



FAIRFAX COUNTY PARK AUTHORITY



M E M O R A N D U M

TO: Chairman and Members
Park Authority Board

VIA: Kirk W. Kincannon, Executive Director

FROM: Janet Burns, Senior Fiscal Manager
Financial Management

DATE: February 16, 2017

Agenda

Budget Committee

Wednesday, February 22, 2017 – 5:15 p.m.

Boardroom – Herrity Building

Chairman: Mary Cortina

Vice Chair: Ken Quincy

Members: Walter Alcorn, Maggie Godbold, Mike Thompson

1. Approval of Fee Adjustments to the Published Fee Schedule for 2017 – Action*
2. FY 2017 Third Quarter Budget Review, Fund 30400, Park Authority Bond Construction - Action*
3. FY 2017 Mid-Year Budget Review, Fund 10001, General Fund – Information*
4. FY 2017 Mid-Year Budget Review, Fund 80000, Park Authority Revenue and Operating Fund – Information*
5. FY 2018 Budget Update

*Enclosures



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Board Agenda Item
March 8, 2017

ACTION –

Approval of Fee Adjustments to the Published Fee Schedule for 2017

ISSUE:

Approval of recommended fee adjustments to the Park Authority's published fee schedule for 2017.

RECOMMENDATION:

The Park Authority Director recommends that the Park Authority Board approve all proposed fee adjustments as advertised.

TIMING:

Board action is requested on March 8, 2017, as fee changes take effect beginning April 1, 2017.

BACKGROUND:

Park Authority staff reviews fees annually to ensure the agency remains on target to meet financial goals established by the Park Authority Board. As a result of this year's review a select number of fees were proposed for modification or addition. Fee adjustments were suggested in only a limited number of areas for 2017 due to continuing concerns about general economic conditions.

Budget Committee review of the staff proposal occurred on November 9, 2016. On December 14, 2016, the Park Authority Board authorized public notification of the proposed fee adjustments and set a date for a public comment meeting. (See Attachment 1 for proposed fee adjustments.)

Public notification of the fee proposal and public comment meeting included a press release to news organizations, and advertisement of the fee proposal at staffed park sites and Park Authority headquarters and on the Park Authority's web site. Social media posts also announced the public comment period and meeting several times. Public comments were solicited during a 30-day comment period (which ran from January 4 through February 2, 2017) and at a public comment meeting held on January 18, 2017.

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The degree of public comment on the FY 2017 fee proposal was minimal. No speakers attended the public comment meeting (versus three last year and 28 in 2015), and three comments were received via email (compared with six written comments last year and 193 in 2015).

A log of all comments received during the 30-day comment period appears in attachment 2. A summary of comments by topic is as follows.

#	Topic
1	Opposes RECenter indoor swimming pool base rate increase as proposed, and requests that FCPA reduce the high volume price discount threshold from 3,000 rented lane hours to 1,500 rented lane hours so that Alexandria Masters may qualify for the high volume discount.
1	Compares RECenter pass fees (not included in this year's fee proposal) with membership fees of Planet Fitness.
1	Feels that RECenter general admission fees should not be increased without also increasing RECenter pass fees.

FISCAL IMPACT:

Proposed fee changes are projected to generate approximately \$86,145 in additional revenue in FY 2017 and \$398,646 in FY 2018.

ENCLOSED DOCUMENTS:

Attachment 1: Proposed Fee Adjustments FY 2017

Attachment 2: Public Comments on Proposed Fee Adjustments for FY 2017

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

Proposed Fee Adjustments

FY 2017



Fairfax County Park Authority

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Organization of the FY 2017 Fee Proposal

The FY 2017 Park Authority Fee Proposal begins with the 'Current Situation – System-wide Considerations,' which describes the important factors in the Park Authority's overall operating environment that had an effect on the composition of this year's fee adjustment proposal. This overview is followed by separate sections for each of the specific fee adjustments that are being proposed. Each of these sections briefly outlines important situational factors specific to that business area that had an effect on the development of the fee adjustment proposal. This is then followed by a summary of the fee adjustments proposed for that business area.

The Park Authority Board maintains oversight approval for approximately 500 facility use/rental fees in its Schedule of Rates, Fees and Other Charges. Although staff reviews the entire fee schedule annually, only new fees and/or those recommended for adjustment are included in the annual fee proposal. Fee adjustments resulting from review of the FCPA Fee Schedule are designated as Park Authority Board approved. Programs and administrative fees are not included in this process. These are designated by Policy 305 – User Fees as director-approved.

Current Situation – Systemwide Considerations

- Fees generated in the Park Authority's Revenue and Operating Fund (ROF) pay for personnel expenses and operating costs at all Park Authority-operated golf courses and RECenters; at lake parks for fee-sustained facilities and program operations; and for rental facilities, programs, and store sales at nature centers, visitor centers, historic sites and other parks. Sustained revenue growth is essential to support the ROF and to offset increases in operating expenses. Income from fees must also pay back debt service associated with revenue bonds used to develop golf course facilities.
- Revenue growth is intended by design to come from multiple sources, including new facility improvements and expansions, program participation growth, new facility users, cost management and fee increases. Several facility expansions that will contribute to future revenue growth have recently been completed, including those adding fitness and recreational space at Oak Marr and Spring Hill RECenters, expansion of event rental space at Twin Lakes golf course, and expansion of the Water Mine at Lake Fairfax Park.
- As a matter of policy the Park Authority prefers to adopt regular, gradual fee increases rather than infrequent, but larger increases that are more disruptive to its customers. As the Park Authority's fee policy states "where feasible, comparatively small and regular fee increases are preferred over less frequent, larger increases."
- Sufficient revenue must be produced annually to meet long-term debt service obligations for park facility revenue bonds, which are repaid with revenues from user

fees. Debt obligations for FY 2017 and FY 2018 are \$1,634,416 and \$1,662,877 respectively.

- The Park Authority's Park Revenue Funds Financial Management Plan for FY 2017-2019 identifies several significant near-term budgetary impacts, including the following:
 - Benefits. Benefits continue to rise. In FY 2016, the total cost associated with benefits for the Revenue and Operating Fund increased as follows:
 - Retirement contributions increased 6.9% to \$1,949,258.
 - Health care benefits for all ROF personnel increased 5.2% to \$1,960,177.
 - Other Post-Employment Benefits (OPEB) costs for ROF employees were transferred from the county to the Park Authority beginning in FY 2011. In FY 2015 the charge was \$590,977, and rose to \$598,197 in FY16. For FY17, the charge was reduced to \$256,924, as the County changed its funding contribution of this long-term liability account.
 - Employee compensation – market rate adjustment. In FY 2016, based on the Board of Supervisors (BOS) approval of a new compensation plan for county employees, funding was included for performance increases and a 1.1% market rate adjustment (MRA); the average compensation increase was estimated at 3.6%. The impact to the Revenue and Operating Fund for those FY 2016 salary adjustments is estimated at \$660,000. The FY 2017 adopted budget includes a 1.33% MRA for all employees, at an estimated cost of \$374,607 and pay-for-performance and longevity increases at an estimated cost of \$258,183 for a total cost of \$632,790.
 - Retirement impacts - leave payouts. Like the general county, the Park Authority is facing an increased number of retirements as baby boomers exit the work force. In FY 2016, the Park Authority Revenue and Operating Fund had 36 merit employees eligible for retirement. An additional 7 employees become eligible in FY 2017. The ROF incurred \$123,636 in leave payouts in FY 2016. Estimated retirement payouts for FY 2017 are \$73,919.
 - Indirect costs. The county assesses the Park Authority annual charges for indirect costs for provision of legal, human resources and other centralized services. The indirect cost assessment for FY 2016 was \$820,000 and will remain the same for FY 2017.
 - Fairfax County Public Schools (FCPS) Initiatives. Several FCPS initiatives will have a recurring financial impact on businesses operated in the Park Authority's Revenue and Operating Fund, including the following.

- Already adopted scheduling changes have shifted schools' use of RECenters to later hours, impacting aquatic program schedules as well as passholder and general admission participant use. The revenue impact in FY 2016 was \$84,489.
 - A second and, potentially greater financial impact, will occur in 2017-18 when the school year will begin prior to Labor Day. The potential revenue impact due to lost customer availability and program time is currently estimated to be as much as \$500,000.
- Cost recovery expectations. The primary use of net revenue in the ROF is facility and services reinvestment into projects such as the Revenue Facilities Capital Sinking Fund that provides support for planned, long-term, life-cycle maintenance of revenue facilities, and information system replacements (ParkNet and golf). FY 2016 ROF actual net revenue was \$611,182. FY 2017 revised net revenue is currently budgeted at \$520,062. Factors impacting FY 2017 net revenue include debt service, FCPS initiatives described above, continued implementation of the BOS-approved employee compensation plan and indirect charges from the County.
- General market conditions and Park Authority use/revenue trends that have influenced the composition of the FY 2017 fee proposal are outlined below. Collective consideration of these factors has resulted in a modest fee proposal that attempts to remain sensitive to economic conditions, focuses on niche opportunities throughout the system in an effort to produce incremental revenue growth and contains no proposed adjustments in any golf or Resource Management Division fees.

Consumer price index (CPI). The most recent data (July 2016) shows that moderate growth in the Washington-Baltimore CPI has resumed after a year of negligible growth in 2015. Over the 12-month period July 2015 – July 2016, the CPI grew 1.4% compared to 0.3% in all of calendar 2015. Over the past two years, the Washington-Baltimore region CPI has experienced cumulative growth of 1.7%; three-year CPI growth was 3.2%.

Other measures of the current condition of the local economy that are typically considered in the annual fee proposal include trends in the Fairfax County unemployment rate and sales tax receipts for retail sales. The plan also tracks consumer confidence in the economy by reporting recent trends in the national consumer confidence index developed by The Conference Board.

Unemployment. While seasonal fluctuations occur, local unemployment continues to trend gradually downward. July 2016 unemployment for Fairfax County was 3.2%, down from 3.6% the previous July. During that time period, the monthly unemployment rate has ranged from 3.6% to 2.6%, and has averaged 3.2%. As is the typical pattern, current unemployment in Fairfax

County is considerably lower than at either the national or state level (5.1% and 4.0% respectively for July 2016). Within northern Virginia, Fairfax County unemployment remains about 'middle-of-the-pack' – higher than Arlington County (2.5%), comparable to Loudoun County (3.2%) and lower than Prince William County (3.5%).

Retail sales. Prior to FY 2015, the local retail sales trend, as reflected in sales tax receipt patterns, had been sluggish. Growth in Fairfax County sales tax receipts resumed in FY 2015 and continued for a second straight year in FY 2016, albeit at a somewhat slower pace. Total sales tax receipts grew 1.4% in FY 2016 versus 6.6% in FY 2015. Sales tax receipts reported for the first month of FY 2017 (July 2016) were down 4.6% compared to prior year. Monthly sales tax receipt patterns are variable, however, with six monthly periods posting gains and six posting losses over the past year.

Consumer confidence. The Conference Board's consumer confidence index (CCI) is a national measure of consumer optimism on the state of the economy and is viewed by economists as a leading indicator of the U.S. economy. While the monthly index can be volatile, the general trend since 2013 has been one of gradually improving consumer confidence through 2015 with some levelling off of the trend in 2016. Since May 2016, when CCI hit its 12-month low point, consumer confidence has been trending upward again buoyed by consumer optimism regarding both the present conditions and future expectations components of the CCI.

- Park Authority use/revenue trends.

Golf. For the first time in four years, the total number of golf rounds played increased over the prior year. Rounds played in FY16 increased to 268,801, a 3.2% increase over FY15. Good weather contributed to this outcome, as total operating days for the system were up 92 days, or 4%. Industry-wide, however, golfers continue to respond to challenging economic conditions with judicious belt tightening – employing more frequent discount seeking, and shifting play to less expensive courses and off-peak times when possible. Course operators continued to respond with aggressive discounting to fill tee sheets as well as an increased and targeted use of dynamic pricing. As a result, greens fee revenue increased only 0.9%. Of significance for the future, golf will greatly benefit from golf marketing enhancements driven by the introduction of the new golf management system (EZLinks software was implemented in late February 2016), and the addition of the new Golf Marketing Specialist position (position was filled in October 2015). In addition, increased targeted programming such as Footgolf and amateur tournaments will help to expand the golfer market. Other planned improvements such as the expansion of the Burke Lake driving range and clubhouse, though having a near-term negative impact on revenue while under construction, will enhance the long-term revenue potential for the golf section.

RECenters. RECenter attendance increased 1.9% in FY 2016, with increases seen at five sites and decreases at four. Overall revenue increased by 3.4%, largely primarily driven by two categories – program revenue (up at 6 sites) and rental revenue (up at 7 sites). Pass revenue was up only three sites; this performance causes significant concern that prices for membership passes are at or very near market tolerance levels in the current environment. Future implementation of the new recreation management software system will enable the introduction of automated monthly membership fees, which will be attractive to those unable to pay up front for a long-term membership.

Resource Management. Though stewardship education continues to show steady growth in revenue and participation, the division experienced a plateau with only a 2% growth in program revenue from FY 2015 to FY 2016 after a five year 8% average growth. The surge in fee based programming over the past 5 years has been a result of fee increases and increase in programs both at RMD sites as well as alternative facilities (HPRS sites, park shelters, etc). The next few years will be focused on re-calibrating and evaluating the program mix, program performance and particularly net revenue goals. Overall revenue grew by 1%, a decline from the last five years average growth of 6%. Some of this is due to a shift of the Historic Property Rental program to Park Services which resulted in a 23% (\$170k) decline in rental revenue for the division. Frying Pan Farm Park revenue was down \$68k in FY16 which has a big impact on the Division's revenue, being 36% of the overall budget. However, other sites that in the past have experienced modest to no growth have actually begun to surge in revenue categories with 7 sites showing positive revenue gains. Weather dependent categories have been mixed with positive growth in special events (29%) and negative growth in boating (-2%) and amusements (-5%).

RECenters

Current Situation

- RECenters are heavily used and remain in high demand. Combined general admission and pass attendance grew 2.1% between FY 2015 and FY2016, and revenue increased by 3.1%.
- The Washington-Baltimore consumer price index has increased 4.7% since the last RECenter admission adjustments were implemented in 2012. Recognizing improved profitability comes from multiple sources, including program growth and cost control, staff is recommending a modest increase to RECenter admission fees.
- A comparative analysis of admission fees with those of other local public and private providers showed that RECenter list prices are in line with or slightly above other providers. While this would imply little opportunity to raise rates, it must be recognized that the RECenters rely on price discounting to a greater degree than other operators, which lowers the effective rate users pay. Additionally, most other comparable municipal facilities in the area are supported by significant tax subsidies.
- Staff is recommending an increase in general admission fees in an effort to drive guests towards longer term commitment.
- Staff is not recommending an increase in pass fees this year, but rather will evaluate deeper discounts during our pass sales to stimulate further interest and membership growth.
- A comparative analysis of public ice skating sessions fees shows that Mount Vernon RECenter fees are below that of other facilities located in northern Virginia and suburban Maryland.
- Increases in operating costs directly associated with rising utilities expenses have reduced the cost recovery of Mount Vernon RECenter.
- RECenter swimming pool rental fees are structured to encourage high-volume rental. Groups renting at least 3,000 hours per contract are eligible for a discounted rental rate. Low-volume users pay the base rental rates. Although most RECenter swimming pool contracts come from low-volume users, the vast majority of rental hours (more than 80%) are generated by high-volume renters. Base rental fees were last adjusted in 2016 along with discounted pool rental rates for high-volume users. To maintain an appropriate discount for high-volume renters, the base rate must be adjusted annually.

Proposed RECenter Fee Adjustments

Based on the conditions described above, proposed RECenter fee adjustments for FY 2017 are as follows.

1. General admission fees. Staff recommends the following changes to RECenter general admission fees. No change is proposed in either the youth/student or senior general admission fee categories. These fees were last updated in 2012.

RECenter General Admission Fees – All RECenters

	CURRENT FEE		PROPOSED FEE	
	<u>Base</u>	<u>Discount</u>	<u>Base</u>	<u>Discount</u>
Adult	\$10.50	\$ 8.00	\$12.50	\$10.00
Family	\$30.00	\$16.00	\$34.00	\$20.00

2. Specialty Skating Session Fees. An adjustment to the special session fees is also recommended to better align these fees with the surrounding market and to aid in site cost recovery. Ice operations, along with natatorium operations, are major consumers of utilities. These fees were last updated in FY 2016.

Specialty Skating Session Fees - Mt. Vernon RECenter

	<u>CURRENT FEE</u>	<u>PROPOSED FEE</u>
Pick Up Hockey, Stick & Puck	\$11.50	\$12.00
Skate Sharpening- 24 Hour	\$ 7.00	\$ 8.00
Skate Sharpening-On the Spot	\$10.00	\$11.00
Ice Dance	\$11.50	\$12.00

Specialty Skating Session Fees – Mt. Vernon RECenter

	CURRENT FEE		PROPOSED FEE	
	<u>Base</u>	<u>Discount</u>	<u>Base</u>	
Power Skate	\$10.50	\$ 8.50	Eliminate	\$ 9.00
Power Skate Pass (10 Visits)	\$87.50	\$69.00	Eliminate	\$72.00

3. Freestyle Sessions Fees. An adjustment to the freestyle session fees is also recommended to better align these fees with the surrounding market and to aid in the site cost recovery. Ice operations, along with natatorium operations, are major consumers of utilities. Freestyle sessions (daily and discount pass) fees were last updated in FY 2016.

Freestyle Session Skating Fees – Mt. Vernon RECenter

	<u>CURRENT FEE</u>	<u>PROPOSED FEE</u>
Freestyle Skating	\$ 11.50	\$ 12.00
Pre-Registered (20 visits)	\$183.00	\$188.00

Freestyle Session Skating Fees – Mt. Vernon RECenter

	<u>CURRENT FEE</u>		<u>PROPOSED FEE</u>	
	<u>Base</u>	<u>Discount</u>	<u>Base</u>	
Weekly Freestyle Pass	\$230	\$196	Eliminate	\$204

4. RECenter indoor swimming pool base rates. Staff recommends increasing the indoor swimming pool base rental fees as follows. Base rental rates were last adjusted in 2016.

RECenter Indoor Swimming Pool Base Rates – Per Hour

	<u>CURRENT FEE</u>	<u>PROPOSED FEE</u>
Swimming Lane – 25 yard lane	\$23.78	\$24.59
Swimming Lane - 50 meter lane	\$52.20	\$53.98
Diving Well – 25 yard pool	\$85.00	\$91.80
Diving Well – 50 meter pool	\$106.00	\$114.48
Entire Pool – 25 yard pool	\$258.70	\$267.50
Entire Pool – 50 meter pool	\$445.32	\$460.46

Lakefront Parks

Current Situation

- With over 2 million visits in FY 2016, lakefront parks continue to be heavily used and in high demand.
- Given continued Park Authority commitment to provide services at lakefront parks despite General Fund budget challenges, there is a need to improve cost recovery at these locations. This year's fee recommendations will continue to address those areas that have the potential to improve the profitability of these sites.
- Staff has reviewed all fees at the lakefront parks and has conducted a comparative analysis of other local public and private providers. The analysis showed that fees at lakefront parks are in line with other providers for similar facilities and services.

Proposed Lakefront Fee Adjustments

1. Boat Launch Fees. An adjustment to the boat launch fee is recommended to align with current fees charged at Riverbend and Burke Lake parks. These fees were last updated in FY 2002.

Boat Launch Fees – Lake Accotink & Lake Fairfax Parks		
	<u>CURRENT FEE</u>	<u>PROPOSED FEE</u>
Single Launch	\$ 2	\$ 5
Season Pass	\$20	\$40

2. Kayak Fees Staff recommends establishing the following kayak rental fees to support the introduction of two-person kayaks at Lake Accotink and Lake Fairfax parks and fishing kayaks at Burke Lake Park. The proposal follows the same two-tier fee structure (weekday, weekends/holidays) established in FY 2016 for similar fees.

Kayak Fees – Lake Accotink & Lake Fairfax Park			
	<u>CURRENT FEE</u>	<u>PROPOSED FEE</u>	
		Weekday	Weekend/Holidays
Two-Person Kayak (Hourly)	- - -	\$10	\$11

Kayak Fees – Burke Lake Park			
	<u>CURRENT FEE</u>	<u>PROPOSED FEE</u>	
		Weekday	Weekend/Holidays
Kayak (Half-Day)	- - -	\$12.50	\$13.50
Kayak (Full-day)	- - -	\$18.00	\$19.00

3. Campsite rental fees. The current campsite rental fee structure includes base and holiday rates with holiday rates charged on Memorial and Labor Day weekends (Friday – Monday) and the 4th of July. Staff recommends extending the current holiday pricing to include all weekends (Friday – Sunday). The current fee structure would remain unchanged for campsite rentals on Monday - Thursday. Campsite rental fees were last adjusted in 2015.

Campsite Rental Fees – Burke Lake and Lake Fairfax, Friday-Sunday*

	<u>CURRENT FEE</u>	<u>PROPOSED FEE</u>
<u>Non-Electric Camp Site – Burke Lake, Lake Fairfax</u>		
Per night, per site	\$28	\$31
Per night, per site (senior, County Resident)	\$18	\$19
Per night, per site (senior, Non-County Resident)	\$25	\$28
<u>Electric Camp Sites with 20/30 – Lake Fairfax</u>		
Per night, per site	\$37	\$41
Per night, per site (senior, County Resident)	\$24	\$26
Per night, per site (senior, Non-County Resident)	\$33	\$36
<u>Electric Camp Sites with 20/30/50 – Lake Fairfax</u>		
Per night, per site	\$45	\$50
Per night, per site (senior, County Resident)	\$29	\$32
Per night, per site (senior, Non-County Resident)	\$40	\$44

*Proposal extends current holiday weekend pricing to all weekends (Friday-Sunday).

Camping Group – Lake Fairfax and Burke Lake Parks

	<u>CURRENT FEE</u>		<u>PROPOSED FEE</u>	
<u>Group Camping</u>	<u>Basic</u>	<u>Holiday</u>	<u>Base</u>	<u>Weekends/Holiday*</u>
Lake Fairfax Park	\$120	\$135	\$140	\$155
Burke Lake Park	\$ 90	\$100	\$105	\$115
Additional Per Person, Per Night	\$ 6	\$ 7	\$ 7	\$ 8

* Definition of Holiday remains unchanged. Weekends include Friday - Sunday.

4. Volleyball court rental fees. Staff recommends increasing the hourly rates for volleyball courts at the locations listed below. This fee was last adjusted in 1996.

Sand Volleyball Court Rental Fee –
Burke Lake, Lake Accotink, Lee District, Nottoway, Stratton Woods

	CURRENT	PROPOSED
	<u>FEE</u>	<u>FEE</u>
Hourly rental	\$15	\$20
Hourly rental with shelter rental	\$10	\$15

5. Amphitheater rental rates. Staff recommends increasing the rental rates at the locations listed below. This fee was last adjusted in 2006.

Amphitheater Rental Fee – Burke Lake, Ellanor C. Lawrence, Lake Fairfax
Parks (minimum 4 hours)

	CURRENT	PROPOSED
	<u>FEE</u>	<u>FEE</u>
Hourly rental (<i>prime-time</i>)	\$15	\$20
Hourly rental with shelter rental (<i>non-prime</i>)	\$10	\$15

6. Mini golf field rental fee. Due to frequent usage by organized groups, staff is recommending a new fee structure for organized usage of the field located next to the mini golf facility.

Mini Golf Field, Event Usage Fee – Burke Lake Park (minimum 4 hours)

	CURRENT	PROPOSED
	<u>FEE</u>	<u>FEE</u>
Four hour rental fee	---	\$50

Picnic Reservations

Current Situation

- At the conclusion of each picnic season evaluations are conducted of use and demand data and of potential additions or deletions to the inventory of reservable picnic areas. Staff is also surveyed for suggestions and or identification of possible service enhancements. Based on these evaluations and input, staff recommends the following:
- Staff proposes an increase of \$5 to \$10 at a few locations, and no fee increases at the majority of the facilities.
- There is an opportunity to meet increased demand for shorter-duration rentals at popular facilities, typically to host children's birthday parties. To that end, staff proposes creating 2-hour rentals at the Canopy at Clemyjontri Park from April to September while the Carousel is open to the public. This has been successful when adding time slots at Burke Lake Park's Shelter D, at which staff also proposes an increase this year to align prices with similar offerings.
- New shelters will be built at Lee District and Hidden Pond – each is being priced comparably with other sites based on capacity.

Proposed Rental Fee Adjustments:

1. Picnic reservation fees. Staff proposes the following changes to picnic reservation fees.

Picnic Shelter Reservation Fees – Full-Day and Half-Day Rental

	----- CURRENT FEE -----		----- PROPOSED FEE -----	
	Full-Day Rental	Half-Day Rental	Full-Day Rental	Half-Day Rental
	<u>Prime/Non-Prime</u>	<u>Prime/Non-Prime</u>	<u>Prime/Non-Prime</u>	<u>Prime/Non-Prime</u>
Lake Accotink Park – Small	\$100 / \$80	\$65 / \$50	\$110 / \$85	\$65 / \$50
Annandale Park	\$75 / \$60	N/A	\$80 / \$60	N/A
Lake Fairfax H & I	\$135 / \$110	\$95 / \$75	\$140 / \$115	\$95 / \$80
Lake Fairfax J & K	\$185 / \$135	\$110 / \$85	\$190 / \$140	\$110 / \$90
Clemyjontri – Canopy	\$125	\$95	\$80 per 2 hrs.	\$80 per 2 hrs.
Martin Luther King Jr. Park	\$70 / \$55	N/A	\$75 / \$55	N/A
Hidden Pond Shelter 2	N/A	N/A	\$75 / \$55	N/A

Picnic Shelter Reservation Fees – Birthday Party Rental, 2-Hour Increments

	<u>CURRENT FEE</u>	<u>PROPOSED FEE</u>
Lee Party Shelter A	-----	\$50
Lee Party Shelter B	-----	\$50
Burke Lake Shelter D	\$60	\$80

Alcoholic Beverage Permit Fee

Current Situation

- The Alcoholic Beverage Permit Fee has been in place for more than 30 years, providing customers permission to serve alcohol at private rental events such as weddings, anniversaries, retirement and other celebrations held at Historic Properties, RECenters and other indoor venues.
- Staff proposes to increase the Alcoholic Beverage Permit fee to \$200. The Alcoholic Beverage Permit fee was last changed in 2009 to \$150.
- Prior to July 1, 2016 all customers that wanted to have alcohol at events were also required to obtain a separate permit from Virginia ABC – this requirement has been removed (except in some limited circumstances), thus resulting in an overall savings for most Park Authority rental groups.

Proposed Rental Fee Adjustments:

1. Alcoholic beverage permit fee. Staff proposes the following change to the alcoholic beverage permit fee.

Alcoholic Beverage Permit Fee	
<u>CURRENT FEE</u>	<u>PROPOSED FEE</u>
\$150	\$200

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Public Comments on Proposed Fee Adjustments for FY 2017

-----Original Message-----

From: Tom McCarty
Sent: Friday, January 13, 2017 7:47 PM
To: Parkmail
Cc: Mary L McCarty
Subject: Fee Schedule

In case it has not come to your attention Planet Fitness had a special signup at their newest location (8304C Old Keene Mill Road, Springfield, VA), plus, I believe also at the other 5 -6 locations owned in the Northern VA area. The cost is a \$39/year Annual Fee \$1 down & \$10/month. No long term commitment & billed monthly to your checking account. My wife & I have joint Senior annual South Run memberships. I only use the gym (cardio/strength). She hardly use the gym & separately pays for Deep Water Aerobics. This cost us over \$800 for the joint membership plus the Aerobics fees. Our joint Planet Fitness costs will be about \$320/year. Since I have been going to South Run for about 7 - 8+ years, I estimate that not more than 10 -15% of the gym folks use the pool or other South Run facilities. You may need to do deeper market surveys to meet the competition head on.

From: Eva Catlin
Sent: Tuesday, January 24, 2017 1:48 PM
To: Parkmail
Subject: Fee Comments

Hello and thanks for all you do to make Fairfax County enjoyable.

Having read the insidenova.com article about fee changes being sought for county parks, I would like to ask a few questions before I cast my vote for or against the fee increase.

What is the demographic of those who use the facilities? If it's an affluent bunch like me, raise the rates! But.....

Why raise only the general-admission fees? Why not raise the rate for passes? My bet is people like me who can afford a four-month pass for \$255 won't even notice a \$5 increase.

Look forward to hearing from you. Thank you for your time.

eva catlin
vienna, va

Response to Eva Catlin:

On Wed, Jan 25, 2017 at 1:55 PM, Pedersen, Judith wrote:

Dear Eva,

Thank you for sharing your thoughts with us. These comments will be added to the record. We do not generally respond to comments we collect for the record but I can perhaps provide a bit of context for you. The demographics of the people we serve - those who use park facilities, is broad and nearly universal. Recent surveys indicate that eight out of ten county households use parks.

Regarding why our proposal raises these fees? The vast majority of RECenter admission use (83%) comes from pass holders, with only 17% coming via general admission. So the collective impact is minimized with this proposal. In addition, FCPA has a long-term strategy of encouraging regular use of RECenters through discounted passes because health benefits can only be accrued through regular use. We feel this proposal is consistent with that strategy as well.

I hope this sheds a bit of light on our reasoning. Thanks again for your participation in this important community discussion. Keep enjoying our parks!

Best wishes,

Judy Pedersen
Public Information Officer

Response back from Eva Catlin:

From: Eva Catlin
Sent: Wednesday, January 25, 2017 3:38 PM
To: Pedersen, Judith
Subject: Re: FW: Fee Comments

Hi, Judy. Thank you for your quick and helpful response. I thought about it and...I remain convinced that pass-holder fees should be upped. They are the primary users and I believe in "user pays." After all, they reap the biggest benefit!

Thanks again and enjoy this beautiful day!

eva

From: Drew Killian
Sent: Thursday, February 2, 2017 4:51 PM
To: Parkmail
Cc: david Whitney; DOUGLAS L. PRINCE
Subject: Comment Submission for FCPA 2017 Fee Proposal

Fairfax County Park Authority -

On behalf of Alexandria Masters Swimming, I am submitting the attached comments in response to the 2017 Fee Proposal. Please confirm receipt of these comments. Also, please contact me at if there are any questions, comments, or responses.

Sincerely,
Andrew Killian
Chairman, Alexandria Masters Swimming

<Attachment follows>

Comments on Proposed Swim Lane Fee Increases

February 2, 2017

Alexandria Masters Swimming (AMS) has been commenting on the continual rise and inequity with FCPA swimming pool lane rental rates for many years. Every year we submit our official response to FCPA with request for the same discounted rates that high volume renters enjoy, but FCPA continues the same ineffective, unfair, and destructive policy with the two-tiered lane rental system. Last year we had numerous discussions with Park Services Division Director, Ms. Barbara Nugent, about special agreements allowing AMS to qualify for the discounted rate. Unfortunately, the agreement made in writing was ultimately not honored by Ms. Nugent or FCPA.

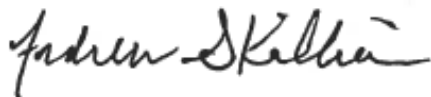
Alexandria Masters has tried very hard to absorb the continual rise in the base rental fees for swim lanes over the past years, but with limited success. In the past few years we have had to curtail our program and raise our swimming fees in order to remain solvent. We have argued that the 2-tiered rate structure used by FCPA is unfair to the smaller renters, who rent less than 20% of the total rental hours. Over 80% of the lanes are rented by large organizations, and their discounted rate is currently \$3.32 per lane/hr lower than all other renters. We find it inappropriate for a County government to treat Fairfax County residents in such an inequitable way.

The difference between the base rate and the discounted rate is significant for AMS, a difference of roughly \$5,600/yr. The proposed rate increase for next year adds another \$0.81 per lane hour at the base rate, or approximately \$1,364 - if we are able to afford the same 1,684 lane hours that we rented this past year. We understand that rates increase every year as costs go up, but we are simply asking for the same rate being offered to other swimming organizations.

AMS respectfully requests that FCPA reduce the high volume threshold of 3,000 lane/hrs to 1,500 lane/hrs so that we can qualify for the discounted rate. With a lower rate, we will be in a position to regain and grow the size of our former program, reinstate some of the lanes that we cut in past years, and hopefully expand into new areas. Lower rental rates translate directly into more lanes, more sessions, more revenue for FCPA, and more swimmers benefiting from a structured adult swimming program hosted in County facilities. It's a win-win solution for all parties.

Again, AMS is requesting FCPA to extend the discounted rental rates to us. We have been renting swim lanes from FCPA since the late 1990s, we operate under United States Masters Swimming (USMS) rules and regulations, we are a financially sound and stable organization run by volunteers, and we provide a swimming program for adults in Fairfax County that does not compete with other FCPA offerings. In about two months we will submit our bid sheets for next year's lanes, so we ask FCPA to review this request promptly.

Respectfully submitted,



Andrew S. Killian
Chairman, Alexandria Masters Swimming

Brief History of Alexandria Masters comments on lane rates:

Alexandria Masters has had a contract with FCPA since 2005. Before 2005, AMS rented lanes with another group to swim in Fairfax County RECenters. AMS has commented on the fee structure for lane rentals nearly every year since 2007, but so far FCPA has done nothing to resolve or mitigate this issue.

Around 2007 we were on a steering committee with Pat Cook (FCPA), John McCarthy (FCPA) and other renters, to provide analysis and recommendations. While the steering committee met, we had some insight into the financial numbers. At that time the public swimmers were heavily subsidized by the rental teams. The teams receiving discounts were getting the lanes for less than cost to the county, meaning that AMS was subsidizing their rentals. We concluded the reason for the discount (increase large rental use of the pools) was no longer valid. After the committee agreed on recommendations for implementation, someone in FCPA (not on the committee) overruled his own representatives and decided to use a 2-tier system, which is what continues today. One of the recommendations from this committee was to establish a 3-tiered rate structure, where AMS and Fairfax Masters would have fallen into the middle tier, giving us a partially discounted rate. Apparently, the discounted rate structure is a practice-- not a written policy.

The county fee structure has driven out all masters teams or driven them to merge. Gone are Annandale Masters, Fairfax Area Aquatic Team, Team Z Masters Swim Team, Tri-Masters Swimming, and Fairfax Masters. Reston Masters moved all their workouts and meets out of county facilities. Only the merged teams and those that can ride on the backs of the USA teams are around. We noted that by merging, the county gets less rental income because these teams were now renting at the discount. When separate swim teams (Masters and USA Swimming) are allowed to combine their rental to receive a discount, the merged entity is now ruled by two separate bodies with two separate insurance policies.

For years, AMS has been operating our Fall, Winter, and Spring seasons (Sept - May) at a deficit when we swim indoors at county facilities, and we try to balance our budget with the swim meet in January and during our summer season when we swim in outdoor pools.

We had discussions with the new head of the Park Authority, John Dargle, after Charlie Bittenberg retired. We explored new possibilities - lane pricing based on demand like car tolls and Metro fares - to spread out use. We talked about a third tier of pricing. We talked about teams renting lanes to keep other teams out. We talked about soccer, football, and baseball teams getting fields for free, but swimmers had to pay for the pool. He agreed that variable pricing based on demand would bring in more money based on what other pools do, and brought more people in the pool. We talked about the fact that it is cheaper for families to go to the movies than go to a Fairfax County pool. We talked about the fact that there is no YMCA to compete with FCPA. We talked about how the YMCA structures its public lap time and its class time for maximum use of its facilities and maximizes profit. We talked about USA swimming trying to build its own pool in the county because of the raw deal it was getting for its meets, and how the FCPA facilities are aging and crumbling. We talked about eliminating the discount because it was an old hold-over from times when the county was trying to encourage people to rent lanes, and that it made no sense now. We talked about how the discount could be phased out over a 3-4 year period. We continue to push for real action.

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ACTION

FY 2017 Third Quarter Budget Review, Fund 30400, Park Authority Bond Construction Fund

ISSUE:

Approval of the FY 2017 Third Quarter Budget Review submission for Fund 30400, Park Authority Bond Construction Fund.

RECOMMENDATION:

The Park Authority Director recommends approval of the FY 2017 Third Quarter Budget Review for Fund 30400, Park Authority Bond Construction Fund.

TIMING:

Board action is requested on March 8, 2017. The submission of the FY 2017 Third Quarter Budget Review was due to the Department of Management and Budget on February 9, 2017.

BACKGROUND:

On November 6, 2012, the voters approved a \$63,000,000 park bond as part of the fall 2012 Bond Referendum. An amount of \$13,025,000 was sold as part of the January 2016 sale. In addition, \$3,975,000 has been applied to this fund in bond premium associated with the January 2016 sale. Including prior sales, a total amount of \$48,260,000 remains in authorized but unissued bonds from this fund.

In addition, a \$94,700,000 park bond was approved as part of the fall 2016 Bond Referendum. As part of the FY 2017 Third Quarter Budget submission, the Park Authority is requesting appropriation of \$87,700,000 into the following four Park Authority Projects:

Project	Title	Budget
PR-000076	Natural & Cultural Stewardship - 2016	\$7,692,000
PR-000077	Land Acquisition and Open Space – 2016	\$7,000,000
PR-000078	Park Renovation and Upgrades – 2016	\$53,188,000
PR-000079	New Park Development – 2016	\$19,820,000
	Total:	\$87,700,000

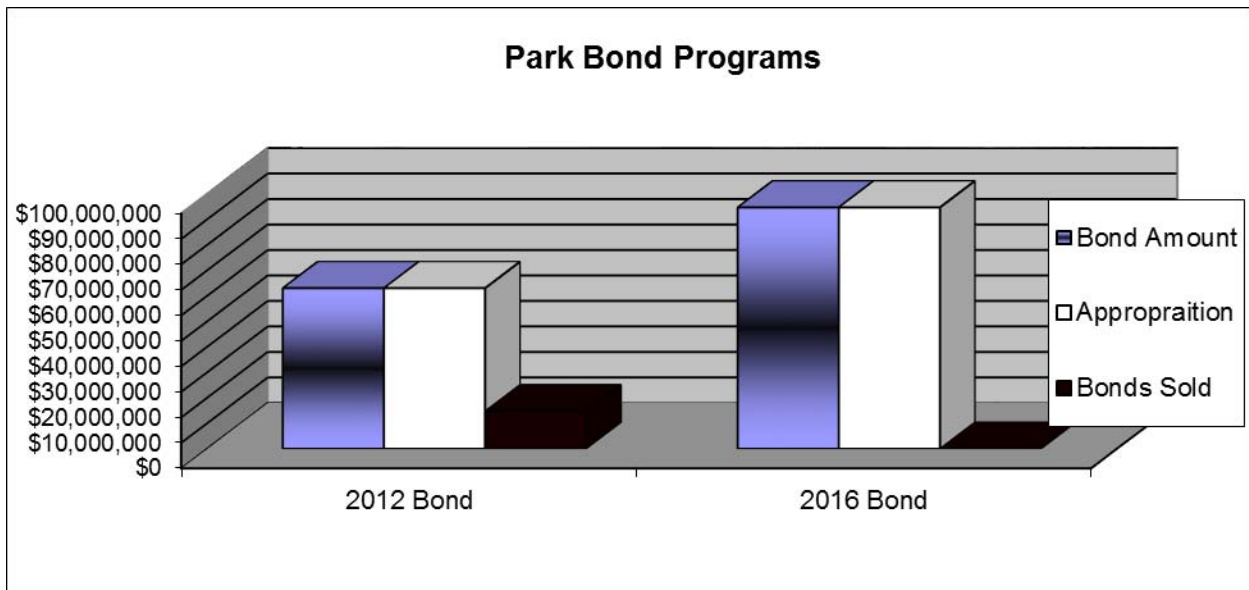
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An additional \$7,000,000 is requested to be appropriated into the following Project to support the Events Center. The Department of Public Works Environmental Services (DPWES) will be managing the development of the Events Center and will turn the facility over to the Park Authority to manage upon completion.

<u>Project</u>	<u>Title</u>	<u>Budget</u>
GF-000019	Events Center	\$7,000,000

Based on a beginning cash balance in FY 2017 of \$3,612,375 a projected future bond sale of \$142,960,000, the Park Authority will have a total appropriation of \$146,572,375 for FY 2017 to be expended on park land acquisition and development.

FY 2017 Beginning Balance	\$3,612,375
2012 Bond Sales	\$48,260,000
2016 Bond Sales	<u>\$94,700,000</u>
 FY 2017 Third Quarter Total	 \$146,572,375



FISCAL IMPACT:

The FY 2017 Third Quarter appropriation request for Fund 30400, Park Authority Bond

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Construction is \$146,572,375.

ENCLOSED DOCUMENTS:

Attachment 1: FY 2017 Third Quarter Review Fund Statement - Fund 30400, Park Authority Bond Construction Fund

Attachment 2: FY 2017 Fund 30400 – Summary of Capital Projects – Third Quarter

Attachment 3: FY 2017 Third Quarter Budget Review - Fund 30400, Park Authority Bond Construction Fund, Project Adjustment Request

STAFF:

Kirk W. Kincannon, Executive Director

Sara Baldwin, Deputy Director/COO

Aimee L. Vosper, Deputy Director/CBD

Janet Burns, Senior Fiscal Administrator

Michael P. Baird, Capital Projects and Procurement Management

FY 2017 THIRD QUARTER REVIEW FUND STATEMENT					
Fund: 30400, Park Authority Bond Construction					
Agency: Park Authority					
	1. FY 2016 Actual	2. FY 2017 Adopted Budget Plan	3. FY 2017 Revised Budget Plan	4. FY 2017 Third Quarter Estimate	5. Increase (Decrease)
Beginning Balance ¹	(\$2,420,539)	\$0	\$3,612,375	\$3,612,375	\$0
Revenue:					
Sale of Bonds ²	\$13,025,000	\$0	\$48,260,000	\$135,960,000	\$87,700,000
Bond Premium ²	\$3,975,000				
Total Revenue	\$17,000,000	\$0	\$48,260,000	\$135,960,000	\$87,700,000
Transfer to GF-000019 ⁽³⁾	\$0	\$0	\$0	\$7,000,000	\$7,000,000
Total Available	\$14,579,461	\$0	\$51,872,375	\$146,572,375	\$94,700,000
Expenditures:					
Total Disbursements	\$10,967,086	\$0	\$51,872,375	\$146,572,375	\$94,700,000
Ending Balance ⁴	\$3,612,375	\$0	\$0	\$0	\$0

¹ The negative FY 2016 Actual Beginning Balance was adjusted by authorized but unissued bonds sold during FY 2016.

² The sale of bonds is presented here for planning purposes only. Actual bond sales are based on cash needs in accordance with Board policy. On November 6, 2012 the voters approved a \$63 million Park Bond. An amount of \$13.025 million was sold in January 2016. In addition, \$3.975 million has been applied to this fund in bond premium associated with the January 2016 sale. Including prior sales, a total of \$48.26 million remains in authorized but unissued bonds from this referendum. On November 8, 2016 the voters approved a \$94.7 million Park Bond. No bonds from this program have been sold.

³ \$7 million from 2016 Park Bond is going to GF-000019, Events Center to support development of that facility.

⁴ Capital Projects are budgeted based on total project cost. Most projects span multiple years, from design to construction completion. Therefore, funding for capital projects is carried forward each fiscal year, and the ending balance fluctuate, reflecting the carryover of these funds.

**FY 2017 PARK AUTHORITY BOND CONSTRUCTION - Third Quarter
SUMMARY OF CAPITAL PROJECTS**

Attachment 2

Fund: 30400 Park Authority Bond Construction

FOCUS PROJECT NUMBER	PROJECT NAME	TOTAL PROJECT ESTIMATE	FY 2016 ACTUAL EXPENDITURES	FY 2017 REVISED BUDGET PLAN	FY 2017 Third Quarter Request	INCREASE/ DECREASE	FY 2017 Third Quarter Estimate
PR-000009	Community Park/New Facilities - 2012 Bond	\$7,285,000	\$86,808	\$7,182,894	\$0	\$0	\$7,182,894
PR-000091	Existing Facility/Renovation - 2012 Bond	\$30,990,730	\$5,454,359	\$19,772,697	\$0	\$0	\$19,772,697
PR-000092	Facility Expansion - 2012 Bond	\$19,483,355	\$772,345	\$401,725	\$0	\$0	\$401,725
PR-000010	Grants	\$2,742,427	\$0	\$2,610	\$0	\$0	\$2,610
PR-000093	Land Acquisition and Stewardship - 2012 Bond	\$12,915,000	\$437,286	\$9,164,542	\$0	\$0	\$9,164,542
PR-000021	Land Acquisition - 2008 Bond	\$14,386,988	\$70,679	\$0	\$0	\$0	\$0
PR-000005	Park and Building Renovations - 2008 Bond	\$30,711,192	\$1,586,180	\$8,545,869	\$0	\$0	\$8,545,869
PR-000016	Park Development - 2008 Bond	\$18,832,103	\$1,345,055	\$4,471,049	\$0	\$0	\$4,471,049
PR-000012	Stewardship - 2008 Bond	\$11,541,881	\$482,595	\$2,330,989	\$0	\$0	\$2,330,989
PR-000008	Trails and Stream Crossings - 2006 Bond	\$5,282,473	\$731,780	\$0	\$0	\$0	\$0
PR-000076	Natural and Cultural Stewardship - 2016 Bond	\$7,692,000	\$0	\$0	\$7,692,000	\$7,692,000	\$7,692,000
PR-000077	Land Acquisition and Open Space - 2016 Bond	\$7,000,000	\$0	\$0	\$7,000,000	\$7,000,000	\$7,000,000
PR-000078	Park Renovation and Upgrades - 2016 Bond	\$53,188,000	\$0	\$0	\$53,188,000	\$53,188,000	\$53,188,000
PR-000079	New Park Development - 2016 Bond	\$19,820,000	\$0	\$0	\$19,820,000	\$19,820,000	\$19,820,000
	TOTAL FUND 30400	\$241,871,149	\$10,967,086	\$51,872,375	\$87,700,000	\$87,700,000	\$139,572,375
GF-000019	Events Center	\$10,000,000	\$0	\$3,000,000	\$7,000,000	\$7,000,000	\$7,000,000
	Total Appropriation Request				<u>\$94,700,000</u>	<u>\$94,700,000</u>	<u>\$146,572,375</u>

FY 2017 Third Quarter Fund 30400 Park Authority Bond Construction Fund Adjustments

The FY2017 Third Quarter expenditures are recommended to increase by \$87,700,000 in Fund 30400 and \$7,000,000 in Fund 30010, Project GF-000019, for a total of \$94,700,000. This increase is due to the voter approval of the 2016 Park Bond in November 2016.

The following project adjustments are requested at this time.

Project/Detail	Increase/(Decrease)	Comments
PR-000076, Natural and Cultural Stewardship 2016 Park Bond	\$7,692,000	Increase due to voter approval of 2016 Park Bond Program.
PR-000077, Land Acquisition and Open Space 2016 Park Bond	\$7,000,000	Increase due to voter approval of 2016 Park Bond Program.
PR-000078, Park Renovation and Upgrades 2016 Park Bond	\$53,188,000	Increase due to voter approval of 2016 Park Bond Program.
PR-000079, New Park Development 2016 Park Bond	\$19,820,000	Increase due to voter approval of 2016 Park Bond Program.
Total:		\$87,700,000
GF-000019, Events Center 2016 Park Bond in Fund 30010	\$7,000,000	Increase due to voter approval of 2016 Park Bond Program. Project is in Fund 30010, County Construction Fund.
Grand Total:		<u>\$94,700,000</u>

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INFORMATION

FY 2017 Mid-Year Budget Review, Fund 10001, General Fund

Category	12/31/16	12/31/15	Variance	Reasons
Revenue	\$236,048	\$257,199	(\$21,151)	Revenue is down due to transfer of programs to Revenue & Operating Fund.
Personnel Services	\$9,692,723	\$9,225,643	\$467,080	Personnel expenses are up due to salary increases and the timing of transferring \$197,832 of salary to projects.
Operating Expenditures	\$2,667,969	\$2,884,307	(\$216,338)	This decrease mainly is due to a decrease of \$100k in Tririga payments (last year was paid for 2 years due to IBM contract), Contracted camps down by \$98k due to program transfers to Revenue & Operating Fund.
Capital Equipment	\$13,620	\$198,770	(\$185,150)	\$123,076 for capital equipment funding is currently encumbered and entire budget will be expended.
Recovered Cost	(\$1,557,572)	(\$1,535,739)	(\$21,833)	Recovered Costs are higher due to a higher WPFO recovery rate.
Total Net	\$10,580,692	\$10,515,782	\$64,910	

The total net for the GF is \$10,580,692. If that is adjusted by the two timing differences of \$197,832 (salary expense to WPFO to projects) and the capital equipment expense of \$123,076 which has not yet hit, the adjusted total net is \$10,505,936. The variance to the adjusted net and the FY2016 mid-year net is \$9,846.

ENCLOSED DOCUMENTS:
 None

Board Agenda Item
March 8, 2017

STAFF:

Kirk W. Kincannon, Executive Director

Aimee L. Vosper, Deputy Director/CBD

Sara Baldwin, Deputy Director/COO

Janet Burns, Senior Fiscal Administrator

Michael P. Baird, Manager, Capital and Fiscal Services

Susan Tavallai, Senior Budget Analyst

INFORMATION

FY 2017 Mid-Year Budget Review, Fund 80000, Park Authority Revenue and Operating Fund

Revenue

Mid – Year Fund 80000 revenue is \$19,569,332 as compared to \$19,260,244 last year, an increase of \$309,088 or 1.6 percent. The FY 2017 revenue revised budget is \$48,377,877 and the second quarter actual revenue represents 40.5 percent of the budget versus 41.0 percent of the total budget in the prior year.

Revenue

Divisions	12/31/2016	12/31/2015	Variance	Reasons
Admin	\$250,210	\$244,615	\$5,595	Admin Revenue is up due to gifts and donations.
Golf	\$4,690,063	\$5,126,024	(\$435,961)	Revenue continues to be down in all categories except for special events at Laurel Hill. Weather impact of 1 st quarter revenue carries over to the 2 nd quarter. Burke Lake Driving Range closed October 3 rd for construction which accounts for nearly 60% of the decline in revenue. Pass sales are down as Golf did not have the Black Friday pass sale this year. Operating days were also down 7% in December.
Rec Activities	\$2,694,463	\$2,315,180	\$379,283	The expansion of the Watermine and a very hot summer with sustained heat, resulted in a significant increase in pool fees revenue general admissions (walk-in user).
RECenters	\$10,944,691	\$10,653,705	\$290,986	Swim contract revenue is higher due to Increase in contracts, increased number of general admission (walk-in user) sales, and higher pass sales revenue due to pass sales promotion; increases are seen in most all categories
Resource Management	\$989,905	\$920,720	\$69,185	Program revenue is up at all sites. Frying Pan is up by 50% over last year in Facility Rental revenue.
Total Revenue	\$19,569,332	\$19,260,244	\$309,088	

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Expenditures

Overall expenditures are \$24,660,893 as compared to \$24,505,972 last year at this time, an increase of \$154,021, or 0.6 percent.

Expenditures

Divisions	12/31/16	12/31/2015	Variance	Reasons
Admin	\$2,944,224	\$2,966,224	(\$22,000)	Expenses are down in gifts and donations which is partially offset by an increase in debt service for both Twin Lakes and Laurel Hill by a total of \$29,101 based on the repayment schedule. FY 2016 debt service for both Twin Lakes and Laurel Hill was \$1,605,315, and the FY 2017 total is \$1,634,416.
Golf	\$4,826,472	\$4,537,665	\$288,807	Expenses are up primarily in personnel services. Full time salaries are up due to dual encumbering the golf manager position. Seasonal salaries are up due to increased staff hours to support the new POS system EZ Links.
Rec Activities	\$2,814,125	\$2,706,764	\$107,361	The expansion of the Watermine resulted in higher seasonal staff costs to operate the facility.
RECenters	\$13,007,208	\$13,165,328	(\$158,120)	Expenses are down due to lower building and maintenance cost of \$434,326, and computer charges of \$95,176 (no longer provide FitLinks); which is partially offset by an increase in contracted camps of \$337,290.
Resource Management	\$1,068,864	\$1,129,991	(\$61,127)	Expenses are down due to no capital equipment purchased in FY17 and there was a capital purchase in FY16.
Total Expenditures	\$24,660,893	\$24,505,972	\$154,921	
Net Revenue	(\$5,091,561)	(\$5,245,728)	\$154,167	

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ENCLOSED DOCUMENTS:

Attachment 1: Quarterly Trends for Fund 80000

Attachment 2: Cumulative Trends for Fund 80000

Attachment 3: FY 2017 Revenue and Expenditure Analysis- By Site, Fund 80000

STAFF:

Kirk W. Kincannon, Executive Director

Aimee Vosper, Deputy Director/CBD

Sara Baldwin, Deputy Director/COO

Janet Burns, Senior Fiscal Administrator

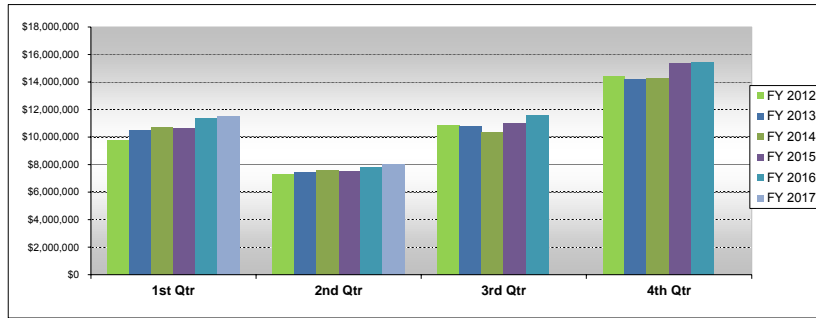
Michael P. Baird, Manager, Capital and Fiscal Services

Susan Tavallai, Senior Budget Analyst

FY 2017 QUARTERLY TRENDS FOR FUND 80000

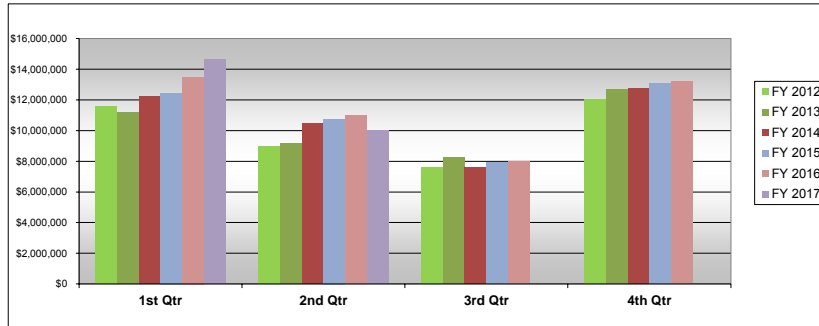
ACTUAL REVENUE TRENDS

Qtr	FY 2012			FY 2013			FY 2014			FY 2015			FY 2016			FY 2017		
1st Qtr	24.69%	\$9,810,404	23.10%	\$10,496,391	24.43%	\$10,752,611	24.97%	\$10,680,321	23.90%	\$11,397,627	24.61%	\$11,498,054	23.77%					
2nd Qtr	17.31%	\$7,347,940	17.30%	\$7,451,186	17.35%	\$7,601,697	17.66%	\$7,552,882	16.90%	\$7,862,616	16.98%	\$8,071,277	16.68%					
3rd Qtr	24.77%	\$10,909,076	25.69%	\$10,797,265	25.13%	\$10,381,622	24.11%	\$11,074,431	24.79%	\$11,572,848	24.99%	\$11,572,848	24.99%					
4th Qtr	33.23%	\$14,402,440	33.91%	\$14,213,051	33.09%	\$14,319,183	33.26%	\$15,371,063	34.40%	\$15,482,944	33.43%	\$15,482,944	33.43%					
Actual	100.00%	\$42,469,860	100.00%	\$42,957,893	100.00%	\$43,055,113		\$44,678,697		\$46,316,035		\$48,377,877						
Budget																		



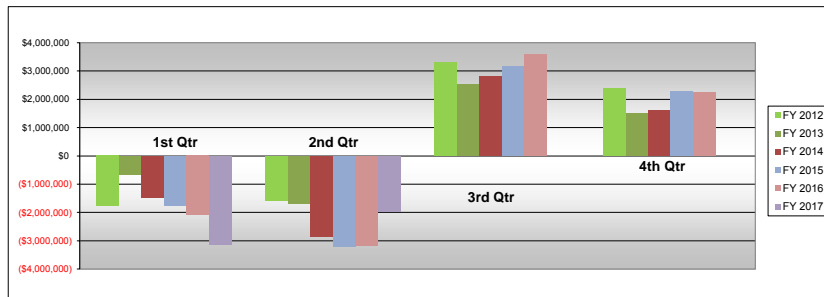
ACTUAL EXPENDITURE TRENDS

Qtr	FY 2012			FY 2013			FY 2014			FY 2015			FY 2016			FY 2017		
1st Qtr	29.49%	\$11,587,348	28.87%	\$11,148,607	27.03%	\$12,214,036	28.43%	\$12,440,564	28.16%	\$13,492,842	29.52%	\$14,625,714	30.56%					
2nd Qtr	24.52%	\$8,936,602	22.26%	\$9,140,101	22.16%	\$10,467,113	24.37%	\$10,761,107	24.36%	\$11,013,130	24.10%	\$10,035,178	20.97%					
3rd Qtr	21.73%	\$7,611,759	18.96%	\$8,261,936	20.03%	\$7,561,571	17.60%	\$7,898,407	17.88%	\$7,970,530	17.44%	\$7,970,530	17.44%					
4th Qtr	32.37%	\$12,002,810	29.90%	\$12,692,796	30.78%	\$12,713,945	29.60%	\$13,083,745	29.61%	\$13,228,343	28.94%	\$13,228,343	28.94%					
Actual	108.10%	\$40,138,519	100.00%	\$41,243,440	100.00%	\$42,956,665		\$44,183,823		\$45,704,845		\$47,857,817						
Budget																		



ACTUAL NET REVENUE TRENDS

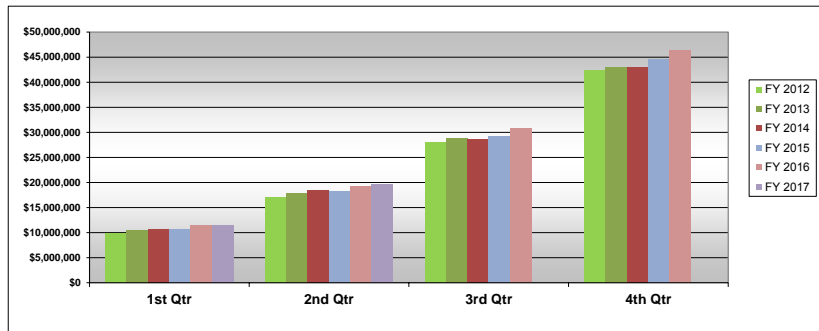
	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
1st Qtr	(\$1,776,944)	(\$652,216)	(\$1,461,425)	(\$1,760,243)	(\$2,095,215)	(\$3,127,660)
2nd Qtr	(\$1,588,662)	(\$1,688,915)	(\$2,865,416)	(\$3,208,225)	(\$3,150,514)	(\$1,963,901)
3rd Qtr	\$3,297,317	\$2,535,329	\$2,820,051	\$3,176,024	\$3,602,318	
4th Qtr	\$2,399,630	\$1,520,255	\$1,605,238	\$2,287,318	\$2,254,601	
Actual	\$2,331,341	\$1,714,453	\$98,448	\$494,874	\$250,000	\$520,060
Budget						



CUMULATIVE TRENDS FOR FUND 8000

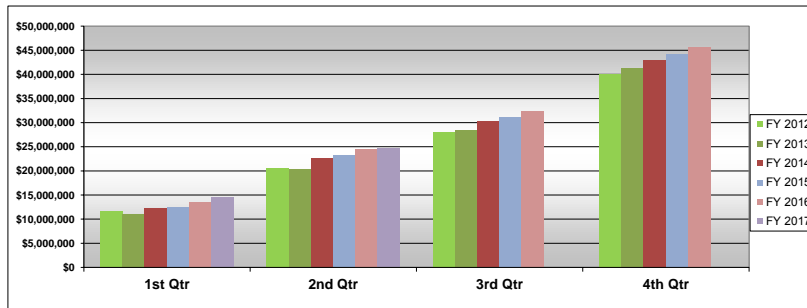
ACTUAL CUMULATIVE REVENUE TRENDS

qtr	FY 2012		FY 2013		FY 2014		FY 2015		FY 2016		FY 2017	
1st Qtr	24.69%	\$9,810,404	23.10%	\$10,496,391	24.43%	\$10,752,611	24.97%	\$10,680,321	23.90%	\$11,397,627	24.61%	\$11,498,054
2nd Qtr	42.00%	\$17,158,344	40.40%	\$17,947,577	41.78%	\$18,354,308	42.63%	\$18,233,203	40.81%	\$19,260,243	41.58%	\$19,569,331
3rd Qtr	66.77%	\$28,067,420	66.09%	\$28,744,842	66.91%	\$28,735,930	66.74%	\$29,307,634	65.60%	\$30,833,091	66.57%	\$30,833,091
4th Qtr	100.00%	\$42,469,860	100.00%	\$42,957,893	100.00%	\$43,055,113	100.00%	\$44,678,697	100.00%	\$46,316,035	100.00%	\$46,316,035



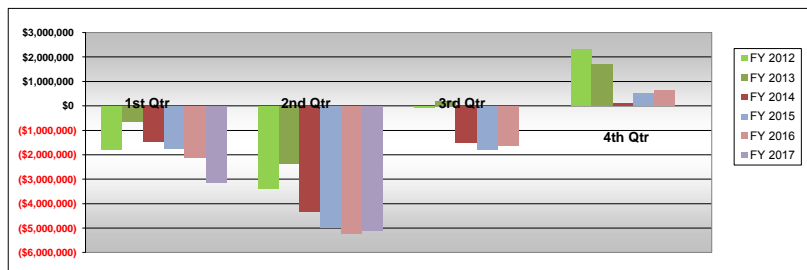
ACTUAL CUMULATIVE EXPENDITURE TRENDS

qtr	FY 2012		FY 2013		FY 2014		FY 2015		FY 2016		FY 2017	
1st Qtr	27.28%	\$11,587,348	28.87%	\$11,148,607	27.03%	\$12,214,036	28.43%	\$12,440,564	28.16%	\$13,492,842	29.52%	\$14,625,714
2nd Qtr	49.96%	\$20,523,950	51.13%	\$20,288,708	49.19%	\$22,681,149	52.80%	\$23,201,671	52.51%	\$24,505,972	53.62%	\$24,660,892
3rd Qtr	70.06%	\$28,135,709	70.10%	\$28,550,644	69.22%	\$30,242,720	70.40%	\$31,100,078	70.39%	\$32,476,502	71.06%	\$32,476,502
4th Qtr	100.00%	\$40,138,519	100.00%	\$41,243,440	100.00%	\$42,956,665	100.00%	\$44,183,823	100.00%	\$45,704,845	100.00%	\$45,704,845



ACTUAL CUMULATIVE NET REVENUE TRENDS

qtr	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
1st Qtr	(\$1,776,943)	(\$652,215)	(\$1,461,424)	(\$1,760,243)	(\$2,095,215)	(\$3,127,660)
2nd Qtr	(\$3,365,606)	(\$2,341,131)	(\$4,326,841)	(\$4,968,468)	(\$5,245,729)	(\$5,091,561)
3rd Qtr	(\$68,289)	\$194,198	(\$1,506,790)	(\$1,792,444)	(\$1,643,411)	
4th Qtr	\$2,331,341	\$1,714,453	\$98,448	\$494,874	\$611,190	



FY 2017 REVENUE AND EXPENDITURES ANALYSIS BY SITE FUND 80000
AS OF December 31, 2016

	FY	YTD REVENUE	YTD EXPENSE	YTD NET
OVERALL				
ADMINISTRATION	2016	244,615	2,966,223	(2,721,608)
	2017	250,210	2,944,226	(2,694,016)
VARIANCE		5,595	(21,997)	27,592
GOLF ENTERPRISES				
	2016	5,126,024	4,537,665	588,359
	2017	4,690,063	4,826,473	(136,410)
VARIANCE		(435,961)	288,808	(724,769)
REC ACTIVITIES				
	2016	12,968,885	15,872,093	(2,903,208)
	2017	13,639,154	15,821,330	(2,182,176)
VARIANCE		670,269	(50,763)	721,032
RESOURCE MANAGEMENT				
	2016	920,720	1,129,991	(209,271)
	2017	989,905	1,068,864	(78,959)
VARIANCE		69,185	(61,127)	130,312
COMBINED TOTAL				
	2016	19,260,244	24,505,972	(5,245,728)
	2017	19,569,332	24,660,894	(5,091,562)
VARIANCE		309,088	154,922	154,166
GOLF ENTERPRISES				
Administration				
	2016	38,241	126,202	(87,961)
	2017	53,679	183,129	(129,450)
VARIANCE		15,438	56,927	(41,489)
Burke Lk. Golf Course				
	2016	507,034	392,812	114,222
	2017	354,022	389,430	(35,408)
VARIANCE		(153,012)	(3,382)	(149,630)
Greendale Golf Course				
	2016	697,881	482,126	215,755
	2017	648,807	532,292	116,515
VARIANCE		(49,074)	50,166	(99,240)
Jefferson Golf Course				
	2016	605,470	522,921	82,549
	2017	547,572	519,879	27,693
VARIANCE		(57,898)	(3,042)	(54,856)
Pinecrest Golf Course				
	2016	401,901	419,949	(18,048)
	2017	333,711	426,316	(92,605)
VARIANCE		(68,190)	6,367	(74,557)
Twin Lakes Golf Course				
	2016	1,376,919	1,248,266	128,653
	2017	1,250,124	1,254,574	(4,450)
VARIANCE		(126,795)	6,308	(133,103)
Oak Marr Golf Course				
	2016	566,245	395,755	170,490
	2017	529,890	386,320	143,570
VARIANCE		(36,355)	(9,435)	(26,920)
Laurel Hill Golf Course				
	2016	932,333	949,635	(17,302)
	2017	972,257	1,134,533	(162,276)
VARIANCE		39,924	184,898	(144,974)

FY 2017 REVENUE AND EXPENDITURES ANALYSIS BY SITE FUND 80000
AS OF December 31, 2016

	FY	YTD REVENUE	YTD EXPENSE	YTD NET
RECenters				
Admin Rec Ctr	2016	94,449	905,631	(811,182)
	2017	79,754	1,389,378	(1,309,624)
VARIANCE		(14,695)	483,747	(498,442)
George Washington Rec Ctr	2016	143,298	321,286	(177,988)
	2017	157,778	259,311	(101,533)
VARIANCE		14,480	(61,975)	76,455
Lee Rec Ctr	2016	1,430,438	1,714,737	(284,299)
	2017	1,447,542	1,691,793	(244,251)
VARIANCE		17,104	(22,944)	40,048
Oak Marr Rec Ctr	2016	1,648,810	1,662,930	(14,120)
	2017	1,740,408	1,561,981	178,427
VARIANCE		91,598	(100,949)	192,547
Providence Rec Ctr	2016	1,007,553	1,286,381	(278,828)
	2017	1,015,018	1,271,546	(256,528)
VARIANCE		7,465	(14,835)	22,300
South Run Rec Ctr	2016	1,436,688	1,410,526	26,162
	2017	1,327,176	1,385,658	(58,482)
VARIANCE		(109,512)	(24,868)	(84,644)
Springhill Rec Ctr	2016	1,288,301	1,465,534	(177,233)
	2017	1,385,353	1,425,444	(40,091)
VARIANCE		97,052	(40,090)	137,142
Audrey More Recenter	2016	1,390,859	1,769,770	(378,911)
	2017	1,454,568	1,434,875	19,693
VARIANCE		63,709	(334,895)	398,604
Cub Run Recenter	2016	1,071,339	1,468,024	(396,685)
	2017	1,261,040	1,435,877	(174,837)
VARIANCE		189,701	(32,147)	221,848
Mt Vernon Rec Ctr	2016	1,141,972	1,160,508	(18,536)
	2017	1,076,053	1,151,341	(75,288)
VARIANCE		(65,919)	(9,167)	(56,752)
Marketing	2016	0	72,360	(72,360)
	2017	0	122,317	(122,317)
VARIANCE		0	49,957	(49,957)
Business Office	2016	0	448,356	(448,356)
	2017	0	452,314	(452,314)
VARIANCE		0	3,958	(3,958)
Production Services	2016	0	487,098	(487,098)
	2017	0	507,061	(507,061)
VARIANCE		0	19,963	(19,963)
Clemyjontri	2016	68,464	58,304	10,160
	2017	68,689	31,946	36,743
VARIANCE		225	(26,358)	26,583
Rec Activities Admin	2016	478,941	186,153	292,788
	2017	494,846	203,151	291,695
VARIANCE		15,905	16,998	(1,093)
Burke Lake Park	2016	557,223	299,210	258,013
	2017	595,897	309,832	286,065
VARIANCE		38,674	10,622	28,052

FY 2017 REVENUE AND EXPENDITURES ANALYSIS BY SITE FUND 80000
AS OF December 31, 2016

	FY	YTD REVENUE	YTD EXPENSE	YTD NET
Lake Fairfax Park	2016	1,101,325	1,031,337	69,988
	2017	1,433,485	1,081,427	352,058
VARIANCE		332,160	50,090	282,070
Lake Accotink	2016	109,228	123,947	(14,719)
	2017	101,545	106,078	(4,533)
VARIANCE		(7,683)	(17,869)	10,186
RESOURCE MANAGEMENT				
Administration	2016	10,740	117,187	(106,447)
	2017	16,210	109,495	(93,285)
VARIANCE		5,470	(7,692)	13,162
Colvin Run Mill	2016	23,528	12,146	11,382
	2017	26,717	15,475	11,242
VARIANCE		3,189	3,329	(140)
E.C. Lawrence	2016	41,016	38,869	2,147
	2017	32,709	45,586	(12,877)
VARIANCE		(8,307)	6,717	(15,024)
Frying Pan Farm Park	2016	392,533	405,971	(13,438)
	2017	448,151	405,765	42,386
VARIANCE		(55,618)	206	55,824
Green Spring Gardens	2016	139,847	184,355	(44,508)
	2017	128,364	166,472	(38,108)
VARIANCE		(11,483)	(17,883)	6,400
Hidden Oaks Nature Ctr	2016	58,394	64,738	(6,344)
	2017	62,173	55,930	6,243
VARIANCE		3,779	(8,808)	12,587
Hidden Pond Nature Ctr	2016	40,520	48,023	(7,503)
	2017	35,442	46,118	(10,676)
VARIANCE		(5,078)	(1,905)	(3,173)
Huntley Meadows Park	2016	36,368	27,681	8,687
	2017	62,000	35,783	26,217
VARIANCE		25,632	8,102	17,530
Riverbend Park	2016	124,564	155,189	(30,625)
	2017	127,477	135,972	(8,495)
VARIANCE		2,913	(19,217)	22,130
Sully	2016	53,211	63,307	(10,096)
	2017	50,660	46,825	3,835
VARIANCE		(2,551)	(16,482)	13,931
Historic Prop. Rent & Services	2016	0	12,525	(12,525)
	2017	0	5,443	(5,443)
VARIANCE		0	(7,082)	7,082