



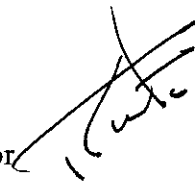
# FAIRFAX COUNTY PARK AUTHORITY

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# M E M O R A N D U M



**TO:** Chairman and Members  
Park Authority Board

**VIA:** Timothy K. White, Acting Director 

**FROM:** Miriam Morrison, Chief Financial Officer  
Administration Division

**DATE:** January 17, 2008

## *Agenda*

**Administration, Management and Budget Committee**  
**Wednesday, January 23, 2008 – 4:30 p.m.**  
**Board Room – Herrity Building**  
**Chairman Ex-Officio: Harold Strickland**

1. Fairfax County Park Authority Annual Financial Report as of June 30, 2007 (with presentation) – Information\*

\*Enclosures



If accommodations and/or alternative formats are needed, please call (703) 324-8563. TTY (703) 803-3354

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## **INFORMATION –**

Fairfax County Park Authority Annual Financial Report as of June 30, 2007 (with presentation)

### **KPMG Audit Opinion**

A copy of the audited *Comprehensive Annual Financial Report (CAFR) for the Fiscal Year Ended June 30, 2007*, is attached. No findings were reported in the audit process nor disclosed in the Independent Auditor's Report. Additionally, no recommendations were offered by KPMG as a result of this audit. KPMG's Independent Audit Report and opinion state that the financial statements as of June 30, 2007, fairly and in all material respects, present the financial position of the governmental activities and the major funds of the Authority as of June 30, 2007, and the respective changes in financial position for the year in conformity with generally accepted accounting principles.

While the Authority is required, on an annual basis, to have an external audit and review of the basic financial statements produced by the Authority, this year the Authority invested the extra steps and responded to the additional evaluation required to obtain a Government Finance Officers Association (GFOA) Certification. This audit was conducted by KPMG, the County's external auditors, and an opinion and any recommendations were obtained from the audit review. The FY 2007 Audit includes a review of the financial statements of the governmental activities to ensure that they are free of any misstatements for the fiscal period July 1, 2006 to June 30, 2007. The audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. The audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall basic financial statement presentation. Recommendations, if any, are suggestions for improvements and are sent to the Director of the Authority. Any material findings are written in the form of an opinion and sent to the Director and Park Authority Board as well as the Department of Finance and the County Board of Supervisors.

The Authority follows Generally Accepted Accounting Principles (GAAP) promulgated by the Government Accounting Standards Board (GASB). The Code of Virginia established GAAP as the basis for statewide financial reporting and GAAP is used extensively by rating agencies, investment banks and other organizations involved in the issuance and marketing of government bonds. GASB is an independent, private-sector, not-for-profit which establishes improved standards of accounting and reporting for U.S. State and Local Governments. Compliance with GASB standards is enforced through the audit process via the auditor's opinion in conformity with GAAP and through state laws.

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The attached FY 2007 financial report includes the requirements for a CAFR by the GFOA, a required transmittal letter and also an Economic and Demographic Statistical Section in compliance with GASB-44.

The financial report consists of three sections:

- The *Introductory Section* consists of a Transmittal Letter which formally conveys the financial report to its intended users and includes a list of the Authority's Board members, principal officials, the organization chart, and an acknowledgment of those who have made a significant contribution to the preparation of the report.
- The *Financial Section* contains the Independent Auditor's Report on the financial statement audit, the Management's Discussion and Analysis (MD&A), the Basic Financial Statements, the Notes to the Financial Statements (Notes), and the Required Supplementary Information (RSI). The MD&A explains to the reader in a narrative format, an overview and analysis of data contained in the statements and provides a basis for the reader to ascertain the overall financial position and results of operation. The financial statements follow the MD&A and include government-wide financial statements and fund financial statements, accompanied by the Notes to the Financial Statements. The RSI section presents budget to actual data and also provides a reconciliation of actual revenues and expenditures (budget basis) to those reflected in the financial statements.
- The final section is the *Financial and Demographic Trends Section* containing five to ten years comparative data which is the main source of information regarding economic conditions. In addition to comparative financial statement data, contained within these tables are population data, per capita income, unemployment rate, principal employers, and additional Park Authority facts.

**Submission of Financial Report as a CAFR**

Fairfax County Park Authority is continually striving for excellence in financial management and financial reporting. For FY 2007, the Authority has produced its annual financial report based on requirements for a Comprehensive Annual Financial Report (CAFR) as specified by the Government Finance Officers Association (GFOA). In quest of its prestigious national recognition for financial excellence, the Authority's CAFR has been duly submitted to the GFOA for review. Reports submitted to the GFOA are reviewed by professional staff and a *GFOA Special Review Committee* which consists of individuals with expertise in public-sector financial reporting and includes financial statement preparers, independent auditors, academics and other finance professionals from around the nation. This review and approval by GFOA certifies

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conformance to the highest standards in governmental accounting and financial reporting.

ENCLOSED DOCUMENT:

Attachment 1: Fairfax County Park Authority Comprehensive Annual Financial Report for the Fiscal Year ended June 30, 2007.

STAFF:

Timothy K. White, Acting Director

Cindy E. Messinger, Acting Deputy Director/COO

Miriam C. Morrison, Chief Financial Officer, Administration Division

Seema Ajrawat, Fiscal Administrator, Administration Division

**Attachment 1: Fairfax County Park Authority Financial Report for the Fiscal Year  
Ended June 30, 2006**

**Hardcopy of this report is available at Park Authority headquarters:**

**12055 Government Center Parkway, Suite 927, Fairfax, VA 22035**

**703-324-8702**