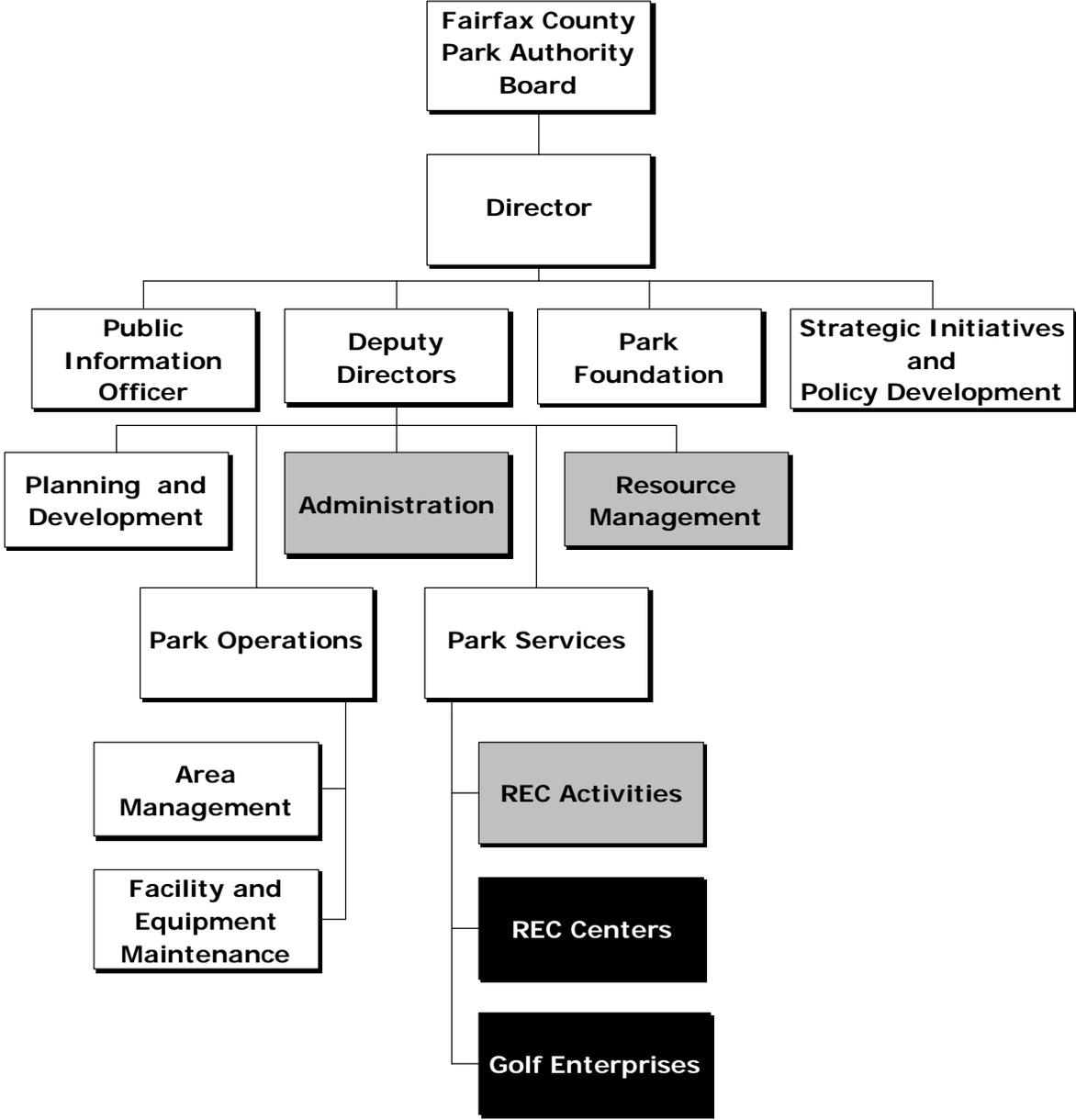


Fund 80000 Park Revenue Fund



Denotes Cost Centers that are included in both the General Fund and Fund 80000, Park Revenue Fund.

Denotes Cost Center that is only in Fund 80000, Park Revenue Fund.

Fund 80000

Park Revenue Fund

Mission

To set aside public spaces for and assist citizens in the protection and enhancement of environmental values, diversity of natural habitats and cultural heritage; to guarantee that these resources will be available to both present and future generations; to create and sustain quality facilities and services that offer citizens opportunities for recreation, improvement of their physical and mental well-being and enhancement of their quality of life.

Focus

The Fairfax County Park Authority (the Authority), created by legislative action in 1950, serves the most populous jurisdiction in both the Virginia and Washington D.C. metropolitan area with over 1 million people. Under the direction of a Board of Supervisor's appointed 12 member Park Authority Board, the Authority works collaboratively with constituents, partners, stakeholders, and government leaders and appointees to implement Board policies, champion the preservation and protection of natural and cultural resources, and facilitate the development of park and recreation programs and facilities. The Authority oversees the operation and management of a County park system with more than 23,000 acres, 423 parks, nine RECenters centers, eight golf courses, an ice skating rink, 220 playgrounds, 676 public gardens, five nature centers, an equestrian center, 505 Fairfax County Public School owned athletic fields, 275 Park Authority owned athletic fields, 10 historic sites, two waterparks, an horticultural center, and more than 300 miles of trails. The Authority has balanced the dual roles of providing recreational and fitness opportunities to citizens and serving as stewards and interpreters of Fairfax County's natural and cultural resources.

**Park Revenue fund supports
the following County Vision Elements:**

-  **Maintaining Safe and Caring Communities**
-  **Creating a Culture of Engagement**
-  **Connecting People and Places**
-  **Practicing Environmental Stewardship**
-  **Maintaining Healthy Economies**
-  **Building Livable Spaces**
-  **Exercising Corporate Stewardship**

The Authority, a National Gold Medal Award winner and an accredited agency, is one of the largest, most diverse park systems in the nation. The agency offers leisure and recreational opportunities through an array of programmed and un-programmed resources which enrich the quality of life for County residents. This is accomplished through the protection and preservation of open space and natural areas, nature centers, RECenters, historic sites, golf courses, athletic fields, public gardens, horticulture sites, trails, and neighborhood, community, district and countywide parks, as well as stewardship education, park programs, classes, camps and tours. Delivering high quality service in parks is an important focus for the Park Authority as demand and usage continue to grow.

Fund 80000 Park Revenue Fund

Fund 80000 (formerly Fund 170), Park Revenue Fund, is supported from user fees and charges generated at the Authority's revenue supported facilities and is supplemented by donations and grants. Revenue generating facilities include RECenters, golf courses, nature centers, historic sites and various other major parks. The Authority's enabling legislation states that revenues must be spent exclusively for park purposes. Revenue received from RECenters and golf courses is designed to fully recover the annual operating and maintenance costs of programs and services at these facilities, while the revenue received from the lake parks, nature centers, historic sites and various other major parks only covers a portion of the annual costs. The Authority strives to achieve an overall positive net cost recovery in order to contribute to capital repairs for revenue funded facilities necessary to maintain and adapt facilities to meet County residents' service expectations.

Some park operations are funded from both the General Fund and the Park Revenue Fund. For example, the General Fund supports some camps, trips and tours, lakefront park operations and resource management sites and programs. The General Fund pays for the policy, communication and leadership activities of the Director's office, the requirements of the public information, and funds administrative costs for purchasing, accounting, budgeting, and payroll and risk management procedural compliance.



Park Board

The Authority operates under the policy oversight of a Board of Supervisors' appointed 12-member Park Authority Board, in accordance with a Memorandum of Understanding with the County's Board of Supervisors. The Authority manages acquisition, preservation, development, maintenance and operation of its assets and activities through five funds: the Parks General Fund Operating Budget, Park Revenue Fund, County Construction Fund, Park Authority Bond Construction Fund and Park Capital Improvement Fund. The Park Authority Board has direct fiduciary

responsibility for the Park Revenue Fund and the Park Capital Improvement Fund, while the County has fiduciary responsibility for the three other funds. The Authority persistently seeks management initiatives and alternate funding sources to sustain the delivery of quality services and facilities.

In FY 2010, the Park Authority Board approved its focus areas and identified maintaining fiscal sustainability as its number one priority. Maintaining economic vitality is a longstanding component of the Board of Supervisors' vision for Fairfax County. A healthy, functional park system is a critical component of economic vitality and attracts businesses to the County. In order to address the on-going challenges of the financial situation, the Authority created a Financial Sustainability Plan. This Plan focuses on the core services and identifies opportunities for improving the overall cost recovery of the whole organization. It contains clearly defined recommendations that when collectively implemented will position the Authority to be more self-sustainable and less reliant on General Fund dollars.

Fund 80000

Park Revenue Fund

Current Trends

In FY 2004, to address a growing population and evolving recreation desires of County residents, the Authority implemented a comprehensive Needs Assessment study that resulted in a 10-Year Action Plan, including a phased-in 10-year Capital Improvement Program. Indexed for inflation and adjusted land values, completion of this Plan requires \$435 million. This amount includes an estimated requirement of \$120 million over the next 10 years to address the decline of facilities and infrastructure due to age, high usage, and limited resources to perform required life-cycle maintenance. The Needs Assessment was a significant part of the justification for the 2004, 2006, 2008 and 2012 voter approved park bond referendums totaling \$218 million. "Great Parks, Great Communities," a comprehensive park planning effort to develop district-level long range plans, was initiated in 2007 and will continue to serve as a guide for future park development and resource protection to better address changing needs and growth forecasts through 2020.

The Authority continues to be challenged by the current economic situation and resulting budget reductions. Resident demand for services continues to grow due to an increasing population and changing needs and diversity of the community. Parks and park programs also have been a popular recreational outlet during the economic downturn. In order to preserve as many services as possible during the FY 2010 and FY 2011 budget reductions, several program costs were redirected to previous budget years from the General Fund to the Park Revenue Fund.

In FY 2014, the Park Revenue Fund may continue to face financial challenges due to the general economic downturn that has reduced participation in some of the key revenue-generating activities and created stagnation for participation in some other activities. The economic conditions that families are facing are also exerting downward pressure on the pricing of services, limiting the ability to generate additional revenue through fee increases. On the cost side of the equation, the limited merit and seasonal staff pay increases and increased cost of health insurance and other employee benefits has placed additional cost recovery pressure on the fund. In addition, the limited funding in the Set Aside Reserve has made it more difficult to enhance facilities, thereby limiting new income for use of such facilities/services. The Authority must quickly respond to changing expectations in order to maintain customer loyalty and stability in the revenue base. Recent or near-term initiatives include enabling customer-oriented services such as online pass sales/renewals, e-mail classes and camp surveys, electronic distribution of camp registration packets, updated concert series web pages that include new search capability for citizens to find programs, and development of an enhanced Parktakes online web portal.

In order to address the on-going challenges of the financial situation, the Park Authority adopted the FY 2013 – FY 2015 Financial Sustainability Plan, which focuses on the evaluation of core services, options and opportunities for improving the overall cost recovery of the whole organization. The plan contains clearly defined recommendations that when collectively implemented will position the Authority to reach a cost recovery target that is greater (more self-sufficient) than the present day one. In addition to the focus on sustainable operations, capital investments in our facilities and stewardship efforts are also significant to future growth and sustainability.

Fund 80000 Park Revenue Fund

Budget and Staff Resources

Category	FY 2012 Actual	FY 2013 Adopted	FY 2013 Revised	FY 2014 Advertised
FUNDING				
Expenditures:				
Personnel Services	\$25,985,677	\$27,710,110	\$27,710,110	\$27,883,928
Operating Expenses	13,038,144	13,408,591	13,408,591	13,956,598
Capital Equipment	148,231	294,000	294,000	593,000
Bond Expenses	1,062,660	1,069,207	1,069,207	1,058,286
Subtotal	\$39,172,052	\$41,412,701	\$41,412,701	\$42,433,526
Less:				
Recovered Costs	(\$948,850)	(\$1,053,315)	(\$1,053,315)	(\$1,053,315)
Total Expenditures	\$39,285,862	\$41,428,593	\$41,428,593	\$42,438,497
AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)				
Regular	245 / 245	245 / 245	245 / 245	245 / 245

FY 2014 Funding Adjustments

The following funding adjustments from the FY 2013 Adopted Budget Plan are necessary to support the FY 2014 program:

- ◆ **Employee Compensation** **\$138,220**
 An increase of \$138,220 in Personnel Services reflects the full year impact of the FY 2013 2.5 percent performance-based scale and salary increase, effective January 2013, for non-uniformed employees. It should be noted that no funding is included for additional employee compensation for this department in FY 2014.
- ◆ **Other Post-Employment Benefits** **\$9,302**
 An increase of \$9,302 is required to reflect increased costs associated with providing Other Post-Employment Benefits (OPEBs) to retirees, including the Retiree Health Benefits Subsidy. Before FY 2011, costs related to these benefits were paid solely by the General Fund; however, these annual costs are now spread across funds in order to more appropriately reflect benefit-related expenses for the employees within each fund. For more information on Other Post-Employment Benefits, please refer to Fund 73030, OPEB Trust Fund, in Volume 2 of the FY 2014 Advertised Budget Plan.
- ◆ **Operational Requirements** **\$574,303**
 An increase of \$574,303 encompasses a number of changes including a \$26,296 increase in Personnel Services and a \$548,007 increase in Operating Expenses. This increase is primarily associated with an increase in limited term salaries to reflect FY 2012 actual experience and the anticipated array of classes and programming scheduled for FY 2014. In addition, FY 2014 revenue is projected to increase and is sufficient to fund operational increases.
- ◆ **Capital Equipment** **\$593,000**
 Funding in the amount of \$593,000 is included for Capital Equipment, including \$263,000 for the replacement of golf course maintenance equipment, such as greens mowers, bunker rakes, range rickers and fairway mowers that have outlived their useful life. In addition, \$330,000 is for the

Fund 80000 Park Revenue Fund

replacement of exercise equipment - an ice resurfacers and new scoreboards that have surpassed the recommended age and usage.

- ◆ **Bond Costs** (\$10,921)
A decrease of \$10,921 in Bond costs is consistent with principal and interest requirements for FY 2014.
- ◆ **Transfer to the General Fund for Indirect Costs**
It should be noted that \$775,000 is included as a transfer to the General Fund beginning in the FY 2014 Advertised Budget Plan to partially offset central support services supported by the General Fund which benefit Fund 80000, Park Revenue Fund. These indirect costs include support services such as County Human Resources, Purchasing, Budget and other County administrative services.

Changes to FY 2013 Adopted Budget Plan

The following funding adjustments reflect all approved changes in the FY 2013 Revised Budget Plan since passage of the FY 2013 Adopted Budget Plan. Included are all adjustments made as part of the FY 2012 Carryover Review, and all other approved changes through December 31, 2012:

- ◆ **Carryover Adjustments** \$0
As part of the *FY 2012 Carryover Review*, the Board of Supervisors approved no changes to the expenditure level. However, the transfer to Fund 80300, Park Capital Improvement Fund, was increased by \$1,849,882 to support repairs and renovations for revenue generating facilities that will sustain or improve the life expectancy and functionality of the facilities, funding for the Parknet publication and other Park Information Technology projects, and the Facilities and Services Reserve. In addition, the transfer to Fund 20000, County Debt Service was reduced by \$422,944 to reflect savings associated with the April 2012 refunding of the Laurel Hill Golf Course Revenue Bonds. Savings include an amount of \$266,765 in FY 2012 and \$156,179 in FY 2013. The refunding will realize an amount of \$4.6 million in savings over the life of the bonds.

Cost Centers

The five Cost Centers of the Park Revenue Fund are Administration, Golf Enterprises, REC Activities, Rec Centers and Resource Management. The Cost Centers work together to fulfill the mission of the Fund and carry out the key initiatives for the Fiscal Year.

Administration

The Administration Division implements Park Authority Board policies and provides high quality administrative business support to all levels of the Park Authority in order to assist the other Divisions in achieving Park Authority mission related objectives.

Category	FY 2012 Actual	FY 2013 Adopted	FY 2013 Revised	FY 2014 Advertised
EXPENDITURES				
Total Expenditures	\$2,257,236	\$2,213,299	\$2,213,299	\$2,291,886
AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)				
Regular	15 / 15	15 / 15	15 / 15	15 / 15

Fund 80000

Park Revenue Fund

1 Training Specialist III 1 Network Telecom Analyst I 1 Network Telecom Analyst II 1 Internet/Intranet Architect I 1 Engineer IV	5 Engineers III 1 Planner IV 2 Construction/Maintenance Project Managers II 1 Senior Right-of-Way Agent 1 Materials Requirement Specialist
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TOTAL POSITIONS
15 Positions / 15.0 FTE

Golf Enterprises

The Golf Enterprises Division operates and maintains eight golf courses in Fairfax County that represent 13 percent of all Park Authority's holdings. This division's primary functions and responsibilities include facility operations, maintenance, programming, agency-wide support and customer service.

Category	FY 2012 Actual	FY 2013 Adopted	FY 2013 Revised	FY 2014 Advertised
EXPENDITURES				
Total Expenditures	\$8,924,885	\$9,418,111	\$9,418,111	\$9,769,244
AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)				
Regular	78 / 78	78 / 78	78 / 78	78 / 78

3 Park/Rec Specialists IV	1 Administrative Assistant III	4 Motor Equip. Operators
3 Park/Rec Specialists III	5 Facility Attendants II	2 Automotive Mechanics II
3 Park/Rec Specialists II	1 Park Management Specialist II	3 Golf Course Superintendents III
7 Park/Rec Specialists I	10 Senior Maintenance Workers	1 Golf Course Superintendent II
9 Park/Rec Assistants	22 Maintenance Workers	4 Golf Course Superintendents I

TOTAL POSITIONS
78 Positions / 78.0 FTE

REC Activities

The REC Activities Division seeks to enrich the community by promoting active, fun, and healthy lifestyles for all.

Category	FY 2012 Actual	FY 2013 Adopted	FY 2013 Revised	FY 2014 Advertised
EXPENDITURES				
Total Expenditures	\$3,941,000	\$4,370,954	\$4,370,954	\$4,285,089
AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)				
Regular	136 / 136	136 / 136	23 / 23	23 / 23

1 Producer/Director	1 Park Management Specialist I	1 Business Analyst II
1 Park/Rec Specialist IV	1 Park/Rec Assistant	1 Communications Specialist II
1 Park/Rec Specialist III	1 Management Analyst III	2 Communications Specialists I
1 Park/Rec Specialist II	2 Management Analysts II	1 Contract Analyst I
4 Park/Rec Specialists I	1 Management Analyst I	3 Administrative Assistants III
		1 Publications Assistant

TOTAL POSITIONS
23 Positions / 23.0 FTE

Fund 80000 Park Revenue Fund

REC Centers

The Rec Centers Division operates and manages nine RECenters in Fairfax County that provide a wide variety of recreational, aquatic and fitness programs and classes to both citizens and visitors.

Category	FY 2012 Actual	FY 2013 Adopted	FY 2013 Revised	FY 2014 Advertised
EXPENDITURES				
Total Expenditures	\$22,198,607	\$23,585,167	\$23,585,167	\$23,932,296
AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)				
Regular	0 / 0	0 / 0	113 / 113	113 / 113
1 Recreation Division Supervisor I	8	8 Park/Rec Specialists I	8 Prevent. Maintenance Specs.	
2 Park Management Specialists II	26	26 Park/Rec Assistants	1 Maintenance Crew Chief	
1 Park Management Specialist I	1	1 Facility Attendant I	7 Custodians II	
9 Park/Rec Specialists IV	9	9 Administrative Assistants III	4 Custodians I	
2 Park/Rec Specialists III	1	1 Naturalist/Historian Senior Interpreter	1 Painter II	
31 Park/Rec Specialists II	1	1 Electronic Equipment Tech. II		
TOTAL POSITIONS 113 Positions / 113.0 FTE				

Resource Management

The Resource Management Division interprets and preserves Fairfax County's natural and cultural resources for the enjoyment, health and inspiration of current and future generations.

Category	FY 2012 Actual	FY 2013 Adopted	FY 2013 Revised	FY 2014 Advertised
EXPENDITURES				
Total Expenditures	\$1,964,134	\$1,841,062	\$1,841,062	\$2,159,982
AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)				
Regular	16 / 16	16 / 16	16 / 16	16 / 16
1 Historian II	2	2 Park/Rec Specialists I	1 Administrative Assistant III	
2 Historians I	2	2 Naturalists I	2 Facility Attendants II	
1 Park/Rec Specialist IV	2	2 Park/Rec Assistants	1 Custodian II	
1 Park/Rec Specialist II	1	1 Administrative Assistant V		
TOTAL POSITIONS 16 Positions / 16.0 FTE				

Fund 80000 Park Revenue Fund

Key Performance Measures

Indicator	Prior Year Actuals			Current Estimate FY 2013
	FY 2010 Actual	FY 2011 Actual	FY 2012 Estimate/Actual	
Administration				
Percent of annual work plan objectives achieved	78%	76%	75% / 63%	75%
Golf Enterprises				
Percent change in rounds played	(3.1%)	(2.6%)	1.0% / 4.6%	0.0%
Cost recovery percentage	120.40%	108.00%	108.10% / 118.60%	109.80%
Resource Management				
Percent change in number of visitor contacts	6.5%	1.0%	3.5% / 10.1%	3.5%

A complete list of performance measures can be viewed at www.fairfaxcounty.gov/dmb/fy2014/advertised/pm/80000.pdf

Performance Measurement Results

Workload for the Administrative Division has continued to increase as a result of the opening of a number of facilities over the last several years as well as increased audit requirements. The division accomplished 63 percent of its work plan objectives for FY 2012 due to budget constraints; however, the division will work to achieve a target of 75 percent for both FY 2013 and FY 2014. In FY 2012, golf rounds played increased 4.6 percent from FY 2011, as a very mild winter allowed more operating days and higher rates of play. The actual cost recovery in FY 2012 was 118.6%, though that is not likely to be replicated in FY 2013 or FY 2014. Lastly, in the Resource Management Division, there was a 10.1 percent increase in the amount of visitor contacts. This increase may have been due to mild winter weather. The Park Authority will strive to maintain the goal of increasing visitor contacts by at least 3.5 percent in FY 2013 and FY 2014.

Fund 80000 Park Revenue Fund

FUND STATEMENT

Fund 80000, Park Revenue Fund

	FY 2012 Actual	FY 2013 Adopted Budget Plan	FY 2013 Revised Budget Plan	FY 2014 Advertised Budget Plan
Beginning Balance	\$5,174,181	\$5,174,181	\$7,504,865	\$6,283,227
Revenue:				
Interest on Bond Proceeds	\$15,465	\$18,363	\$18,363	\$18,363
Park Fees	41,625,541	41,976,489	41,976,489	43,716,005
Interest	26,469	133,734	133,734	129,481
Donations	802,384	381,420	381,420	381,420
Total Revenue	\$42,469,859	\$42,510,006	\$42,510,006	\$44,245,269
Total Available	\$47,644,040	\$47,684,187	\$50,014,871	\$50,528,496
Expenditures:				
Personnel Services	\$25,985,677	\$27,710,110	\$27,710,110	\$27,883,928
Operating Expenses	13,038,144	13,408,591	13,408,591	13,956,598
Recovered Costs	(948,850)	(1,053,315)	(1,053,315)	(1,053,315)
Capital Equipment	148,231	294,000	294,000	593,000
Subtotal	\$38,223,202	\$40,359,386	\$40,359,386	\$41,380,211
Debt Service: ¹				
Fiscal Agent Fee	\$3,232	\$3,233	\$3,233	\$3,233
Accrued Bond Interest Payable	1,059,428	1,065,974	1,065,974	1,055,053
Subtotal	\$1,062,660	\$1,069,207	\$1,069,207	\$1,058,286
Total Expenditures	\$39,285,862	\$41,428,593	\$41,428,593	\$42,438,497
Transfers Out:				
County Debt Service (20000) ²	\$853,313	\$876,113	\$453,169	\$743,134
General Fund (10001) ³	0	0	0	775,000
Park Capital Improvement Fund (80300)	0	0	1,849,882	0
Total Transfers Out	\$853,313	\$876,113	\$2,303,051	\$1,518,134
Total Disbursements	\$40,139,175	\$42,304,706	\$43,731,644	\$43,956,631
Ending Balance⁴	\$7,504,865	\$5,379,481	\$6,283,227	\$6,571,865
Debt Service Reserve	\$1,915,974	\$1,945,319	\$1,812,341	\$1,801,420
Managed Reserve ⁵	1,957,666	1,659,280	2,017,969	2,068,975
Donation/Deferred Revenue ⁶	1,246,804	1,246,804	1,246,804	1,246,804
Set Aside Reserve ⁷	53,737	528,078	1,206,113	1,454,666
Unreserved Ending Balance	\$2,330,684	\$0	\$0	\$0

Fund 80000

Park Revenue Fund

¹ Debt service represents principle and interest on Park Revenue Bonds which supported the construction of the Twin Lakes and Oak Marr Golf Courses.

² Debt service payments which support the development of the Laurel Hill Golf Club are made from Fund 20000, County Debt Service.

³ Funding in the amount of \$775,000 is transferred to the General Fund to partially offset central support services supported by the General Fund which benefit Fund 80000. These indirect costs include support services such as Human Resources, Purchasing, Budget and other administrative services.

⁴ The Park Revenue Fund maintains fund balances at adequate levels relative to projected operation and maintenance expenses, as well as debt service requirements. These costs change annually; therefore, funding is carried forward each fiscal year, and ending balances fluctuate, reflecting the carryover of these funds.

⁵ The Managed Reserve includes set aside cash flow and emergency reserves for operations as a contingency for unanticipated operating expenses or a disruption in the revenue stream.

⁶ The Donation/Deferred Revenue Reserve includes donations that the Park Authority is obligated to return to donors in the event the donation cannot be used for its intended purpose. It also includes a set aside to cover any unexpected delay in revenue from the sold but unused Park passes.

⁷ The Set Aside Reserve is used to fund renovations and repairs at various park facilities as approved by the Park Authority Board.