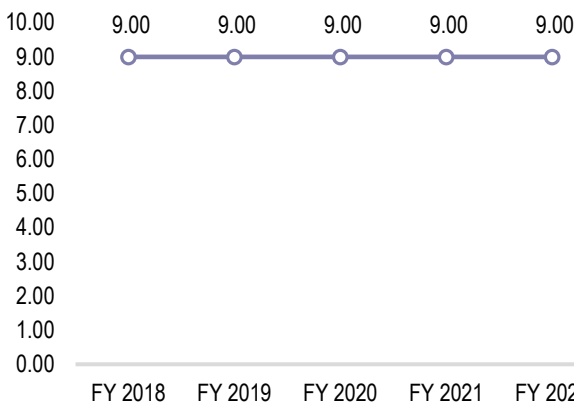
As shown, the Rental Assistance Program Fund is primarily funded by program-generated revenues, receiving less than 2 percent of its budget from local tax funding (Transfer from the General Fund).

#### Expenditure

The majority of the expenditures in the Fund are dedicated to rent subsidies. FY 2020 included a large number of Port-In vouchers, VASH vouchers, and FUP vouchers with that trend expected to continue.

Increases in LTF are due to the increase in personnel expenditures; HUD has not increased funding to cover personnel costs.

### Staffing/FTE History



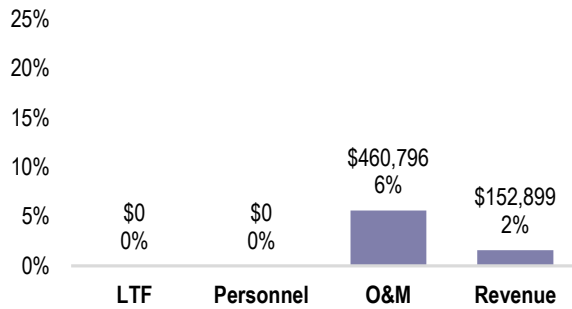
The County has seen an increase in the number of Port-In vouchers in recent years, which are issued by other localities and then transferred to the County. The County receives reimbursement for these vouchers from the originating locality. The FY 2021 Proposed Budget for the Rental Assistance Program Fund includes an expected increase in miscellaneous revenue related to administrative fees earned and recovered costs related to the amounts received for all housing assistance and utility reimbursement payments, both of which are attributable to Port-In vouchers.

The FY 2021 Proposed Budget also maintains the level of local tax funding needed in support of administrative costs, as the Fund has seen a decrease in the amount of federal funding received for the administrative costs of the various HUD programs found in the Rental Assistance Program Fund. This occurs because as rent costs continue to increase in the County, the number of vouchers that can be supported with the existing funds decreases. And the number of vouchers issued determines the level of reimbursement for administrative costs – thereby increasing the local tax funding necessary to continue supporting the programs at the current service level. Local tax funding is not used to support rental subsidies. Rising rental prices will continue to be a challenge in the future.



## Rental Assistance Program Fund

### Percent Change from Adopted FY 2020 to Proposed FY 2021



#### Reasons for Change:

**Personnel:** ↔ || **O&M:** ↑ VASH vouchers, FUP vouchers, Port-In vouchers || **Revenue:** ↑ VASH vouchers, FUP vouchers, Port-in vouchers

### Policies

While the County does not have any policies in place regarding the Rental Assistance Program Fund, it is governed by the regulations of the HCV program (24 CFR Part 982). For the most up-to-date information related to the program, please refer to HUD's website.