

Board Agenda Item
October 26, 2016

ADMINISTRATIVE – 1

Adoption of Minutes – October 13, 2016, Park Authority Board Meeting

ISSUE:

Adoption of the minutes of the October 13, 2016, Park Authority Board meeting.

RECOMMENDATION:

The Park Authority Director recommends approval of the minutes of the October 13, 2016, Park Authority Board meeting.

TIMING:

Board action is requested on October 26, 2016.

FISCAL IMPACT:

None

ENCLOSED DOCUMENTS:

Attachment 1: Minutes of the October 13, 2016, Park Authority Board meeting

STAFF:

Kirk W. Kincannon, Executive Director
Sara Baldwin, Deputy Director/COO
Aimee L. Vosper, Deputy Director/CBD
Barbara J. Gorski, Administrative Assistant

**Fairfax County Park Authority
Board Meeting
October 13, 2016**

The Chairman called the meeting to order at 7:31 p.m. at 12055 Government Center Parkway, Room 941, Fairfax, Virginia.

Board Members:

William G. Bouie, Chairman
Ken Quincy, Vice Chair
Michael W. Thompson, Jr., Secretary
Mary Cortina, Treasurer
Walter Alcorn*
Mary Cortina
Maggie Godbold
Linwood Gorham
Timothy Hackman*
Faisal Khan (arrived at 8 p.m.)
Frank S. Vajda
Anthony J. Vellucci

Staff Present:

Kirk W. Kincannon, Director
Sara Baldwin, Deputy Director/COO
Aimee Vosper, Deputy Director/CBD
Judy Pedersen, PIO
David Bowden
Todd Johnson
Todd Brown
Barbara Nugent
Cindy Walsh
Janet Burns
Kevin Williams

Absent*

Guests: Edward R. Batten, Sr.

ADMINISTRATIVE ITEMS

ADMIN-1 Resolution Honoring Edward R. Batten, Sr. upon His Departure from the Park Authority Board

Mr. Thompson made a motion to approve the resolution honoring Edward R. Batten, Sr., upon his departure from the Park Authority Board; seconded by Mr. Vajda. The motion carried unanimously by those present; Messrs. Alcorn, Hackman, and Khan were absent.

ADMIN-2 Approval of Minutes of the September 28, 2016, Park Authority Board Meeting

Mr. Quincy made a motion to the minutes of the September 28, 2016, Park Authority Board meeting; seconded by Mr. Thompson. The motion carried unanimously by those present; Messrs. Alcorn, Hackman, and Khan were absent.

ACTION ITEMS

A-1 Idylwood Park – Mastenbrook Volunteer Matching Fund Grant Program Request – Falls Church Kiwanis Little League ((Providence))

Mr. Quincy made a motion to approve the Mastenbrook Volunteer Matching Fund Grant request from the Falls Church Kiwanis Little League in the amount of \$6,126.52 to install concrete pads on field 3 and replace fencing on field 2 at Idylwood Park; seconded by Mr. Thompson. The motion carried unanimously by those present; Messrs. Alcorn, Hackman, and Khan were absent.

A-2 Green Spring Gardens Park – Mastenbrook Volunteer Matching Fund Grant Program Request – Friends of Green Spring Gardens (Mason District)

Mr. Vajda made a motion to approve the Mastenbrook Volunteer Matching Fund Grant Program request from the Friends of Green Spring Gardens in the amount of \$20,000 to renovate the glasshouse at Green Spring Gardens Park; seconded by Ms. Cortina and Mr. Thompson. The motion carried unanimously by those present; Messrs. Alcorn, Hackman, and Khan were absent.

A-3 Grist Mill Park – Mastenbrook Volunteer Matching Fund Grant Program Request – Gunston Soccer Club (Mount Vernon District)

Mr. Gorham made a motion to approve the Mastenbrook Volunteer Matching Fund Grant Program request from the Gunston Soccer Club in the amount of \$14,850 to convert field 6 to Bermuda grass at Grist Mill Park; seconded by Messrs. Quincy and Thompson. The motion carried unanimously by those present; Messrs. Alcorn, Hackman, and Khan were absent.

A-4 Bren Mar and Turkeycock Run Stream Valley Parks – Mastenbrook Volunteer Matching Fund Grant Program Request – Overlook Foundation (Mason District)

Mr. Vajda made a motion to approve the Mastenbrook Volunteer Matching Fund Grant Program Request from the Overlook Foundation in the amount of \$7,200 to assist with controlling invasive plants at Bren Mar and Turkeycock Run Stream Valley Parks; seconded by Ms. Cortina and Mr. Thompson. The motion carried unanimously by those present; Messrs. Alcorn, Hackman, and Khan were absent.

A-5 Pine Ridge Park – Mastenbrook Volunteer Matching Fund Grant Program Request – Annandale North Springfield Little League (Mason District)

Mr. Vajda made a motion to approve the Mastenbrook Volunteer Matching Fund Grant Program request from the Annandale North Springfield Little League in the amount of \$7,992.48 to replace the backstop fencing on field 1 at Pine Ridge Park; seconded by Ms. Cortina. The motion carried unanimously by those present; Messrs. Alcorn, Hackman, and Khan were absent.

A-6 Reallocation of Bond Project Fund Balance for Great Falls Grange Americans with Disabilities Act Improvements (Dranesville District)

Mr. Quincy made a motion to approve the reallocation of a project fund balance to increase construction funding for Americans with Disabilities Act Improvements at Great

Falls Grange Park; seconded by Mr. Thompson. The motion carried unanimously by those present; Messrs. Alcorn, Hackman, and Khan were absent.

A-7 Capital Improvement Program (FY 2018 – FY 2022)

Mr. Quincy made a motion to approve the submission of the Capital Improvement Program (FY 2018 – FY 2022) to the County's Capital Improvement Program review team; seconded by Mr. Thompson. The motion carried unanimously the motion carried unanimously by those present; Messrs. Alcorn, Hackman, and Khan were absent.

INFORMATION ITEMS

I-1 Park Authority Board Meeting Schedule – January to December 2017

No action was necessary.

I-2 Energy Management Plan Update

No action was necessary.

CHAIRMAN'S MATTERS

- Mr. Bouie thanked everyone for a great opening of the Pump Track at Lake Fairfax on Saturday, October 8. He thanked Barbara Nugent and everyone who came out to the opening. MORE is a very special group of people have given Parks over 2,000 volunteer hours and who build and maintain a lot of Parks' trails, especially bike trails.
- The Frying Pan Farm Park Fall Carnival begins Thursday evening, October 13, and runs through Sunday, October 16.
- On behalf of Mr. Khan, Mr. Bouie invited the board members to attend the DC Metro Cricket awards ceremony on Sunday, October 17, at 7:30 p.m. at Oak Marr Park cricket field.

He closed his remarks by thanking Mr. Batten and stating that they would continue to have great conversations as they move forward.

DIRECTOR'S MATTERS

- The Fitness and Wellness Section of the Park Authority has been working with INOVA by providing space at Audrey Moore RECenter to provide physical therapy by staff from INOVA and other wellness activities.

As we come to near the end of the first full year of a partnership with INOVA at Audrey Moore RECenter, we are happy to announce the numbers thus far. More than 822 visits were generated by the physical therapists through the end of September. This partnership truly provides a link to community health by providing those individuals who require PT by their

physicians to join us at our RECenter. Potential expansion is currently being discussed at other locations.

INOVA rents a small office and pays \$8 from each participant. The Fitness and Wellness Section is developing a package called "Next Steps" which will be presented to participants as they end their prescribed physical therapy sessions. It is our belief that some of those participants will join the RECenter and remain our customers!

- This year's Annual Tysons Open House is coming up on Wednesday, October 19, at 6:30 pm at the new BASIS Independent school (8000 Jones Branch Drive). The format of the event has been expanded to include food from local restaurants and live entertainment in addition to the usual county information booths and presentations by Tysons developers. The event is being hosted jointly by Fairfax County and the Tysons Partnership at a new and larger venue than has been used in the past. The hope is to attract a larger and broader segment of the population to learn about what the evolving Tysons has to offer. Park Planning staff will be there promoting urban parks and Park Board members are encouraged to attend.

BOARD MATTERS

- Mr. Vajda thanked the board on behalf of the Friends of Green Spring Gardens for approving the Mastenbrook Volunteer Matching Fund Grant request.
- Mr. Vellucci reported that there will be Lake Accotink Park master plan workshop on October 27 at 7 p.m. at Kings Park Elementary School.

Watershed Clean-Up Day is Saturday, October 15, from 9-11:30 a.m. at various county centers and parks. If anyone is interested in visiting Royal Lake, Mr. Vellucci asked that they contact him and he would show them the dredging operation.

- Ms. Cortina thanked Park Authority staff, John Berlin in particular, for the events they organize, like the KidsFest. There were so many parents with their children that came into the FCPA tent and raved about our parks. She noted that she was there to give out bond information, but didn't need to be there because those people will go to the voting booth and vote for the Park Bond. They would love to see more playgrounds. They love Clemyjontri Park and want more playgrounds. Many had commented that they had been all over the world and had never seen parks like those of the Park Authority.

With regard to the Pump Track, Ms. Cortina said that she had gone there on Friday night. MORE had started work on the track on Monday and it was completed by Friday. The track is a lot of fun; doesn't take up a lot of space; provides activities for that in-between age; and keeps them into the park system. She commented if Parks could do more of these in certain places, it would be great.

She thanked Mr. Batten for all of his service to the board, to the Park Authority, and especially to the residents and young residents of Fairfax County.

- Mr. Thompson thanked Mr. Batten for being his friend, for helping him out, and for everything he did for Parks.

To continue in Mr. Batten's stead, Mr. Thompson encouraged the board members to continue to support the Park Foundation by recommending additions to the Foundation Board, and if the capacity is there to continue the giving.

- Mr. Quincy told Mr. Batten that he would be missed and wished him the best.

He commended Mr. Bowden and everyone for a great RECenter Study presentation for Supervisor Smyth. She was very impressed with the study.

The Providence District Volunteer Fest takes place on Saturday, October 22, this year. It encompasses a number of different activities which will take at several different locations including an equestrian demonstration at Oakton Community Park, a Sierra Club clean up at Scotts Run, and miniature golf for disadvantaged children at Jefferson District Park. This event is great for the Providence District and great for the community.

- Ms. Godbold reported that she finally got to go out to see the field of dreams in the Sully District. She has been having a lot of fun locating all the Sully parks and places that she didn't know existed. She is looking forward to the day that she can walk the parks without her cane placing the Park Bond signs out.

She stated that she misses her buddy (Mr. Batten) who sat next to her at the dais.

On Saturday, October 15, the Centreville Day Festival will be held at Historic Centreville Park. Ms. Godbold will be there to answer questions about the bond.

- Mr. Gorham wished Mr. Batten good luck and thanked him being his friend.

CLOSED SESSION

At 7:56 p.m. Mr. Thompson made a motion to convene in closed session for

- a) Discussion or consideration of the acquisition of real property for a public purpose, or of the disposition of publicly held real property, where discussion in an open meeting would adversely affect the bargaining position or negotiating strategy of the public body, pursuant to Virginia Code §2.2-3711(A)(3).

Seconded by Ms. Cortina and approved by all members present, Messrs. Alcorn, Hackman, and Khan were absent.

[Mr. Khan arrived at 8 p.m.]

CERTIFICATION OF CLOSED SESSION

Mr. Thompson made a motion to certify that, to the best of each member’s knowledge, only public business matters lawfully exempted from open meeting requirements under Virginia Code 2.2-3712 and only such public business matters as were identified in the motion by which the closed meeting was convened were heard, discussed or considered in the meeting by the Board; seconded by Ms. Cortina and Mr. Quincy. The motion carried by all members present; Messrs. Alcorn and Hackman were absent.

ACTIONS FROM CLOSED SESSION

C-1 Addition of Property Located in the Springfield District to the Work Plan

Mr. Thompson made a motion to approve the addition of property located in the Springfield District to the work plan; seconded by Ms. Cortina. The motion carried by all members present. Messrs. Alcorn and Hackman were absent.

ADJOURNMENT

There being no further business and without objection, Mr. Bouie adjourned the meeting at 8:21 p.m.

Michael W. Thompson, Jr., Secretary

Minutes Approved at Meeting
on October 26, 2016

Kirk W. Kincannon, Executive Director

Park Authority Board Minutes prepared by

Barbara J. Gorski, Administrative Assistant

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Board Agenda Item
October 26, 2016

ACTION - 1

Reappointment of William Won K. Hwang to the Park Foundation Board of Directors

ISSUE:

Reappoint William Won K. Hwang to the Park Foundation Board of Directors

RECOMMENDATION:

The Park Foundation Board recommends the reappointment of William Won K. Hwang to the Foundation's Board of Directors.

TIMING:

Board action is requested on October 26, 2016. Mr. Hwang's appointment expires on October 31, 2016.

BACKGROUND:

In accordance with the Bylaws of the Fairfax County Park Foundation, the Foundation Board nominates individuals to become members of the Foundation Board of Directors. Appointments are effective following the concurrence of the Park Authority Board.

William Won Kyun Hwang has served the president of Korean American Association of Northern Virginia since 2008. He is also the president of three companies including Won Trading Int'l Inc. since 1992; Young Won Trading, Inc. since 1997 and JJW Property, LLC since 2004.

Mr. Hwang's prior community service is extensive. This includes chairing the Board of Directors for KAANV Board of Directors; the 14th San Francisco Korean American Olympic Washington Team in 2007; the Vocational School of KAANV; the Korean American Business Association and the Korean American Sport Association of GW.

Seoul City recognized Mr. Hwang as the honorary ambassador in 2008 as did Dan Kook University of Korea. He was the 2006 Delegate for the Washington DC and Seoul City Sisterhood. Mr. Hwang was the vice president and member of the National Unification Advisory Council.

Mr. Hwang resides in Oakton.

Board Agenda Item
October 26, 2016

Mr. Hwang has been a Director of the Fairfax County Park Foundation Board since October 2010. He served on the host committee of the 88th U.S. Amateur Public Links Championship held at the Park Authority's Laurel Hill Golf Club.

The Foundation Board has nominated William Won K. Hwang for reappointment to a third three-year term beginning with the expiration of his current term. Mr. Hwang has served on the Board since October 2010. He was elected as a Board Director in October 2010 and reelected for a third term in September 2016.

FISCAL IMPACT:

None

ENCLOSED DOCUMENTS:

None

STAFF:

Kirk W. Kincannon, Executive Director

Aimee Vosper, Deputy Director/CBD

Sara Baldwin, Deputy Director/COO

Roberta A. Longworth, Executive Director, Park Foundation

Board Agenda Item
October 26, 2016

ACTION – 2

Approval of Annual Review and Distribution of Telecommunications Revenues

RECOMMENDATION:

The Park Authority Director recommends approval of the Cultural Resource Management Plan, Natural Resource Management Plan, and district specific projects as presented to and reviewed by the Budget Committee on October 13, 2016.

ACTION – 3

Scope Approval – Chessie’s Trail at the Family Recreation Area in Lee District Park (Lee District)

RECOMMENDATION:

The Park Authority Executive Director recommends approval of the project scope to construct Chessie’s Trail in the Family Recreation Area of Lee District Park as presented to and reviewed by the Planning and Development Committee on October 13, 2016.

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Board Agenda Item
October 26, 2016

INFORMATION - 1

Fairfax County Park Foundation Audited Financial Statements

Government & Non-Profit Audit Group, PLC prepared financial statements and conducted an independent audit of the Park Foundation's finances for the fiscal year ending June 30, 2016. The audit is favorable and no material weaknesses are reported.

ENCLOSED DOCUMENTS:

Attachment 1: Fairfax County Park Foundation Audited Financial Statements – Years Ended June 30, 2016 and 2015

STAFF:

Kirk W. Kincannon, Executive Director
Sara Baldwin, Deputy Director/COO
Aimee L. Vosper, Deputy Director/CBD
Roberta Longworth, Executive Director, Park Foundation
Janet Burns, Senior Fiscal Administrator

THE FAIRFAX COUNTY PARK FOUNDATION, INC.

AUDITED FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2016 AND 2015

DRAFT

GOVERNMENT & NON-PROFIT AUDIT GROUP, PLC
Certified Public Accountants
Chantilly, Virginia

THE FAIRFAX COUNTY PARK FOUNDATION, INC.

Table of Contents

	<u>Page</u>
Independent Auditor's Report	1-2
Statements of Financial Position	3
Statements of Activities	4-5
Statements of Cash Flows	6
Notes to Financial Statements	7-13

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
The Fairfax County Park Foundation, Inc.
Fairfax, Virginia

We have audited the accompanying financial statements of The Fairfax County Park Foundation, Inc. (a nonprofit organization), which comprises the statements of financial position as of June 30, 2016 and 2015, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Fairfax County Park Foundation, Inc. as of June 30, 2016 and 2015, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Certified Public Accountants
Chantilly, Virginia

September 20, 2016

THE FAIRFAX COUNTY PARK FOUNDATION, INC.

STATEMENTS OF FINANCIAL POSITION

June 30,

	<u>2016</u>	<u>2015</u>
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 421,650	\$ 273,269
Current unconditional promises to give	2,000	2,325
Total Current Assets	<u>423,650</u>	<u>275,594</u>
Long-Term Unconditional Promises to Give	<u>-</u>	<u>2,000</u>
Property and Equipment		
Website and software	6,354	6,354
Accumulated amortization	<u>(6,354)</u>	<u>(6,354)</u>
Total Property and Equipment	<u>-</u>	<u>-</u>
Other Assets		
Restricted investments - Note 3	<u>112,569</u>	<u>111,506</u>
Total Assets	<u>\$ 536,219</u>	<u>\$ 389,100</u>
LIABILITIES AND NET ASSETS		
Current Liabilities		
Accounts payable	<u>\$ -</u>	<u>\$ -</u>
Net Assets		
Unrestricted	89,388	130,282
Temporarily restricted	346,831	158,818
Permanently restricted	<u>100,000</u>	<u>100,000</u>
Total Net Assets	<u>536,219</u>	<u>389,100</u>
Total Liabilities and Net Assets	<u>\$ 536,219</u>	<u>\$ 389,100</u>

THE FAIRFAX COUNTY PARK FOUNDATION, INC.

STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2016

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Revenue and Support				
Gifts, donations and contributions	\$ 76,266	\$ 692,283	\$ -	\$ 768,549
Donated services and support	386,065	-	-	386,065
Interest income	31	1,063	-	1,094
Net assets released from restriction:				
Transferred to Fairfax County				
Park Authority	502,945	(502,945)	-	-
Satisfaction of project restriction	2,388	(2,388)	-	-
Total Revenue and Support	967,695	188,013	-	1,155,708
Expenses				
Program expenses				
Grants	517,755	-	-	517,755
Donated project expenses	18,325	-	-	18,325
Project expenses	2,388	-	-	2,388
Management and general				
Personnel salaries and benefits	253,577	-	-	253,577
Events	43,037	-	-	43,037
Rent	9,377	-	-	9,377
Professional fees	6,114	-	-	6,114
Website	5,231	-	-	5,231
Software	4,908	-	-	4,908
Office expense	3,110	-	-	3,110
Annual report	2,634	-	-	2,634
Miscellaneous	2,056	-	-	2,056
Training	1,494	-	-	1,494
Insurance	635	-	-	635
Printing and reproduction	161	-	-	161
Donor recognition	125	-	-	125
Fundraising				
Personnel salaries and benefits	104,786	-	-	104,786
Direct mailing	28,874	-	-	28,874
Donor and board cultivation	2,627	-	-	2,627
Fundraising	795	-	-	795
Development	580	-	-	580
Total Expenses	1,008,589	-	-	1,008,589
Change in Net Assets	(40,894)	188,013	-	147,119
Net Assets at Beginning of Year	130,282	158,818	100,000	389,100
Net Assets at End of Year	\$ 89,388	\$ 346,831	\$ 100,000	\$ 536,219

THE FAIRFAX COUNTY PARK FOUNDATION, INC.

STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2015

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Revenue and Support				
Gifts, donations and contributions	\$ 93,712	\$ 697,939	\$ -	\$ 791,651
Donated services and support	387,714	-	-	387,714
Interest income	34	1,385	-	1,419
Net assets released from restriction:				
Transferred to Fairfax County				
Park Authority	655,815	(655,815)	-	-
Satisfaction of project restriction	3,775	(3,775)	-	-
Total Revenue and Support	<u>1,141,050</u>	<u>39,734</u>	<u>-</u>	<u>1,180,784</u>
Expenses				
Program expenses				
Grants	661,340	-	-	661,340
Donated project expenses	28,552	-	-	28,552
Project expenses	3,775	-	-	3,775
Management and general				
Personnel salaries and benefits	242,771	-	-	242,771
Events	17,756	-	-	17,756
Rent	10,488	-	-	10,488
Website	6,260	-	-	6,260
Professional fees	5,695	-	-	5,695
Software	4,777	-	-	4,777
Office expense	3,002	-	-	3,002
Miscellaneous	2,367	-	-	2,367
Annual report	2,067	-	-	2,067
Insurance	635	-	-	635
Donor recognition	594	-	-	594
Printing and reproduction	423	-	-	423
Amortization	168	-	-	168
Training	165	-	-	165
Fundraising				
Personnel salaries and benefits	105,774	-	-	105,774
Direct mailing	25,039	-	-	25,039
Development	3,322	-	-	3,322
Donor and board cultivation	1,813	-	-	1,813
Fundraising	278	-	-	278
Total Expenses	<u>1,127,061</u>	<u>-</u>	<u>-</u>	<u>1,127,061</u>
Change in Net Assets	13,989	39,734	-	53,723
Net Assets at Beginning of Year	<u>116,293</u>	<u>119,084</u>	<u>100,000</u>	<u>335,377</u>
Net Assets at End of Year	<u>\$ 130,282</u>	<u>\$ 158,818</u>	<u>\$ 100,000</u>	<u>\$ 389,100</u>

THE FAIRFAX COUNTY PARK FOUNDATION, INC.

STATEMENTS OF CASH FLOWS
For the Years Ended June 30,

	<u>2016</u>	<u>2015</u>
Cash flows from operating activities		
Change in net assets	\$ 147,119	\$ 53,723
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Amortization	-	168
Changes in operating assets and liabilities:		
Decrease in unconditional promises to give	<u>2,325</u>	<u>3,075</u>
Net cash provided by operating activities	<u>149,444</u>	<u>56,966</u>
Cash flows from investing activities		
Purchases of investments	<u>(1,063)</u>	<u>(1,385)</u>
Net cash used in investing activities	<u>(1,063)</u>	<u>(1,385)</u>
Change in cash and cash equivalents	148,381	55,581
Cash and cash equivalents, beginning of year	<u>273,269</u>	<u>217,688</u>
Cash and cash equivalents, end of year	<u>\$ 421,650</u>	<u>\$ 273,269</u>

THE FAIRFAX COUNTY PARK FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS

NOTE 1 - Organization and Significant Accounting Policies

The Fairfax County Park Foundation, Inc. (the Foundation) is a nonprofit organization incorporated in 2001 in Fairfax, Virginia. The purpose of the Foundation is to raise private donations and to create innovative partnerships between organizations, individuals and corporate neighbors in order to support parks and open space in the Fairfax County community where needs surpass public resources; and to strengthen the connection and commitment of corporate and individual neighbors to their parks. The Foundation's primary sources of funds are from contributions and donated services.

The following is a summary of significant accounting policies followed in the preparation of these financial statements:

- (a) **Basis of Accounting** – The Foundation prepares its financial statements in accordance with generally accepted accounting principles, which involves the application of accrual accounting; consequently, revenues and gains are recognized when earned, and expenses and losses are recognized when incurred.
- (b) **Basis of Presentation** – The Foundation is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. As of June 30, 2016 and 2015, the Foundation had temporarily restricted net assets of \$346,831 and \$158,818 respectively, and the Foundation had permanently restricted net assets of \$100,000 and \$100,000 respectively.
- (c) **Cash and Cash Equivalents** – For purposes of the statement of cash flows, the Foundation considers all highly liquid investments with a maturity of three months or less, when purchased, to be cash equivalents.
- (d) **Support and Revenue** – Contributions received and unconditional promises to give are measured at their fair values and are reported as an increase in net assets.
- (e) **Revenue Recognition** – All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as temporarily restricted or permanently restricted support that increases those net asset classes. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.
- (f) **Income Tax Matters** – The Foundation has been granted tax exempt status under the Internal Revenue Code Section 501(c)(3) on all income other than unrelated business income. The Foundation has been classified as an organization that is not a private foundation.
- (g) **Management Estimates** – The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates, including estimates relating to assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

THE FAIRFAX COUNTY PARK FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS
(Continued)

NOTE 1 – Organization and Significant Accounting Policies (continued)

- (h) Contributions Receivable – The Foundation solicits pledges and grants from individuals, corporations, foundations, and local businesses. Management periodically evaluates the contributions receivable and determines the need for an allowance for doubtful accounts. Management considers the Foundation’s past receivables loss experience, adverse situations that may affect the donor’s ability to pay, and current economic conditions. Management had determined that all contributions receivable at June 30, 2016 and 2015 were collectible, and an allowance for doubtful accounts was not deemed necessary.
- (i) Unconditional Promises to Give – Unconditional promises to give are total pledges of future contributions, restricted for the Lee District Family Park fund, made by individuals, foundations and/or local businesses. Unconditional promises to give, less an appropriate reserve, are recorded at their estimated fair value. Amounts due more than one year later are recorded at the present value of the estimated future cash flows, discounted at the risk-free rate of .04%. Amortization of the discount is credited to contributions and donations income. The expiration of a donor-imposed restriction on a contribution or endowment is recognized in the period in which the restriction expires, and the related resources then are classified as unrestricted net assets.

Unconditional promises to give consisted of the following as of June 30,:

Unconditional promises expected to be collected in:

	<u>2016</u>	<u>2015</u>
Less than one year	\$ 2,000	\$ 2,325
One year to five years	<u> -</u>	<u> 2,000</u>
Total Unconditional Promises to Give, net	\$ 2,000	\$ 4,325
Less Current Unconditional Promises to Give, net	<u> (2,000)</u>	<u> (2,325)</u>
Long-Term Unconditional Promises to Give, net	\$ <u> -</u>	\$ <u> 2,000</u>

- (j) Property and Equipment – Purchased property and equipment are recorded at cost for any item in excess of \$1,000. Contributed property and equipment is recorded at its fair market value on the date of contribution. Expenditures for maintenance and repairs are charged against income as incurred; betterments, which increase the value or materially extend the life of the related assets, are capitalized.

Depreciation is computed on the straight-line basis over the estimated useful lives of the assets. The estimated useful life of the website and software is 3 years.

- (k) Concentration of Credit and Market Risk – The Foundation occasionally maintains deposits in excess of federally insured limits. These items are a concentration of credit risk requiring disclosure, regardless of the degree of risk. The risk is managed by maintaining all deposits in high quality financial institutions. The Foundation has not experienced any losses in such accounts. The Foundation’s investments do not represent significant concentrations of market risk inasmuch as the organization’s investment portfolio consists of a certificate of deposit with a local bank.

THE FAIRFAX COUNTY PARK FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS
(Continued)

NOTE 1 – Organization and Significant Accounting Policies (continued)

- (l) **Uncertain Tax Positions** – As of June 30, 2016, the Foundation had no uncertain tax positions that qualify for either recognition or disclosure in the financial statements. The tax years subject to examination by the taxing authorities are the years ended June 30, 2013 through 2015.
- (m) **Functional Presentation** – The direct costs of providing various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated between the programs, management and general and fundraising activities benefited.
- (n) **Advertising Costs** – Advertising costs are expensed when incurred.

NOTE 2 – Leases

No formal lease agreement has been written. Fairfax County donates office space on a month-to-month basis to the Foundation.

NOTE 3 – Restricted Investments

The fair values, which are the amounts reported in the statements of financial position, are based on level 1 inputs, quoted market prices in active markets for identical assets. \$100,000 of the restricted investments balance is permanently restricted for the Oakton School House project.

The restricted investments included the following at June 30,:

	2016 Market <u>Value</u>	2016 Cost <u>Cost</u>	2015 Market <u>Value</u>	2015 Cost <u>Cost</u>
Certificates of Deposit	\$112,569	\$112,569	\$111,506	\$111,506

NOTE 4 – Related Parties

The Foundation is related to the Fairfax County Park Authority (FCPA) through common support. For the years ended June 30, 2016 and 2015, the FCPA made in-kind donations of salaries and benefits, rent and office expense to the Foundation of \$367,740 and \$359,112, respectively. The Foundation’s fundraising efforts are directed towards granting funding to support the parks and open space under the management of the FCPA. For the years ended June 30, 2016 and 2015, the Foundation made payments of \$553,110 and \$681,808, respectively, to the FCPA, and the expenses are included under program services and management and general in the Statements of Activities.

During the year ended June 30, 2016, the Foundation was instrumental in securing donations made directly to FCPA, for various county parks, totaling \$29,000. Because the funds were paid directly to FCPA they are not included in the Statement of Activities.

THE FAIRFAX COUNTY PARK FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS
(Continued)

NOTE 5 – Permanently Restricted Net Assets

Permanently restricted net assets consisted of a grant received from Chevy Chase Bank for \$100,000 for the Oakton School House. The Foundation can only use the earnings generated by the original contribution for the operations of the Oakton School House and the original corpus must remain intact in perpetuity.

NOTE 6 – Temporarily Restricted Net Assets

Temporarily restricted net assets include donor restricted funds which are available for various purposes. As of June 30, 2016 and 2015 temporarily restricted assets are available for the following activities:

<u>Project</u>	<u>2016</u>	<u>2015</u>
Adapted Aquatics	\$ 425	\$ -
Arts for the Parks	10,050	8,000
Bench Memorials	6,900	6,900
Braddock Dogs	4,326	3,895
Bright Futures	11,108	10,294
Burke Lake Park	37,468	-
Class Scholarship Donations	26,030	10,532
Clemyjontri	14,982	11,563
Colvin Run Mill	-	50,000
Combo Classic	-	2,174
Concert Series	9,500	5,080
Eakin Park	69,795	-
Frying Pan Park	11,050	2,671
Hidden Pond	-	3,000
Huntley Meadows	20	-
Invasive Plants	5,905	10,000
Lake Accotink Park	500	500
Lee District Park	3	1
Lee District Park Family Recreation Center	22,493	4,365
Oakton School House	12,569	11,506
Open Space	5,640	5,462
Parks and Communities Together	5,100	9,250
Riverbend	17,667	-
Royal Lake Park	-	3,050
Trail Fund	300	575
Turner Farm	<u>75,000</u>	<u>-</u>
Total	<u>\$346,831</u>	<u>\$158,818</u>

THE FAIRFAX COUNTY PARK FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS
(Continued)

NOTE 6 – Temporarily Restricted Net Assets (continued)

Net assets for the year ended June 30, 2016 and 2015, were transferred to the FCPA administrator or released from donor restrictions, by incurring expenses and/or satisfying the purpose or time restrictions specified by donors as follows:

<u>Project</u>	<u>2016</u>	<u>2015</u>
Adapted Aquatics	\$ 4,438	\$ 641
Arts for the Parks	19,490	23,850
Bench Memorials	17,625	21,866
Braddock Dogs	-	10,000
Bright Futures	38,181	42,422
Burke Lake Park	-	780
Class Scholarship Donations	39,423	38,655
Clemyjontri	720	29,671
Colvin Run Mill	87,500	90,000
Combo Classic	2,174	7,306
Concert Series	104,385	137,508
Cub Run	1,457	714
EC Lawrence Park	2,100	-
Fireworks	640	-
Frying Pan Park	21,457	22,777
George Washington Recreation Center	1,000	-
Great Falls White Oak Project	-	4,797
Greenspring Gardens	15,000	2,019
Hidden Oaks	14,000	14,075
Hidden Pond	4,600	4,564
Huntley Meadows	20,160	1,250
Invasive Plants	10,243	13,391
Lake Accotink Park	1,000	6,706
Laurel Hill Equestrian Center	1,000	1,044
Lee District Park	5,011	37
Lee District Park Family Recreation Center	2,000	12,068
Lodato Memorial	-	1,100
Meaningful Watershed	273	-
Nottoway Park	2,354	3,492
Old Forge	-	20,269
Open Access	-	100
Open Space	36,543	24,744
Parks and Communities Together	26,188	50,082
Pirate Fest	1,600	-
Riverbend	300	300
Royal Lake Park	12,675	-
Smith Memorial Field	100	75
South Run Recreation Center	-	2,500
Springfest	2,500	2,600
Springfield Days	-	10,000
Stewardship Training	225	990

THE FAIRFAX COUNTY PARK FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS
(Continued)

NOTE 6 – Temporarily Restricted Net Assets (continued)

<u>Project</u>	<u>2016</u>	<u>2015</u>
Take 12	2,463	2,250
Tennis Courts	1,214	1,147
Trail Fund	4,244	42,717
Tree Memorials	-	5,850
Visual Arts	1,000	-
Westgrove Off Leash Dog Area	<u>-</u>	<u>5,233</u>
Total	<u>\$505,283</u>	<u>\$659,590</u>

NOTE 7 – Endowment Funds

The Foundation’s endowment consists of one (1) donor-restricted fund established for the maintenance and operation of the Oakton School House. Net assets associated with the endowment fund are classified and reported based on the existence or absence of donor-imposed restrictions.

The Board of Directors of the Foundation have interpreted the Virginia State Prudent Management of Institutional Funds Act (SPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowments funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Foundation classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, and (b) the original value of subsequent gifts to the permanent endowment. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the Foundation in a manner consistent with the standard of prudence prescribed by SPMIFA. In accordance with SPMIFA, the Foundation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: (1) the duration and preservation of various funds, (2) the purposes of the donor-restricted endowment funds, (3) general economic conditions, (4) the possible effect of inflation and deflation, (5) the expected total return from income and the appreciation of investments, (6) other resources of the Foundation, and (7) the Foundation’s investment policies

The Foundation has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to the program supported by its endowment, while seeking to maintain the purchasing power of the endowment assets. Under this policy, as approved by the Foundation Board, the endowment assets are invested in a manner that is intended to preserve the fair value of the gift and provide investment return through current yield (interest) to meet the short-term operational needs of the program.

The Foundation Board reviews maintenance and operational needs of the program as they arise and determine, by simple majority vote, the amount of available funds to spend on the program.

THE FAIRFAX COUNTY PARK FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS
(Concluded)

NOTE 7 – Endowment Funds (continued)

Changes in endowment net assets for the years ended June 30, 2016 and 2015 were as follows:

	<u>2016</u>		<u>2015</u>	
	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>
Beginning Endowment Net Assets	\$ 11,506	\$100,000	\$ 10,121	\$100,000
Investment Income:				
Dividends and Interest	<u>1,063</u>	<u>-</u>	<u>1,385</u>	<u>-</u>
Total Investment Income	12,569	100,000	11,506	100,000
Appropriation of endowment assets				
For expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Ending Endowment Net Assets	<u>\$ 12,569</u>	<u>\$100,000</u>	<u>\$ 11,506</u>	<u>\$100,000</u>

NOTE 8 – Donated Services and Support

Donated services and materials received during the years ended June 30, 2016 and 2015, were recognized in the accompanying financial statements as in-kind support and are offset by like amounts included in expenses or assets.

Donated services and materials received for the years ended June 30, 2016 and 2015 consisted of:

	<u>2016</u>	<u>2015</u>
<u>Program Support:</u>		
Frying Pan Park	\$ 12,845	\$ 175
South Run Recreation Center	2,195	-
Combo Classic	1,265	2,916
Take 12	1,000	-
Cub Run Recreation Center	500	485
Riverbend	500	-
Unrestricted	20	-
Fairfax County Park Authority Gold Course	-	19,350
Landscaping and improvements for Clemyjontri Park	-	5,126
Hidden Pond Nature Center	-	250
Tournaments for Turff	<u>-</u>	<u>250</u>
Sub-total	<u>\$ 18,325</u>	<u>\$ 28,552</u>
<u>General Operations Support:</u>		
Donated personnel	\$ 358,363	\$ 348,545
Rent and utilities expense	9,377	10,488
Office expenses	<u>-</u>	<u>129</u>
Sub-total	<u>\$ 367,740</u>	<u>\$ 359,162</u>
Total	<u>\$ 386,065</u>	<u>\$ 387,714</u>

NOTE 9 – Evaluation of Subsequent Events

The Foundation has evaluated subsequent events through September 20, 2016, the date which the financial statements were available to be issued.

Board Agenda Item
October 26, 2016

INFORMATION – 2

Annual Fee Review Calendar – FY 2017

The schedule for the FY 2017 fee review process is shown below. **Unless otherwise directed by the Board, the public comment meeting on the fee proposal will be held on the first floor of the Herrity Building on Wednesday, January 18, 2017, at 7 p.m.**

FY 2017 Fee Review Calendar	
Action	Date
Discussion –Budget Committee Review of Potential Fee Adjustments for FY 2017	11/9/16
Fee proposal back to Budget Committee for Action	12/7/16
Board action to authorize advertisement of fee proposal and set date of public comment meeting	12/14/16
30-day public comment period	1/4/17 – 2/2/17
Public comment meeting at Herrity Building	1/18/17
Budget Committee approval of proposed fee adjustments	2/22/17
Board action to approve proposed fee adjustments	3/8/17
Fee adjustments take effect	4/1/17

ENCLOSED DOCUMENTS:

None

STAFF:

Kirk W. Kincannon, Executive Director
Sara Baldwin, Deputy Director/COO
Aimee L. Vosper, Deputy Director/CBD
Barbara Nugent, Director, Park Services Division
Nick Duray, Marketing Services Manager, Park Services Division

Board Agenda Item
October 26, 2016

INFORMATION – 3

FY 2017 – FY 2019 Financial Management Plan Park Revenue Funds 80000 and 80300

With changes to the FY 2017 Financial Calendar as requested by the Budget Committee on October 13, 2016.

ENCLOSED DOCUMENTS:

Attachment 1: Revised FY 2017 Financial Calendar

A-2 FY 2017 PAB Financial Schedule

FY 2017 Financial Calendar**July 1, 2016, FY 2017 Budget Year begins**

<u>July 13</u>	Budget Committee reviews: FY 2016 Carryover Budget Review for 10001, 30010, 30400, 80000, and 80300;
<u>July 26</u>	Carryover Review package to the BOS for advertisement
<u>July 27</u>	PAB approves FY 2016 Carryover items and changes to the Purchasing Resolution
<u>September 14</u>	BUDGET COMMITTEE reviews the FY 2018 Budget Submissions <u>and FY 2016 year end numbers for the General Fund and Revenue and Operating Fund *</u>
<u>September 20</u>	BOS approves FY 2016 Carryover and dollars become available
<u>September 28</u>	PAB approves FY 2018 Budgets
<u>October 13</u>	Budget Committee reviews the FY2017-FY2019 Financial Management Plan; PAB Reviews 2017 Fee Calendar; Planning and Development Committee reviews the FY 2018-FY 2022 Capital Improvement Program
<u>October 26</u>	Fee Calendar is provided to the PAB
<u>November 8</u>	Election Day, 2016 Park Bond Referendum
<u>November 9</u>	BUDGET COMMITTEE reviews First Quarter updates and potential fee adjustments for FY 2017
<u>November 16</u>	PAB receives First Quarter updates; PAB receives Annual Financial Report (CAFR) as of June 30, 2016, auditor will attend.
<u>December 14</u>	BUDGET COMMITTEE reviews the Advertised Fee Proposal Package for FY2017 and confirms the public meeting date (typically late January);
<u>January 18, 2017</u>	Public comment meeting on fees at Herrity Building
<u>February 14</u>	County Executive presents the FY 2018 Proposed Budget and CIP
<u>February 08</u>	BUDGET COMMITTEE reviews Second Quarter updates and Third Quarter Budget items and approval of the FY 2017 Fee Adjustment Package
<u>February 22</u>	PAB reviews the Second Quarter updates, Third Quarter Budget items and the FY2017 Fee Adjustment Packages
<u>March</u>	March Planning Commission hearings on FY 2018 – FY 2022 CIP

March BOS meeting – Third Quarter Budget discussion PAB receives the FY 2018 Advertised Budget Plan Memorandum and approves the FY2016 Fee Adjustments

April

Fee adjustments take effect (April 1st)
BOS Public hearings on proposed FY 2018 Budget
BOS FY 2017 Third Quarter approved, FY 2018 Budget Mark up
BOS Formal Adoption of the FY2018 Budget

May

Budget Committee reviews any policy changes if needed, FY2018 Adopted Budgets, FY2017 Third Quarter Updates, preparation for FY 2018 budget.
Gather input from PAB regarding FY 2019 Budget submission.

June 30

FY 2017 closes

*Review of year end numbers will occur annually.