

Board Agenda Item
February 8, 2012

PRESENTATION – 1

Fairfax County Park Authority Golf Business Review – Final Report

The National Golf Foundation (NGF) consulting team headed by Richard Singer, Director of Consulting Services, will present findings from the golf business review final report. The report summarizes and discusses keys to the long-term success of the FCPA Golf Enterprises' golf operations. NGF Consulting, Inc. is a subsidiary of the National Golf Foundation created in 1987 to offer expert and impartial consulting advice on golf operations world-wide.

ENCLOSED DOCUMENTS:

Attachment 1: NGF Consulting Recommendations for FCPA Golf

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Fairfax County Park Authority Golf System Financial and Operational Analysis

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NGF Consulting Recommendations for FCPA Golf

NGF Consulting has prepared a schedule of recommendations for the continued operation of the FCPA Golf system as a whole. These recommendations have been organized into four main categories: (1) System-wide basic oversight and structure, (2) Operational Recommendations, (3) Physical Upgrade Priorities, (4) Marketing and Program Recommendations, and (5) pricing recommendations. These recommendations are intended to apply to the system as a whole and are designed to benefit all facilities in the system. The NGF companion reports on the individual facilities offer additional recommendations unique to each FCPA Golf property. In the chapter following these recommendations, NGF Consulting will display the potential financial impact of enacting all of the system-wide and individual facility recommendations.

SYSTEM-WIDE ORGANIZATIONAL RECOMMENDATIONS

FCPA Golf Administration and Structure

As noted elsewhere in this report, the Fairfax County Park Authority golf system is operating with system-wide oversight from the Parks Services Division of the Fairfax County Park Authority, with direct oversight from a Golf Enterprises Manager. **It is the NGF recommendation that this system be retained with some minor modifications, at least through the end of FY2015 to allow new capital investments and other changes to take hold and improve revenue.** NGF has observed that the present operational system for FCPA golf is basically appropriate with no need for drastic change, but some modifications will need to be made to: (1) enhance the marketing and promotion of the FCPA golf facilities; (2) reduce overall staff expense through some staff reductions and conversion of some 'merit' positions to part time; (3) enhance the overall technology capabilities of the FCPA golf system (new POS, etc.); and (4) upgrade individual facilities to better accommodate large groups and tournaments/outings. These changes should allow the present operational structure to maximize the economic potential of these golf courses and meet fiscal responsibilities.

If the economic improvement does not occur in the next three years, then the FCPA should consider privatization alternatives, such as one of the management company / privatization models described in this report. NGF recommends the FCPA explore a management contract option only if action on these items still fails to improve net revenue by the end of FY2015. Key findings and recommendations regarding the FCPA Golf Administration include:

- **The basic oversight and structure of the FCPA golf system must change to become more entrepreneurial and run the golf system more like a business and less like a public accommodation.** This means new and improved emphasis on marketing and promotion, especially to markets beyond Fairfax County, including all of Northern Virginia and the greater DC Metro. This will mean enhancements to facilities and systems and mean that management will have to react quickly to changes in market characteristics. NGF recommends the Golf Enterprises Manager remain a business-oriented position, as opposed to a maintenance-oriented position, to help the system better react to changing market conditions and provide a business perspective to the issues of staffing, cost controls, marketing, green fee rates, programs, capital needs, etc.

- NGF recommends that the **FCPA consider adding an additional golf-specific Marketing Specialist position that reports to the Golf Enterprises Manager** to assist with Golf Enterprises marketing. The addition of this position would provide the FCPA Golf Enterprises with a dedicated, full-time marketing professional with a sole responsibility to maximize the exposure and awareness of FCPA golf courses. This position is proposed as optional for the FCPA golf system and has not been assumed in NGF's financial projections.
- **Continue with the Public Links and Everybody Golf School concessions, but work better with Everybody Golf School to transition new beginners from the range to the golf course.** In general, these concessions provide benefit to the FCPA golf system. The Public Links concession relieves the Authority from having to obtain a liquor license and the Everybody golf school provides an extensive golf instruction program at the two FCPA golf facilities that are most suited for that service (Burke Lake and Oak Marr). The challenge for FCPA will be to create and implement a program to transition new golfers from hitting balls at the range to playing a round of golf. Working with the lesson vendor to offer specials, discounts, multi-play passes and complimentary first rounds are just some of the considerations for this area.

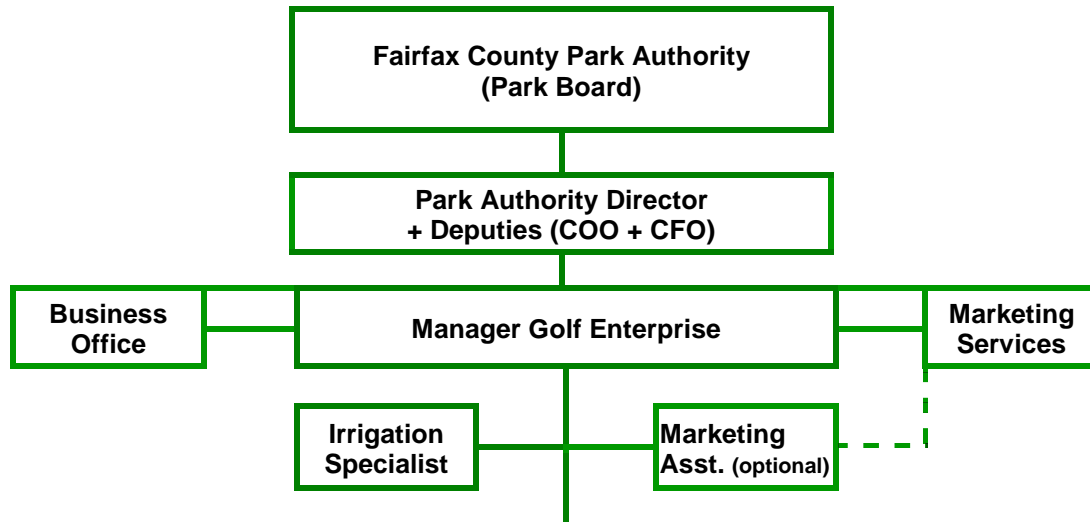
Considering these additions, coupled with the individual course staffing recommendations made by NGF in the facility companion reports, the overall recommended system organizational structure is displayed on the following page.

Individual Facility Staffing

In the individual facility companion reports, the NGF team has made recommendations on specific operational issues at each FCPA Golf facility. In addition to these individual facility recommendations, NGF has offered several suggestions for basic operations staffing at each facility as documented in the individual facility reports and summarized in the proposed organization chart on the following page. Key differences from the current structure include:

- To reduce labor expense, NGF recommends only two merit positions in pro shop operations at Jefferson Park, Pinecrest, Oak Marr, Burke Lake and Greendale. These positions should be supported with additional seasonal / part-time hours.
- To reduce labor expense, NGF recommends transitioning several of the Senior Maintenance Worker and Maintenance Worker positions to seasonal / part-time positions through attrition, retirements and vacancies.
- The FCPA should continue and strive to expand the volunteer program to provide support for additional part-time positions.
- NGF recommends that most food and beverage positions at facilities with small snack bar operations (Greendale, Jefferson Park, Pinecrest and Burke Lake) should be staffed with all seasonal / part-time positions, including the F & B managers. This would also apply to Oak Marr if some form of snack operation is added there (recommended by NGF). Facilities like Laurel Hill and Twin Lakes should retain merit F & B managers.
- The FCPA should strive to continue to include PGA golf professionals on staff in some capacity at Laurel Hill, Twin Lakes, Burke Lake, Oak Marr and Greendale. This is less important at Jefferson Park and Pinecrest.

Proposed Organizational Structure 2012-13



Laurel Hill	Twin Lakes	Greendale	Jefferson	Pinecrest	Burke Lake	Oak Marr
1 PS IV FT 1 PS II FT 1 FSM FT 1 MC FT 1 PSM FT 59 OSS PT	1 PS IV FT 1PS II FT 1 AA FT 1 FSM FT 1 PSM FT 31 OSS PT	1 PS IV FT 1 FA II FT 1 Inst III PT 33 OSS PT	1 PA III FT 1 FA FT 23 OSS PT 1 MW PT	1 PS III FT 1 FA II FT 19 OSS PT Volunteers	1 PS IV FT 1 FA II FT 1 LB PT 35 OSS PT 40 Volunteers	1 PS III FT 1 PS II FT 25 OSS PT Volunteers
FTE 17.625	<i>FTE 12.125</i>	FTE 8.25	<i>FTE 7.875</i>	<i>FTE 5.875</i>	FTE 6.5	<i>FTE 6.75</i>
1 GCS III FT 1 GSA FT 1 MEO FT 1 AM II FT 1 Sr MW FT 2 MW FT 16 PSAIII PT	1 GCS III FT 1 GS I FT 1 PS I FT 1 AM II FT 2 MEO FT 4 Sr MW FT 4 MW PT 1 MW PT 18 PSA III PT	1 GCSIII FT 1 PS I FT 1 MEO FT 2 MW FT 6 PSA III PT 9 MSS PT	1 GCSI FT 1 PS FT 1 Sr MW FT 1 MW FT 1 PRS PT 6 PSA PT	1 GCSI FT 1 PS I FT 1 SMC FT 1 MW PT 9 PSA III PT	1 GCSIII FT 1 PS I FT 1 MC FT 2 MW FT 6 MW PT 9 PSA PT	1 GCSI FT 1 SMW FT 1 MW FT 3 PSA PT
FTE 15	FTE 18.75	FTE 6.5	<i>FTE 5.75</i>	<i>FTE 5.25</i>	FTE 12.125	FTE 3.75
Total 32.625	Total 30.875	Total 14.75	Total 13.625	Total 11.125	Total 18.625	Total 10.5

Abbreviations: AA Administrative Assistant; AM Auto Mechanic; FA Facility Attendant; FSM Food Service Manager; GCS Golf Course Superintendent; GSA Golf Superintendent Assistant; LB Laborer; MC Maintenance Chief; MC Membership Coordinator; MEO Motor Equipment Operator; MSS Maintenance Support Staff; MW Maintenance Worker; SMW Senior Maintenance Worker; OSS Operations Support Staff; PS Park Specialist; PSA Park Support Assistant; PSM Pro Shop Manager. *Changes from 2012 actual in italics.*

BASIC OPERATIONAL RECOMMENDATIONS

Additional recommendations regarding basic policies that apply to all seven FCPA Golf facilities include ideas for basic golf course operations, improving technology capabilities, food and beverage operations, pro shop operations and golf course maintenance.

Improve Technology Capabilities (POS)

NGF has observed several key deficiencies in the FCPA golf system, the most important of which is limited technology capabilities and the inability to create effective customer databases that can be used in marketing the golf facilities. The most important of these deficiencies include:

- **No tee-time integration** – The system does not allow for any kind of automated tee sheet to be integrated with the POS. This includes the phone tee sheets and much is still done by hand.
- **Tee Sheet Management** – Improvement in this area can help in yield management, marketing, tournament management, and selling tee times online directly by FCPA, without any third party (as presently).
- **Reports.** The system does not produce adequate golf-specific reports, and most internal reporting is done manually.
- **Marketing Limitations** – the above limitations constrain the FCPA's ability to develop a robust customer database tied to golfer purchase behavior, and utilize that database in the type of electronic marketing that dominates the industry today.

NGF Recommendation for New POS System

Based on the NGF review, the FCPA should pursue the addition of a new, golf-oriented point-of-sale (POS) system that provides the services noted above and allows the FCPA golf managers to provide online tee time service, customer tracking (especially if some form of loyalty card is implemented) and more efficient record keeping, resulting in a smaller time commitment from managers.

NGF has reviewed several such POS systems and notes a handful of companies that provide these systems. The best fit for the FCPA golf system will be a system that provides elements such as:

- Remote access to tee sheet
- Search and reserve tee times across multiple days or courses
- Customize pricing formats for different types of play
- Reserve and track golfer categories with custom settings
- Manage multi-course facilities
- Send automated email tee time confirmations to golfers
- Build shotguns, split-tees, squeeze times and any other design
- Track Check-Ins and No-Shows
- Send out automated "Reminder" and "Thank You" emails
- Create and manage events and outings
- Restrict access to some features based on various security levels
- Use color-coding to identify special tee time slots
- Track utilization and forecast future revenues

- Preview or export reports to track rounds, revenue, and golfers
- Capture and process credit cards automatically
- Enhanced Check-in process with integrated POS
- **Networking:** The ideal system will set up the tee sheet to connect to the following:
 - Course website
 - POS provider partner websites
 - The course and POS provider reservation center
 - Corporate or Administrative office
 - Affiliated golf courses
 - Local hotels & concierges
 - Travel & vacation packagers
 - Golf web sites
- **Point-of-Sale:** The ideal system will include a package that allows the integration of:
 - Integrated Check-In
 - Integrated Membership Programs
 - Integrated Loyalty and Rewards programs
 - Custom Receipt Design
 - Cart Rental Agreements
 - Integrated Gift Card or Gift Certificates
- **Internet Reservations:** The ideal system will allow for offering online tee times via the FCPA golf (or individual facility) web site(s).
- **Email Marketing:** The ideal system can send customized emails to a customer database.

NGF expects that a system of this nature, with all its features, would typically be priced with a one-time fee of anywhere from \$4,000 to \$10,000 per facility, with 9-hole and/or driving range-type facilities coming in on the lower end of the scale. In addition, there is usually some type of continuing monthly service fee of between \$200 and \$400 per facility per month. NGF has assumed a pricing expectation of an initial investment of \$35,000 and a monthly fee of \$1,400 for a basic POS system with key integration features sought by FCPA. Actual cost may vary and the FCPA should do a comprehensive pricing analysis.

Yield Management Practices

The FCPA golf managers should be given a moderate amount of authority to monitor their tee sheets (especially if a system like the one noted above is employed) and run specials “on a moment’s notice” to beef up activity during slow periods. This practice should be monitored closely and will likely have the most impact at Twin Lakes and Greendale.

Operations Basics

NGF Consulting has also provided recommendations on basic activities that apply to all seven FCPA golf facilities. These include:

- **Customer Service.** Quality customer service is the best marketing tool, as it is easier to retain current customers than it is to create new ones. This is especially critical for FCPA Golf facilities, as the image projected reflects back on the FCPA and the County. At present, customer service appears to be a strength at FCPA Golf

courses, and NGF recommends a continuation of the FCPA's "STARS" at the courses with added emphasis to promote the program.

- **General Clubhouse Staffing.** FCPA should work to create a "standard" clubhouse staffing program, divided as follows:
 - **Laurel Hill and Twin Lakes:** Retain five merit clubhouse positions
 - **Pincrest, Jefferson and Oak Marr:** Retain only a General Manager and Assistant General Manager
 - **Burke Lake:** Retain only a General Manager and Assistant General Manager, although one additional merit position will be needed when the new clubhouse is open to serve the expanded needs in F&B, retail and range
 - **Greendale:** Retain three merit positions – General Manager, Assistant General Manager and Food Service manager
- **Expand Programming.** Commit to a full schedule of programs and events at FCPA golf courses, based on the "best practices" presently in use by many other golf facilities both locally and nationwide. Programming to be incorporated includes:
 - Leagues
 - Men's and women's golf associations
 - Weekly games
 - In-house tournaments, especially scrambles where everyone can participate
 - Increasing female participation
 - Player development
- **Employee / Volunteer Rounds.** NGF has noted the high number of employee and volunteer rounds being hosted by FCPA facilities. NGF has traditionally used a "standard" of around 4% or 5% for employee/volunteer rounds at municipal golf courses (FCPA is at 9.9% in 2011. The key for NGF is that these rounds are not displacing other full paying customers, especially at prime time. FCPA management should more closely restrict prime time rounds from employees and volunteers.
- **No-Show Policy -** Continue to enforce the system "no-show" policy and place greater emphasis on management of the system to reduce this loss of revenue through procedures that may include credit card charges to repeat offenders, large groups and block tee times. New POS should help with this.
- **Cart Lease** – The FCPA should continue with its program to lease carts at facilities. The roughly \$1,030 paid by the Authority per cart per year is close the NGF "Standard" of \$1,000 per cart per year. Plus, the 3-year lease program allows for the facilities to always have generally newer carts (preferred by customers).
- **Retain Everybody Golf** – Everybody golf should be retained at Oak Marr and Burke Lake. FCPA should work with this vendor to improve communications and help to provide a better transition for beginning golfers from driving ranges to golf courses, and from par-3 courses to full-length facilities. Specifically, this can be accomplished through both personal coordination between Everybody Golf and FCPA golf staff, and the incorporation of specials and promotions such as discounts, complimentary rounds and "upgrade" discounts for golfers "graduating" from a short course to an 18-hole course.

- **Winter Operations** – FCPA should continue its policy for winter operations. Winter golf is popular in this region when the weather is appropriate and the FCPA facilities should be open as much as possible to grow revenue. The move to more seasonal / part-time labor will help to reduce expense.

Food & Beverage Operations

NGF has observed that FCPA Golf facilities have developed appropriate food and beverage operations, with offerings in three categories – full service (Laurel Hill), basic grill operation (Twin Lakes), small snack shop operation (Jefferson Park, Greendale, Burke Lake and Pinecrest), plus the vending only at Oak Marr.

It is important to maintain high quality in food and beverage operations for both direct revenue and to enhance the overall golf experience, leading to increased golf revenue. NGF Consulting believes that maintaining adequate food and beverage operations at FCPA Golf facilities will help increase rounds of golf (possibly by 10% or more), increase revenue per round and increase traffic to the FCPA golf course properties.

Other NGF Recommendations

NGF recommends the following changes to F & B operations in the FCPA system:

- **Laurel Hill** – Expand access to the “On-the-Go” system to allow for greater convenience for golfers to make purchases when the clubhouse is booked for a banquet or event. This will also allow for quick service between 9th and 10th holes. Ideas include the addition of a new “pass-through” snack window or the addition of a small “Grab-n-Go” system (possibly refrigerator in the pro shop or nearby).
- **Twin Lakes** - Expand the Oaks room and add some form of “grab-and-go” system for quicker purchase of light items (sandwiches, snacks, beverages, etc.).
- **Greendale** – Add new event pavilion.
- **Jefferson Park** – Add new event pavilion and add beer sales to the facility, only during the day when the 9-hole course is open.
- **Pinecrest** – Add beverage cart service.
- **Burke Lake** - Add beer sales to the facility when the golf course is open.
- **Oak Marr** – Add small snack shop in modified clubhouse space planning.

Beverage Cart Service

On-course service of beverage (and some food) items has become a key component of golf operations in the U.S., particularly at resort-type golf courses of high quality. While the beverage cart itself is often not highly profitable (can add \$1 to \$2 per round in revenue), the beverage cart provides a level of service that the golf customer has come to expect and will lead to enhanced revenue in other areas of the operation (green fees, carts, etc.). NGF Consulting recommends that FCPA push to have beverage cart service at each golf course (2 at Twin Lakes) on weekends and holidays, and at Twin Lakes, Laurel Hill and Greendale during weekdays as well. The level of service can vary by location, but should be daily during peak seasons, and at least on weekends throughout the year.

Pro Shop Recommendations

The FCPA golf system staff should seek to maximize merchandise revenue at the golf courses. This will require some modifications to purchasing and items offered, especially apparel, and a increased focus on ladies items. In general, NGF recommends:

- No change in pro shop operations at Laurel Hill and Twin Lakes.
- Modify the space and add additional inventory at Greendale, Oak Marr, Jefferson Park and Pinecrest.
- Burke Lake to be determined based on new clubhouse and/or range expansion. If new space is added, the merchandise inventory should be increased.

Course Maintenance

The NGF team believes that the most valuable asset in the FCPA Golf system is the high quality of the golf courses and their historically high quality of maintenance. The Fairfax County Park Authority should incorporate a “Minimum Maintenance Standards” manual for all facilities to follow the standards, when budgets allow. There is a concern that as budgets and staffing decline, so too will maintenance conditions. The NGF Consulting team believes this strategy is a recipe for disaster and that if this occurs in FCPA Golf, it will further deteriorate golf course income by an amount even greater than the expense reduction savings. If golf course conditions decline, the golf courses will become less appealing, leading to further reductions in revenue, leading to even further cuts in expenses, and the “death spiral” cycle will be very much in play for FCPA Golf courses. The projections made by NGF for the future operation of the FCPA Golf system assume a high quality of maintenance will be retained at County golf facilities.

PHYSICAL UPGRADE PRIORITIES

In each of the companion reports on the seven individual FCPA Golf facilities, the NGF team has made specific recommendations for physical upgrades at each location, with documented estimates of costs for each item. As most of the NGF review is centered around enhancing revenue (particularly tournament and outing revenue) and reducing expense, some of the physical improvements are a high overall priority for the system and should not be ignored or postponed for too long. Key physical upgrade recommendations made in the companion reports are listed below in overall priority order, based on NGF’s review of the full FCPA Golf system and each individual facility. NGF notes that this order of priority is the NGF recommendation, and may not match exactly with FCPA planning and approved budgets. The list represents NGF’s best thinking on prioritizing future physical upgrades to FCPA golf facilities.

NGF Priority List

The NGF priority list follows below. We note that not all items require significant capital expense, and some items (even though they are lower on the list) could be completed at relatively low expense:

1. Expand the Oaks Room at Twin Lakes clubhouse
2. Upgrade A/V capabilities at Laurel Hill and Twin Lakes
3. Add wireless Internet access at Laurel Hill and Twin Lakes
4. Switch to a token-less range ball dispensing system
5. Add an event pavilion at Greendale
6. Add an event pavilion at Jefferson Park
7. Improve the drainage and turf conditions at Greendale
8. Upgrade / Expand the driving range at Burke Lake
9. Driving range landing area improvements at Oak Marr
10. Maintenance equipment at all facilities

Additional recommended upgrades that are not included in the NGF financial analysis, but should be considered should fiscal performance improve, or if other (outside of golf revenue) capital sources become available:

11. Burke lake clubhouse - new clubhouse or renovation
12. New irrigation system at Greendale
13. Greens replacement at Greendale
14. New irrigation system at Pinecrest

Estimated Timing and Expense of Physical Upgrades

FCPA Golf Enterprise Recommended Capital Upgrades by Year (2012-2016)	
FY2012	Estimated Cost
A / V + Internet upgrades at Laurel Hill + Twin Lakes	\$60,000
Token-Less Range dispensers	\$144,000
New POS System	\$35,000
Power improvements at Burke Lake	\$25,000
Greendale Tree program (Year 1)	\$5,000
Total for FY2012	\$269,000
FY2013	
Greendale Tree program (Year 2)	\$5,000
Greendale Drainage / Turf / Paths	\$375,000
Event Pavilion at Jefferson Park	\$225,000
Bunker / Bridge Program at Laurel Hill (Year 1)	\$12,500
Range Lighting at Oak Marr	\$67,000
Indoor Practice Bays at Pinecrest	\$18,000
Total for FY2013	\$702,500
FY2014	
Bunker / Bridge Program at Laurel Hill (Year 2)	\$12,500
Range Upgrade at Burke Lake	\$175,000
Greendale Tree program (Year 3)	\$5,000
Clubhouse Upgrades at Greendale	\$62,000
Clubhouse Upgrades at Oak Marr	\$30,000
Range Canopy at Twin Lakes	\$16,000
Oak Marr Landing Area Improvements (Year 1)	\$25,000
Cart path completion at Pinecrest	\$30,000
Cart path completion at Jefferson	\$111,000
Total for FY2014	\$466,500
FY2015	
Oak Marr Landing Area Improvements (Year 2)	\$25,000
Event Pavilion at Greendale	\$375,000
Netting at Jefferson Park	\$13,500
Greendale Tree program (Year 4)	\$5,000
Twin Lakes Bridge Program (Year 1)	\$7,500
Bunker / Bridge Program at Laurel Hill (Year 3)	\$12,500
Total for FY2015	\$438,500
FY2016	
Twin Lakes Bridge Program (Year 2)	\$7,500
Bunker / Bridge Program at Laurel Hill (Year 4)	\$12,500
Oak Marr Landing Area Improvements (Year 3)	\$25,000
Greendale Tree program (Year 4)	\$5,000
Total for FY2016	\$50,000
Total Capital Upgrades (2012-2016)	\$1,926,500

FCPA GOLF – MARKETING AND PROGRAM RECOMMENDATIONS

In the individual facility reports, the NGF team has made specific program recommendations, including facility pricing and site-specific marketing strategies that are unique to each property. In reviewing the system as a whole, the NGF recommendations for marketing center around enhancing the overall marketing and promotion of the FCPA golf courses to increase the market penetration to areas beyond the present base of customers. As noted previously and in NGF individual facility reports, upwards of 75% of the present rounds activity is derived from customers residing in Fairfax County. The NGF recommendations for marketing are designed to help the FCPA Golf Enterprises expand that market, thus our recommended program is designed to improve the reach to targets that are presently not using and/or are not familiar with FCPA golf courses.

In review of the system, NGF sees a two-pronged marketing approach: (1) A system-wide approach that promotes ALL facilities under a unified brand and logo; and (2) an individual facility approach that identifies and promotes each individual facility based on its unique characteristics and offering, along with its own unique brand and logo. Some of the NGF recommendations will be for one approach or the other, while some of the recommendations will apply to both approaches. In general, most recommendations concern the need to enhance marketing of the FCPA golf facilities, especially in the area of electronic (Internet) marketing. Thus, the list of NGF recommendations may be short and may even include areas where FCPA Golf is already active.

System-Wide Marketing

It is the opinion of NGF that FCPA Golf should be (and is presently) marketed both as a system and for each individual location. Ideas for marketing the system as a whole includes promotion of the key concepts that link the facilities together as one system, as noted below.

Key Concepts

FCPA Golf courses have most of the necessary ingredients to create a successful system-wide marketing approach that should benefit all facilities. Some ideas for promotions to help create the image of FCPA golf courses include:

- **Theme.** The biggest need is to develop a common theme that ties all the courses together and is also very marketable. Given that each course is different and offers a unique golf experience, using a “Something for Everyone” tag line along with “Golf Fairfax County” should be successful.
- **Customer Service.** High standards should be maintained for customer service consistently throughout the system, and a mechanism for measuring satisfaction should be implemented at least once per year (last customer survey done in 2008).
- **Premium Courses.** Laurel Hill and Twin Lakes have been assumed to be the facilities to be marketed as the “Premium” facilities. They should be the best maintained, offer the highest level of customer service, and have the highest fees.

Individual Facility Marketing

While it is the opinion of NGF that FCPA Golf can be marketed effectively as a system, some consideration should be given to marketing each facility individually based on key aspects at each property. Key concepts to be highlighted include:

- **Laurel Hill.** Championship golf and outstanding amenities. This is a great location for a daily round of golf with friends, a tournament/outing or even a wedding or banquet.
- **Twin Lakes.** Affordable championship golf with the variety of two courses. The two courses ensures that the facility is accessible and likely available at any time. Heavily promote the new Oaks Room addition when complete. This is the “Original Fairfax County Municipal Golf Course.”
- **Greendale.** Affordable golf in a convenient location.
- **Pinecrest.** Best value for golf in Fairfax County that can be played in under two hours.
- **Jefferson Park.** Great venue for family golf activities with an inexpensive golf course that can be played in under two hours. Plus a miniature golf course for the whole family to enjoy. A great place for birthday parties and other gatherings.
- **Oak Marr.** Ideal location for beginners or active golfers seeking to improve their game. Includes a challenging “short” course that can be a great place to learn the game or stimulate experienced golfers.
- **Burke Lake.** Ideal location for beginners or active golfers seeking to improve their game. Includes a challenging 18-hole “short” course that can be a great place to learn the game or stimulate experienced golfers. Heavily promote the new clubhouse and range improvements when completed.

Other Marketing Recommendations

The County should make a commitment to continuing with enhanced marketing efforts for the system as a whole and at individual facilities. The FCPA should commit to a golf marketing budget of at least \$100,000 annually to be divided:

- 25% for Internet (web) and other electronic marketing
- 50% for printed materials and print advertising
- 25% for other initiatives (promotions, tie-ins, and or radio spots).

Website

The Internet is having a larger and larger impact on golf as time goes on. Golfers, especially when traveling, are using the Web more and more to find places to play. The FCPA golf Website was discussed earlier and meets much of the basic criteria for success, although more could be done to enhance the overall design and add features to make it more appealing to golfers and easier to find. NGF recommends improvements to the branding on the website(s) to include a consistent FCPA system brand, as well as each individual facility’s brand. This should be combined with all materials that are geared towards creating and conveying a brand image as a high quality system (facility) that can serve all of a golfer’s needs, including practice amenities, lessons and programming, club fitting, high quality food service, meetings, banquets, etc. All of these items should be addressed in the FCPA golf website(s).

NGF also recommends that FCPA expand its photograph program with more pictures of facilities and their individual components that appear on the web, both in terms of the number of photos and the prominence with which they are placed on the website(s). At present, there are

many nice pictures of the golf courses, but limited photos of clubhouses and practice facilities, especially at Twin lakes and Laurel Hill. This is especially significant at these facilities are trying to sell both golf and non-golf events, and potential customers like to see what facilities are offered.

While most of the key needs regarding pictures will apply to Laurel Hill and Twin Lakes, all seven FCPA golf facilities should improve the amount and quality of pictures within the website. The most successful golf websites designed by golf courses that consistently produce high rounds and revenue typically have several pictures of all aspects of the facilities, including:

- Multiple pictures of the most scenic locations on the golf course
- Some even include at least one picture of each hole in the course description page
- Multiple pictures of the clubhouse, especially if the facility is active in selling banquets and parties
- Pictures of practice facilities
- Pictures of key staff
- Prominent display of the facility logo on each page (presently done by FCPA)

E-mail

E-mail databases are essential in today's golf marketplace as a means of staying in touch with the facility's customer base. The Authority should continue to expand and update its large database of park households by augmenting the database of golfer emails for each site that is integrated with player POS activity. FCPA should then expand the use of email marketing as the size of the database grows. E-mail marketing, with the exception of word-of-mouth and free advertising, is the most cost-effective advertising possible. In today's market, it is essential to have and use an e-mail database. E-mails can be captured in any number of ways (sign –up, online, discount cards, etc.), with a notice that people on the e-mail list will receive notice of special promotions.

Basic Marketing Strategy

A marketing emphasis is critical to creating awareness, correcting misperceptions in the market (e.g., the golf course is closing or being sold), and increasing daily fee and tournament play. Efforts to enhance golf activity at FCPA Golf facilities should include (in order of importance): (1) Website + golf-specific social media; (2) e-mail programs; (3) printed promotions / advertisements and (4) improved signage. NGF notes that some of these activities were ongoing at the time of the NGF review.

The marketing plan that FCPA Golf adopts should be revised annually and address:

- Market conditions
- Competition – including pricing and any changes in policies, facilities, or apparent market strategy
- Target markets
- Overall strategy / implementation strategy
- Pricing
- Media sources and budget
- Specials / promotions
- Customer feedback, research, and follow-up

- Measurement (a mechanism to gauge the effectiveness of the marketing plan)

Other Key Components

Articles and Non-Paid Promotion. A good public relations campaign to get articles written in national, regional, and local publications would be ideal, with a good start in using the USGA Amateur Public Links Championship at Laurel Hill. The primary goals/themes will be stimulating trial of a golf course and making sure potential patrons know how to find each facility.

Rack Brochure. A quality, professionally produced rack brochure for FCPA Golf should be professionally developed as a fold-out piece with “Golf” in the upper 1/3 of the front page. An enhanced commitment to distributing this piece and placing it in as many area visitor centers, hotels, tourist attractions with information racks, restaurants with tourist racks, Chambers of Commerce, etc. is reasonable. NGF research (NGF publication *The U.S. Golf Travel Market*) reveals that 44% of all golfers play golf when they travel.

Tournaments and Outings. The FCPA golf staff needs to be more aggressive in direct marketing to tournament and outing prospects to bring in a larger share of that business. Keys to marketing in this segment include some direct contact selling, as well as actively seeking groups, charities and corporations that have hosted tournaments in the past.

Advertising. FCPA should continue to place nice color advertisements with high quality photos of golf courses in regional publications such as *Golfstyles* and *Virginia Golf Magazine*, but add some type of tracking mechanism to gauge effectiveness. Common ideas for tracking include “mention this ad” specials and/or special offers that appear only in the advertisement.

Foreign Language Advertising. FCPA should place advertisements in local Northern Virginia Korean, Spanish and other foreign language newspapers. In many cities, these advertisements can be relatively inexpensive, but there is cost to design and write up (translate) the advertisement.

Participate in Bridal Shows. Actively promote the facilities at Laurel Hill in bridal shows, magazines and websites.

Social Media. FCPA should allow for the creation of a golf-specific social media program comparable to other multi-facility golf systems like the City of Aurora or Salt Lake City. Many successful golf operators are using *Facebook* and *Twitter*, among others, as a means to stay in communications with potential customers, get their name out there and even attract a new, younger demographic.

GolfNow. Expand the GolfNow program to include Twin Lakes and Greendale.

Corporate Golf Leagues. Continue the program to target local corporations to participate in organized leagues and events, using the Exxon/Mobil program at Jefferson Park as a model to be expanded to other FCPA courses.

Signage. The signage for some of the FCPA golf courses should be improved, to the extent that is allowable by County, State, and local guidelines. The most significant upgrades are needed for Laurel Hill, Twin Lakes and Greendale, and involve both general information signage and directional signage. It is recommended that any signage to FCPA golf sites include the facility logos (as opposed to FCPA logo) and make locations of each golf course as clear as possible and note that each golf course is “open to the public.”

Plan Execution and Sales

Of course, no matter how well conceived the plan, it will be useless if not effectively executed. The marketing plan should be considered a guideline, but there should be enough flexibility to make adjustments as the market dictates. The Golf Enterprises Manager must be a driving force behind the implementation of the marketing plan, and must be motivated and dedicated to building market share and customer loyalty.

FEE DISCUSSION AND RECOMMENDATIONS

Daily Fee History – 2001-2011

NGF has examined the history of fee changes to the FCPA golf courses for the period of 2001 to 2011. We note that over this time, management has been relatively conservative in terms of fee increases, which have been largely nominal and geared toward cost recovery related to increasing operating costs (especially labor). The most aggressive fee changes have been for Twin Lakes, including successive increases in 2006 and 2007. It may not be coincidence that rounds played at Twin Lakes decreased from 88,148 in 2006 to just over 67,000 in 2011 – a decline of 24%. A summary of key fee changes between 2001 and 2011:

- Laurel Hill - \$5 weekday (“non-prime”), \$10 weekend (“prime”) increase in 18-hole rates in 2007 (opening of new clubhouse); none since.
- Twin Lakes (Lakes and Oaks fees differentiated until 2003) – Lakes weekday rates increased from \$27 to \$38, weekend rates from \$31 to \$49. For Oaks course, fees increased from \$31 to \$38 on weekdays, and \$37 to \$49 on weekends.
- Greendale – Total increase of \$4 weekdays, \$6 weekends for 18 holes over the subject time period.
- Oak Marr, Burke Lake, Jefferson, Pinecrest – Total fee increases across most weekday/non-prime categories of \$3 to \$4, weekend/prime categories of \$4 to \$5.

Please refer to the table in **Appendix H** for the golf fee history between 2001 and 2011.

NGF Conclusions Regarding Proposed FY 2012 Increases

Analyzing green fee structures, which present “rack” rates that are, in many golf markets, not reflective of what golf facilities (especially premium daily fee) are actually charging for a significant percentage of rounds, can be a difficult exercise in today’s fluid golf environments. Discounting of fees has taken on many forms, including internal yield management (specials for e-club members, etc.), frequent use of promotional rates, and use of Internet discounters such as golfnow.com. Having said that, NGF has analyzed the pricing at the seven subject FCPA golf courses in the context of the competitive market and concluded that they are generally priced appropriately given their value propositions.

FCPA staff has proposed the following fee changes for the remainder of the FY 2012 golf season and into FY 2013:

- No changes at Laurel Hill
- \$2 Prime Time and \$1 Non-prime increases at Greendale and Twin Lakes
- \$1 across-the-board increases at Jefferson Park, Burke Lake, Pinecrest and Oak Marr

NGF does not typically recommend the type of across-the-board increases that are proposed for the FCPA golf courses. Rather, recommended fee changes are generally based on analysis of

demand during different times of day, days of week, etc. Thus, it is more appropriate to increase fees at peak demand times (e.g., summer weekend mornings) due to current economic conditions, the competitive nature of the golf market, and price sensitivity among its customers. The Northern Virginia Regional Park Authority has reported to NGF that they have approved a rate increase for 2012 of \$0.50 for 9 holes and \$1.00 for 18 holes. Prince William County has yet to decide if there will be any fee increases for the upcoming golf season.

However, given our analysis of the price/value proposition of each FCPA golf course relative to its key competitors, as well as other factors such as the demographic profile of northern Virginia, NGF Consulting believes that the FCPA golf facilities are priced appropriately and that most can sustain these nominal increases. Also, given that the 9-hole courses and Burke Lake seem to be primarily competing with each other, are among the lowest fee facilities in the market, and have risen essentially only with inflation over the last decade, NGF believes that the proposed fee increases are justifiable and supportable for these facilities. Our one area of concern relative to the proposed increases is at Twin Lakes where, as noted above, rounds have fallen precipitously over the last five years or so. NGF recommends that FCPA hold off on any fee increases at this facility for now. Twin Lakes may have more primary and secondary competitors than any of the other FCPA golf courses, with competitive pressure from both the mid-market facilities and higher end daily fees that have resorted to fee discounting.

Though current strategy of nominal across the board increases every two to three years is common among municipal golf courses and does have merit as a means of cost recovery, NGF recommends that FCPA management consider the alternate strategy/methodology of focusing more on high demand periods (at least for Twin Lakes and Laurel Hill) when price elasticity of demand is generally lower. Management should carefully monitor play patterns by time of day and day of week to see if the 2012 fee increases, though modest, have been accepted by the market. Also, it is important to systematically monitor what key competitors are doing in terms of pricing strategies.

Other Fee Recommendations

NGF Consulting believes the FCPA should not make any drastic changes to the golf fee structure at this time, but should consider the following general NGF Consulting fee recommendations:

- Move away from “Prime Time” designation, which currently refers to both day of the week and the season of the year, which may lead to confusion. Refer to peak (or “in”) season / off season, and weekday / weekend designations. In most golf markets that we have observed “Prime” refers to the high demand morning tee times.
- This recommendation flows with NGF’s recommendations to have permanent and published “midday”, “twilight”, and/or “super twilight” times, rather than the current practice of running these time-of-day discounts as ongoing “promotional” rates. (The exceptions to published discounted rates would be Pinecrest and Jefferson, which naturally experience strong after-work play and do not require a discount-based stimulus in the mid and late afternoon hours). Even if not included in the FCPA’s official fee structures, these fees should be prominent in all materials (including website) that the consumer will access.
- Use GolfNow.com and / or other Internet-based tee time wholesalers judiciously and not as a substitute for vigilant internal yield management (see discussion below).

- For Oak Marr, Jefferson, Pinecrest, and Burke Lake, consider instituting a special Friday rate that is midway between weekday and weekend rates; alternatively, have weekend rates begin at 11:00 am or noon on Friday.
- Consider lowering the senior age. The majority of facilities we surveyed have the cutoff at 60 or even 55 years.
- NGF recommends that any changes to cart fees or other fees such as pull carts, rental clubs, driving range buckets, etc. be in proportion to overall fee increases and be completed every other year, as opposed to every year.

Frequent Player / Loyalty Program

The FCPA should implement additional levels of multi-play discount programs to include:

- **Frequent Player Discount Program** – Continue the existing program to provide 5%, 10% and 15% discounts for pre-payment of 5, 10 and 15 rounds.
- **Loyalty (Point) System** – Add a new system to allow golfers to accumulate points for each round played, and points can be redeemed for free rounds and/or cart rentals at a certain level (15 +/- points). FCPA will need a new POS system to effectively administer the program.
- **Player Card System** – Add a system that applies benefits of both programs (discounts and points), plus other benefits like discounts on range balls, merchandise and food/beverage. The card should have a sales price of at least \$90 +/-

FY 2012 Fees Using NGF-Recommended Nomenclature

The tables below present current 2011 FCPA golf course fees using the NGF-recommended nomenclature (replacing the prime/non-prime convention) to delineate time of day, day of week, and season of year. We believe that this presents an easier to understand pricing schedule, both for internal reporting purposes and for the golf consumer. It also assumes, as recommended earlier, that twilight and super twilight fees become published rather than promotional, at least at the 18-hole golf courses.

Summary of Proposed FCPA Golf Pricing

FY 2011 FCPA Golf Fees – 9-Hole Golf Courses						
	Jefferson		Oak Marr		Pinecrest	
	Weekday	Weekend	Weekday	Weekend	Weekday	Weekend
Peak Season (March 15 – December 14)						
9 Holes	\$17.00	\$21.00	\$16.00	\$19.00	\$17.00	\$21.00
Replay (second 9)	\$10.00	\$13.00	\$6.00	\$6.00	\$10.00	\$13.00
Twilight	N/A	N/A	\$10.00	\$10.00	\$11.00	\$14.00
Off Season (December 15 – March 14)						
9 Holes	\$17.00	\$17.00	\$16.00	\$16.00	\$17.00	\$17.00
Replay (second 9)	\$9.00	\$9.00	\$6.00	\$6.00	\$9.00	\$9.00
Twilight	N/A	N/A	\$10.00	\$10.00	\$11.00	\$14.00
Power Golf Carts (per cart)						
9-Hole	\$16.00	\$16.00	N/A	N/A	\$16.00	\$16.00
Replay (second 9)	\$9.00	\$9.00	N/A	N/A	\$9.00	\$9.00

Note: Weekday includes Friday; weekend includes holidays

FY 2011 FCPA Golf Fees - 18-Hole Golf Courses								
	Twin Lakes		Laurel Hill		Greendale		Burke Lake	
	Weekday	Weekend	Weekday	Weekend	Weekday	Weekend	Weekday	Weekend
Peak Season (April 1 – October 31)								
9 Holes	\$25.00	\$32.00	\$34.00	\$44.00	\$20.00	\$24.00	\$15.00	\$18.00
18 Holes - Morning	\$38.00	\$49.00	\$74.00	\$89.00	\$29.00	\$35.00	\$21.00	\$25.00
18 Holes - Twilight	\$33.00	\$42.00	\$64.00	\$79.00	\$22.00	\$22.00	\$15.00	\$15.00
18 Holes – Super Twilight	\$29.00	\$38.00	\$34.00	\$44.00	N/A	N/A	N/A	N/A
Off Season (November 1 – March 31)								
9 Holes	\$25.00	\$25.00	N/A	N/A	\$20.00	\$20.00	\$15.00	\$15.00
18 Holes - Morning	\$38.00	\$38.00	\$64.00	\$79.00	\$29.00	\$29.00	\$21.00	\$21.00
18 Holes - Twilight	N/A	N/A	\$54.00	\$69.00	\$22.00	\$22.00	\$15.00	\$15.00
18 Holes – Super Twilight	\$29.00	\$29.00	\$34.00	\$44.00	N/A	N/A	N/A	N/A
Power Golf Carts (per cart)								
9 holes	\$11.00	\$11.00	Included	Included	\$10.00	\$10.00	N/A	N/A
18 Holes	\$16.00	\$16.00	Included	Included	\$15.00	\$15.00	N/A	N/A

Note: Weekday is Mon-Th for Greendale, Twin Lakes and Laurel Hill; Mon-Fri for Burke Lake. Peak season for Burke Lake is 3/15 - 12/14.

Teetimes.com / GolfNow.com

The FCPA utilizes Teetimes.com as its online tee time booking mechanism. This is a fee-based service – golfers must pay \$26 annually to have access to the system, which allows tee time booking between 72 hours and 14 days in advance. Subscribers may either log on to the teetimes.com website or book tee times through an automated phone-in system for all Park Authority golf courses. NGF believes it would be preferable to have a free on-line reservation system through the individual golf course websites.

Management also utilizes GolfNow.com – by far the largest Internet based golf tee time wholesaler for Laurel Hill Golf Club only. Discounted tee times are offered only within a 3-day window of the unsold time. As is the case in many markets across the nation, Golfnow is having an increasingly large influence on how tee times are booked and, more important, on the rates that golfers pay, especially during traditionally slower demand periods.

Though moving unsold inventory through this vehicle can be a very useful tool (and can result in increased awareness of a facility), NGF does not recommend that it become a substitute for vigilant internal tee sheet / yield management. NGF has witnessed instances where golf course management seemingly cedes too much control of its tee sheet management to on-line wholesalers. Though there is no quantitative standard for identifying exactly how much is too much, a good indication that a facility has lost some control of its tee sheet is when managers begin releasing discounted tee times that, with some internal effort (e.g., email blasts promoting a package deal Tuesday afternoon after 1:00 p.m.), they could fill themselves. Laurel Hill management is hindered somewhat with respect to filling last minute tee times, as there is currently no capability to do broadcast emails.

Financial Analysis of Expected FCPA Golf Enterprise Performance

As part of this NGF Consulting study effort, the consultants have prepared an economic evaluation to show the potential economic performance of the Authority golf courses under certain operational and/or performance scenarios. In this section of our report, the entire FCPA Golf system's economic potential is evaluated and summarized, with estimates of individual facility performance documented and presented in the individual facility companion reports. All NGF projections are based on a set of assumptions that may or may not become reality. We feel that these estimates represent the best effort to create a "fair estimate of performance" for these facilities based on our complete review of each Individual operation.

SUMMARY OF FCPA GOLF PROJECTIONS (2012-2017)

NGF has made projections for each of the seven individual FCPA Golf facilities, detailed in each of the seven individual facility companion reports. In the table below, NGF has summarized the projections on each facility's performance by revenue and expense line items and by individual facility. We note that these projections are based on NGF estimates for future performance in consideration of recommendations made for each individual facility and the system as a whole.

The projections we have made include capital needs, although no specific capital expense for the recommended projects is included in the projection. It is assumed that capital upgrade projects will be funded separately from golf operations via Fund 371 (excess Park Services revenue) or through new FCPA bond issuance. New equipment is assumed as a Character 60 expense in the projections. It has been assumed that the FCPA will make the other recommended capital enhancements, as these are expected to enhance revenue and reduce expenses, which have been assumed in the individual facility projections. The details of NGF projections are presented in the following tables, summarized both by line item for the total system and by facility. Capital expenses, debt service, and administrative costs are included in the projections. The NGF recommendations that are expected to have the most significant economic impact include:

- Upgrading the FCPA system marketing, particularly Internet marketing;
- Switching to a new golf-oriented POS system that integrates with tee sheets at each facility, thus allowing on-line bookings and enhanced direct marketing;
- Continue the program to increase fees on a consistent basis to keep up with inflation;
- Committing to a program to reduce labor expense in the system by replacing as many 'merit' positions as possible with part-time staff, when vacancies come open;
- The addition of pavilions at Jefferson Park and Greendale;
- Adding a covering to the range at Burke Lake;
- Upgrading driving range ball dispensers at Burke Lake, Twin Lakes and Oak Marr;
- Expanding the Oaks Room at Twin Lakes to accommodate larger events and gatherings and enhancing sales efforts to increase use;

- Upgrading the Audio/Visual amenities and wireless Internet access for golfers at Twin Lakes and Laurel Hill.

FCPA Golf System Summary by Line Item

FCPA Golf Enterprise Projected Economic Performance with NGF Recommendations						
	2012 Projected	2013 Projected	2014 Projected	2015 Projected	2016 Projected	2017 Projected
Range Tokens	284,150	296,000	260,200	309,200	319,200	319,200
Miniature Golf Rounds	18,500	22,000	24,000	24,000	24,000	24,000
Rounds	262,000	262,500	279,000	296,000	303,500	305,000
Revenue						
Pleasant Valley Rent	\$105,000	\$105,000	\$105,000	\$105,000	\$105,000	\$105,000
Green Fees	6,135,315	6,182,557	6,859,043	7,314,301	7,840,912	8,024,807
Driving Range	1,234,135	1,311,303	1,178,479	1,425,622	1,500,674	1,530,688
Programs	183,682	190,997	206,989	223,593	233,364	239,274
Equip. Rental (Carts)	846,078	835,985	936,590	1,024,236	1,081,247	1,104,425
Food Services	450,317	499,300	552,408	654,944	684,733	703,734
Pro Shop	344,319	365,225	406,476	477,374	499,184	512,480
Miniature Golf	102,440	124,257	138,264	141,030	143,850	148,166
Other	196,369	212,586	232,053	250,933	261,916	268,896
Total Revenue	\$9,597,654	\$9,827,209	\$10,615,302	\$11,617,034	\$12,350,880	\$12,637,470
Expense						
Facilities Char 20	\$5,353,577	\$5,376,022	\$5,510,410	\$5,781,618	\$5,926,284	\$6,074,715
Facilities Char 30	3,075,291	3,201,951	3,447,253	3,555,693	3,662,364	3,772,235
Total Admin	268,728	276,789	285,093	293,646	302,455	311,529
Total Expenditures	\$8,697,596	\$8,854,763	\$9,242,756	\$9,630,957	\$9,891,104	\$10,158,479
Total Capital (Char. 60)	\$403,667	\$368,667	\$368,667	\$368,667	\$368,667	\$368,667
Net Operating Income (Loss)	\$496,391	\$603,779	\$1,003,878	\$1,617,410	\$2,091,110	\$2,110,325
Twin Lakes / Oak Marr	\$1,059,428	\$1,060,665	\$1,055,053	\$1,057,425	\$1,052,618	\$1,048,750
Laurel Hill	\$853,312	\$876,113	\$900,612	\$928,362	\$959,112	\$987,613
Total Debt Service	\$1,912,740	\$1,936,778	\$1,955,665	\$1,985,787	\$2,011,730	\$2,036,363
Total Expenditures	\$10,610,336	\$10,791,541	\$11,198,421	\$11,616,744	\$11,902,834	\$12,194,842
Net Income after Debt (Loss)	(\$1,416,349)	(\$1,332,999)	(\$951,787)	(\$368,377)	\$79,380	\$73,962
Most Important Capital Projects:	System: new POS and token-less range dispensers; Laurel Hill + Twin Lakes: Audio Visual-WiFi; Burke Lake: power improvements	Greendale: turf / drainage; Jefferson Park: pavilion; Pincrest: indoor practice bays; Oak Marr: range lighting	Burke Lake: range and clubhouse; Twin Lakes: canopy; Greendale: clubhouse; Jefferson + Pincrest: cart paths; Oak Marr: range	Twin Lakes: bridges; Greendale: pavilion; Jefferson Park: netting; Oak Marr: range	Laurel Hill & Twin Lakes: bridges; Greendale: trees;	Laurel Hill & Twin Lakes: bridges; Greendale: trees; Jefferson Park: miniature golf

FCPA Golf System Summary by Facility

Twin Lakes Golf Course						
Twin Lakes	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017
Total Facility Revenue	\$2,650,267	\$2,887,785	\$3,010,379	\$3,321,665	\$3,548,159	\$3,619,122
Facility Operating Expense	\$2,445,000	\$2,473,650	\$2,616,715	\$2,802,645	\$2,886,725	\$2,973,327
Capital Equipment	\$86,667	\$86,667	\$86,667	\$86,667	\$86,667	\$86,667
Debt Service	\$635,657	\$636,399	\$633,032	\$634,455	\$631,571	\$629,250
Twin Lakes Net Income	(\$517,057)	(\$308,931)	(\$326,035)	(\$202,103)	(\$56,804)	(\$70,121)

Burke Lake Golf Course						
Burke Lake	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017
Total Facility Revenue	\$967,221	\$985,647	\$784,624	\$1,124,428	\$1,240,308	\$1,271,004
Facility Operating Expense	\$737,350	\$761,973	\$743,380	\$792,208	\$810,689	\$829,619
Capital Equipment	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000
Burke Lake Net Income	\$169,872	\$163,674	(\$18,757)	\$272,221	\$369,619	\$381,386

Greendale Golf Course						
Greendale	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017
Total Facility Revenue	\$1,231,489	\$858,901	\$1,314,004	\$1,460,999	\$1,629,397	\$1,661,985
Facility Operating Expense	\$1,040,000	\$1,088,000	\$1,113,500	\$1,139,622	\$1,166,382	\$1,193,797
Capital Equipment	\$57,000	\$57,000	\$57,000	\$57,000	\$57,000	\$57,000
Debt Service	\$63,566	\$63,640	\$63,303	\$63,446	\$63,157	\$62,925
Greendale Net Income	\$70,923	(\$349,739)	\$80,201	\$200,931	\$342,857	\$348,263

Oak Marr Golf Complex						
Oak Marr	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017
Total Facility Revenue	\$1,089,693	\$1,180,859	\$1,287,213	\$1,311,494	\$1,346,147	\$1,366,500
Facility Operating Expense	\$741,349	\$734,096	\$808,270	\$827,433	\$847,069	\$867,190
Capital Equipment	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000
Debt Service	\$360,206	\$360,626	\$358,718	\$359,525	\$357,890	\$356,575
Oak Marr Net Income	(\$41,861)	\$56,138	\$90,225	\$94,536	\$111,188	\$112,734

Pinecrest Golf Course						
Pinecrest	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017
Total Facility Revenue	\$648,804	\$691,590	\$754,665	\$758,846	\$784,936	\$800,634
Operating Expense	\$762,220	\$754,475	\$771,849	\$789,639	\$807,856	\$826,510
Capital Equipment	\$42,000	\$42,000	\$42,000	\$42,000	\$42,000	\$42,000
Pinecrest Net Income	(\$155,416)	(\$104,884)	(\$59,184)	(\$72,793)	(\$64,920)	(\$67,875)

Laurel Hill Golf Course						
Laurel Hill	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017
Total Facility Revenue	\$2,062,324	\$2,198,073	\$2,359,258	\$2,528,143	\$2,656,643	\$2,750,689
Facility Operating Expense	\$1,931,974	\$1,966,351	\$2,085,737	\$2,148,309	\$2,212,758	\$2,279,141
Capital Equipment	\$58,000	\$58,000	\$58,000	\$58,000	\$58,000	\$58,000
Debt Service	\$853,312	\$876,113	\$900,612	\$928,362	\$959,112	\$987,613
Laurel Hill Net Income	(\$780,962)	(\$702,391)	(\$685,091)	(\$606,528)	(\$573,227)	(\$574,064)

Jefferson Golf Course						
Jefferson	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017
Total Facility Revenue	\$842,857	\$919,353	\$1,000,159	\$1,006,459	\$1,040,291	\$1,062,535
Facility Operating Expense	\$770,976	\$799,429	\$818,212	\$837,455	\$857,169	\$877,367
Capital	\$35,000	\$35,000	\$35,000	\$35,000	\$35,000	\$35,000
Jefferson Net Income	\$36,881	\$84,924	\$146,946	\$134,004	\$148,122	\$150,169

FCPA Golf Administration						
Administration	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017
Total Revenue	\$105,000	\$105,000	\$105,000	\$105,000	\$105,000	\$105,000
Total Expense	\$268,728	\$276,789	\$285,093	\$293,646	\$302,455	\$311,529
Capital	\$35,000	\$0	\$0	\$0	\$0	\$0
Net Administration	(\$198,728)	(\$171,789)	(\$180,093)	(\$188,646)	(\$197,455)	(\$206,529)

FCPA Golf Enterprise Projected Economic Performance with NGF Recommendations						
System	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017
Total System Revenue	\$9,597,654	\$9,827,209	\$10,615,302	\$11,617,034	\$12,350,880	\$12,637,470
System Expenses	\$8,697,596	\$8,854,763	\$9,242,756	\$9,630,957	\$9,891,104	\$10,158,479
Total Capital	\$403,667	\$368,667	\$368,667	\$368,667	\$368,667	\$368,667
Debt Service	\$1,912,740	\$1,936,778	\$1,955,665	\$1,985,787	\$2,011,730	\$2,036,363
FCPA Golf Net Income	(\$1,416,349)	(\$1,332,999)	(\$951,787)	(\$368,377)	\$79,380	\$73,962

Summary of Golf Facilities' Economic Performance

The results of the NGF analysis show that even with NGF recommendations and the modest growth of rounds and revenues projected by NGF, we still expect the FCPA Golf system to see challenges in the next few years, as new investment is made to upgrade facilities. A summary of findings from the tables above:

- The FCPA Golf Enterprises is expected to be able to cover its basic operating expenses, but not capable of covering new investment and total debt service at present. Increases in revenue and some reduction in expenses will be required to

establish a system that can cover its needed capital (equipment) upgrades and cover debt service.

- The FCPA golf courses are projected to operate with losses in the next few years as the system responds to needed upgrades and makes capital investment. After these new upgrades are completed and brought to the market, NGF expects improvement in revenues, while NGF’s other recommendations will also help improve revenue and reduce expenses. This 7-course golf system is projected to be self-sustaining (including debt service) by 2016.
- The above projections assume historical inflation in expenses and some inflation in fees charged for golf facilities. The FCPA Golf Enterprise will have to commit to at least two percent (2%) increases in fees every year to meet these projections.

FCPA GOLF UNDER MANAGEMENT COMPANY OPERATION (2012-2017)

NGF has reviewed the FCPA Golf system under the possibility of implementation of a management contract under terms as presented earlier, using the “low” estimate of management fee (assuming FCPA can negotiate to lower fees). Under this scenario, the County will be responsible for all capital improvements (may not be completed under management agreement) and the system’s debt service, as is customary under management contracts. This program is simply hiring a company to manage the operations for FCPA in exchange for a management fee paid to the management company. NGF has assumed that FCPA can find an interested third party willing to take on all seven facilities.

The result of this review shows that the County will be adding a new \$300,000 expense line to the FCPA Golf system. Unless the new management company can increase revenue OR reduce expenses (or combination) by \$300,000, there will be no net change in net income performance. The \$300,000 in expenses represents about 3.6% of total FCPA Golf system expenses, and this is the amount that must be improved for the system to remain fiscally neutral under management company operation.

As noted earlier, this course of action is not recommended by NGF at present. A review of the management company alternative is displayed in the table below:

FCPA Golf Enterprise Projected Economic Performance Under Management Company Operation						
System	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017
Total Revenue	\$9,597,654	\$9,827,209	\$10,615,302	\$11,617,034	\$12,350,880	\$12,637,470
Total Operating Expense	\$8,428,869	\$8,577,974	\$8,957,663	\$9,337,312	\$9,588,648	\$9,846,950
Total Administration	\$268,728	\$276,789	\$285,093	\$293,646	\$302,455	\$311,529
Total Capital	\$403,667	\$368,667	\$368,667	\$368,667	\$368,667	\$368,667
Management Fee	\$300,000	\$306,000	\$312,120	\$318,362	\$324,730	\$331,224
Net Income Before Debt	\$196,391	\$297,779	\$691,758	\$1,299,047	\$1,766,380	\$1,779,100
Debt Service	\$1,912,740	\$1,936,778	\$1,955,665	\$1,985,787	\$2,011,730	\$2,036,363
FCPA Golf Net Income	(\$1,716,349)	(\$1,638,999)	(\$1,263,907)	(\$686,740)	(\$245,350)	(\$257,263)

Summary Statement

The recommendations contained in this report to the Fairfax County Park Authority are generally centered on increasing revenues and reducing expenses through some capital investment and enhancements to marketing. Still, despite the course of action recommended by NGF, the Fairfax County Park Authority should expect a “new reality” in rounds and revenue performance that is not likely to return to levels experienced a decade ago, but should exceed the levels experienced in 2011 and 2012. The Fairfax County Park Authority golf courses are good and well-located facilities that possess excellent characteristics and knowledgeable and experienced staff, and thus have the capacity to improve on recent performance.

It is clear that there are three key issues leading to economic hardship within the FCPA Golf system, and these include: (1) inadequate marketing, (2) antiquated systems, and (3) extremely unfavorable external factors (weather, economy, competition, etc.). We also note a general lack of entrepreneurial structure within the FCPA system that is also working to restrain revenues. Any action taken by the Fairfax County Park Authority to improve the business practices of the golf enterprise will have an immediate and large positive impact on the bottom line economic performance of the Authority’s golf system.

As part of this consulting effort, NGF reviewed alternative options for the operation and management of the Authority’s golf system. This review showed that none of the “privatization” alternatives would immediately improve economic performance of the FCPA Golf Enterprise to a level that is clearly better than the expectations under continued self-operation. Although, if the FCPA Golf Enterprise cannot gain reductions in the economic burden from the items noted above, then the privatization alternatives will have to become a higher priority. Put simply, there is no “magic bullet” for FCPA Golf in privatizing, and the present system should be able to achieve improvement using the recommendations contained in this report.

Still, despite all of the NGF recommendations to enhance revenue, there are some properties in this system that are likely to remain a challenge for Fairfax County Park Authority for many years to come. Specifically, Pinecrest will be a great challenge to cover basic operating expenses and even strong revenue performers like Laurel Hill and Twin Lakes will struggle to cover assigned debt service. Twin Lakes and Laurel Hill have great potential to increase rounds and revenue to a level more comparable to competitors. Greendale is in a great location, but will probably need investment to get to a level of increased revenues. The range operation at Oak Marr is strong, although there may not be great growth potential at that location.

Some of the recommendations made by NGF in this analysis require the Authority to make investments in FCPA Golf properties, and much of the \$1.8 million in new investment involves improving gathering capacities and facility conditions to attract new business at the Authority’s golf courses. NGF recognizes that these investments may add economic stress to the Authority golf system in the years these investments are made, and the first few years after. This is due not only to the actual financial investments themselves, but the disruption the changes will cause in facility operations. In the longer term (beyond five years) the upgrades NGF is suggesting should help to position the Authority golf courses as high quality public golf facilities that are both desirable to a wide range of golfing customers, including tournament and outing customers.

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Board Agenda Item
February 8, 2012

ADMINISTRATIVE – 1

Adoption of Minutes – January 25, 2012, Park Authority Board Meeting

ISSUE:

Approval of the minutes of the January 25, 2012, Park Authority Board meeting.

RECOMMENDATION:

The Park Authority Director recommends approval of the minutes of the January 25, 2012, Park Authority Board meeting.

TIMING:

Board action is requested on February 8, 2012.

FISCAL IMPACT:

None

ENCLOSED DOCUMENTS:

Attachment 1: Minutes of the January 25, 2012, Park Authority Board meeting

STAFF:

John W. Dargle, Jr., Director
Cindy Messinger, Deputy Director/COO
Barbara J. Gorski, Administrative Assistant

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**Fairfax County Park Authority
Board Meeting
January 25, 2012**

The Chairman called the meeting to order at 7:30 p.m. at 12055 Government Center Parkway, Room 941, Fairfax, Virginia.

Board Members:

William G. Bouie, Chairman
Ken Quincy, Secretary
Frank S. Vajda, Treasurer
Harold L. Strickland
Kevin J. Fay
Edward R. Batten, Sr.
Harold Pyon
Marie Reinsdorf
Kala Quintana
Anthony Vellucci
Linwood Gorham
Janyce Hedetniemi

Staff Present:

John Dargle, Director
Cindy Messinger, Deputy Director/COO
Barbara Gorski, Administrative Assistant
Dave Bowden
Barbara Nugent
Cindy Walsh

Guests: Harry Glasgow
Nancy Vehrs
Boy Scout Troop 1501

ADMINISTRATIVE ITEMS

ADMIN-1 Resolution Honoring Harrison A. Glasgow for His Years of Service on the Park Authority Board

A motion to approve a resolution honoring Harrison A. Glasgow for his years of service on the Park Authority Board was made by Mr. Quincy and seconded by Mr. Vajda and was carried unanimously.

ADMIN-1 Adoption of Minutes, December 14, 2011, Park Authority Board Meeting

A motion to approve the minutes of the December 14, 2011, Park Authority Board meeting was made by Mr. Quincy and seconded by Mr. Vajda.

Mr. Fay requested a change to his comments located on the bottom of page five, the third line of the sentence, to read "...additional matching fund pot for fields and lights around the county as well as for projects that need some seed money..."

A motion to amend the minutes as made by Mr. Batten, seconded by Mr. Quincy and Ms. Quintana and was carried unanimously.

- ADMIN-2 Adoption of Minutes, January 11, 2012, Park Authority Board Meeting
A motion to approve the minutes of the January 11, 2012, Park Authority Board meeting was made by Mr. Quincy. Mr. Vajda seconded the motion which carried unanimously.

ACTION ITEMS

- A-1 Scope Approval – Dead Run Stream Valley Park - Churchill Road to Ingleside Avenue Trail Connector (Dranesville District)
A motion to approve the project scope to design and construct approximately 1,150 LF of asphalt trail between Churchill Road and Ingleside Avenue in Dead Run Stream Valley Park was made by Mr. Fay. Mr. Strickland seconded the motion, which carried unanimously.
- A-2 Contract Award - Huntley Meadows Park - Professional Services for the Wetland Restoration Project (Lee District)
A motion to approve a contract award to Wetland Studies and Solutions, Inc. of Gainesville, Virginia, in the amount of \$413,997 for scope development, site analysis, preparing design and construction documents, permitting, construction administration, and post-construction monitoring for the wetland restoration project at Huntley Meadows Park and to reserve funds in the amount of \$85,000 for other project related costs for a total of \$498,997 was made by Mr. Batten. Messrs. Fay and Strickland seconded the motion which was carried unanimously.
- A-3 Reallocation of Project Fund Balances from 2006 and 2008 Park Bond Completed Projects and the Bond Premium
A motion to approve the reallocation of project fund balances from the 2006 and 2008 Park Bond Programs including the Bond Premium to fund various athletic field improvements countywide was made by Mr. Fay and Ms. Quintana. Mr. Strickland seconded the motion which carried unanimously.
- A-4 Approval – Merrilee Park Master Plan and Park Renaming to Hartland Green Park (Providence District)
A motion to approve the Merrilee Park Master Plan and renaming of the park to Hartland Green Park was made by Mr. Quincy. Mr. Strickland seconded the motion which carried unanimously.
- A-5 Renaming of Lamond Park as Gilbert S. McCutcheon Park
A motion to approve the renaming of Lamond Park as Gilbert S. McCutcheon Park was made by Mr. Gorham. Mr. Fay seconded the motion which carried unanimously.

INFORMATION ITEMS

- I-1 Monticello Park Draft Master Plan for Public Comment
No action was necessary.

CHAIRMAN’S MATTERS:

Mr. Bouie reported that the Executive Committee and Mr. Gorham met to discuss the renaming of Lamond Park to the Gilbert S. McCutcheon Park in order to bring this item to the board this evening. The programmatic change discussed earlier would be to change the name of the Mount Vernon Farmers’ Market. In the future it will be advertised as the McCutcheon-Mount Vernon Farmer’s Market since Mr. McCutcheon was so instrumental in being the market master until the time he passed on.

Mr. Bouie stated that he would miss Mr. Glasgow and that in fact, he is missed already. Over the past six or seven years that they have spent on the Board together Harry has taken an old ball player and made him appreciate some of Harry’s finer things in life, and hopefully Bill said, he had done the same for Harry.

Harry commented that would stop short of rooting for the Detroit Tigers.

Mr. Bouie reported that in the last couple of weeks staff made a change in full time coverage of the lake front parks. Park Board members in the affected districts as well as their Supervisors have been notified and updated as necessary. He also received calls regarding Burke Lake and Lake Fairfax Parks. He thanked staff doing a good job in their due diligence and in communicating exactly what the program was and what the results of the program were with regard to fall back positions if there were any things outside of the norm that would occur and to deal with those issues in a timely manner.

DIRECTOR’S MATTERS:

- On January 10, 2012, the Board of Supervisors approved an increase to the P District zoning district recreation fee from \$1,600 to \$1,700 per dwelling unit that are credited against on-site park and leisure amenities. The new rate applies to all new P-district rezoning applications submitted after January 11, 2012 (the effective date), and those submitted prior to the effective date but approved by the BOS after July 1, 2012. This means applications submitted prior to the effective date and approved by the BOS before July 1 are grandfathered and must only contribute \$1,600 per unit.
- On January 18 the Park Foundations’ Board voted to designate \$42,000 of unrestricted donations to Chessie’s BIG Backyard. Total identified funding for the current campaign (\$730,000 goal) is in excess of \$100,000.

Donor designated gifts:	\$48,060
Board restricted to Chessie’s BB:	42,000
Proffer- Potter’s Glen:	<u>10,000</u>
TOTAL CBB TO DATE:	\$100,060

- For more than 30 years, the Department of Public Works and Environmental Services in partnership with other environmental organizations has been conducting an annual awards program for developers, designers, superintendents, plan reviewers and inspectors, whose

projects demonstrated excellence in the design and implementation of erosion and sediment controls. The awards program also recognizes organizations and individuals who make outstanding efforts in the area of tree preservation and tree planting.

The awards program for 2011 was held on Friday, January 20 and the recently completed North Twin Lake Dam Rehabilitation project received a "Land Conservation Award" for excellence in implementing and maintaining erosion and sediment controls. In addition, the project designer, Wilbur Smith and Associates, received the "Outstanding Engineer Award" for excellence in planning and design of the erosion and sediment control measures.

Guest speakers at the program included U.S. Congressman Gerry E. Connolly, Supervisor John Foust, and Chairman of the Fairfax County Tree Commission, Harry Glasgow.

BOARD MATTERS:

- Mr. Quincy stated that Mr. Glasgow provided him with invaluable guidance and has served as a good master of ceremonies for the Elly Doyle Award ceremony. Mr. Quincy further stated that he was glad that Mr. Glasgow was not leaving, but would miss his presence on the Board.
- Mr. Vajda commented that Mr. Glasgow would always be known in his household as Mr. Birdman because of his ability to identify the various birds that have visited the Vajda's neighborhood.

As Mr. Chairman the Awards Committee Mr. Glasgow has invigorated the nomination process. Mr. Vajda thanked Mr. Glasgow for invigorating that process.

Mr. Vajda noted that Mr. Glasgow is also the Associate Director of the Northern Virginia Soil and Water Conservation District (NVSWCD). And is the MC of the Green Breakfasts and does an outstanding job. Mr. Vajda encouraged the Board members to attend the Green Breakfasts and be regaled by Mr. Glasgow.

Mr. Vajda wished Mr. Glasgow lots of luck and indicated that he will look for him in the back of the room.

- Mr. Strickland stated that he enjoyed serving with Mr. Glasgow over the past seven years. He has been consistent with being a conservationist, brought a broad knowledge to this Board in many areas, and was consistently green. Mr. Strickland was pleased to learn that Mr. Glasgow will continue to serve as the Tree Commission's chairperson, adding that Parks is still working on tree value. Mr. Strickland indicated that he looks forward to continuing to work with Mr. Glasgow on that issue.
- Mr. Fay told Mr. Glasgow that he would be missed around the table, but would look forward to seeing him at the back of the room. Mr. Fay has had the benefit of Mr. Glasgow's 50

years of government experience, and looks forward to continuing to sharing that experience and having him seated there as a colleague.

Mr. Fay thanked Mr. Quincy for chairing the Planning and Development Committee in his absence.

Mr. Fay reported that he met a young man that is a resident of McLean and attends James Madison University who has taken an interest in industrial design and has gotten involved in a project of skate park design with an artist working on a project in Vermont. Some of the young man's work involves taking some of the new materials and in lieu of having permanent fixtures, having some movable pieces. Mr. Fay asked for his resume and suggested getting him involved in some of the Park Authority's skate park projects. Mr. Fay indicated that he would forward the resume and information to staff.

Congressman Connolly recently visited Mr. Fay to congratulate him for receiving the Leukemia Award. Mr. Fay took the opportunity to talk about our friends in the District of Columbia regarding the Vulcan tract. The Congressman asked that staff provide him with a follow up letter to send to the District and to Eleanor Holmes Norton. Mr. Connolly promised to make this one of his personal projects to fight throughout the year to get D.C. to commit to giving the money back to the Park Authority.

Mr. Fay added that he hoped everyone had a happy holiday season and said that he was glad to be back.

- Mr. Batten said that he was extremely sorry to see Mr. Glasgow leave the Board. He has made exceptional contributions in various areas to the Park Board and significant contributions to the Park Foundation as well. Mr. Batten is pleased that Mr. Glasgow has worked something out to continue to work with Ms. Longworth.

Mr. Batten thanked Ms. Longworth for the additional \$42,000 for Chessie's Big Backyard. She and Mr. Stevens worked exceptionally well as a team with the Foundation Board. It is good to know that they Board has raised \$100,000+ and wants to see Chessie's Big Backyard become a reality, including Mr. Fay.

On Saturday, January 21, Supervisor McKay held his annual open house. A number of people approached Mr. Batten because they had concerns regarding the opening and closing of Lake Accotink Park and what they thought would become security issues that would need to be dealt with because of the operational decisions. Sara Baldwin and John Dargle did an exceptional job of waylaying those fears and getting the accurate information out to the public. Mr. Batten expressed delight that FLAP will make a contribution to maintaining the area and keeping safety a primary consideration.

Mr. Batten noted to Ms. Hedetniemi that even though she is seated at the far end of the dais, she has as much clout as the other members, will be listened to as attentively, and her ideas will be respected as well. He encouraged her to share her thoughts and concerns. He has

been advised by other members of the Park Board that she is an exceptional person. Mr. Batten welcomed Ms. Hedetniemi.

- Mr. Pyon stated that the Board is losing an expert in tree issues with the departure of Mr. Glasgow. Mr. Pyon noted that once one is a Board member, one is always a Board member. This is a family. The Awards ceremony will not be the same without Mr. Glasgow as the MC.

Mr. Pyon welcomed Ms. Hedetniemi and her expertise to the Park Authority Board.

Mr. Pyon thanked Judy Pedersen for working this weekend, much too hard he added, on an issue that arose in the Springfield District. Mr. Pyon asked Ms. Pedersen to elaborate.

Ms. Pedersen indicated that she was contacted by Channel 7 to report on a large number of bald eagles and sea gulls and a large fish kill at Huntsman Lake. Ms. Pedersen along with Sara Baldwin, Ed Richardson, and Charles Smith went to the site and spoke with reporters. It was a wonderful report which started out on the negative side. The state tested the water and found no toxicity, but rather a natural occurrence with the weather change. People in the neighborhood were thrilled because at one point they saw 19 bald eagles. Channel 7 returned the next day for a follow up interview and ran a second piece. Judy added that the incident was reported on the Park Facebook page and got a lot of mileage from the report.

Mr. Pyon noted that this is an indication of the importance of lake front parks in the County and thanked everyone involved in the investigation of the issue.

- Ms. Reinsdorf thanked and expressed appreciation to Mr. Glasgow for all the many things she learned from him.

Ms. Reinsdorf welcomed Ms. Hedetniemi to the Board and stated that she looks forward to working with her.

Ms. Reinsdorf reported that she visited Mount Gilead and received a tour by the tenant who is an American History professor. It was a wonderful experience learning the history of the area and the house. He showed her how the siding was applied in order to save a nail when the house was originally built in 1785. Parks inherited him as a tenant. He lived in the house when it was still owned by the Board of Supervisors.

Ms. Reinsdorf made an informal visit to Artisans United, cooperative of guilds and different artisans, which rents a space at the Packard Center. They are trying to build their membership and their visibility. She encouraged everyone to visit the site.

Ms. Reinsdorf noted that she serves on the School Health Advisory Committee for Fairfax County Public Schools. The Board adopted a policy to encourage walking and cycling to school and to teach safety education relating to walking and cycling. Some of this activity

may take place in our parks. The language change provides encouragement and now it is up to the parents to encourage their children to walk or cycle to school.

- Ms. Quintana told Mr. Glasgow that it was a pleasure learning so much from him about conservation and wildlife and wished him well.

Ms. Quintana thanked staff for working with her on some constituent complaint issues and looking into some communication issues with regard to classes at the RECenters and she looks forward to hearing more about the progress made on this issue.

Ms. Quintana welcomed Ms. Hedetniemi. Ms. Quintana thanked Chairman Bulova for appointing Ms. Hedetniemi to the Park Board. She is a seasoned volunteer and has a passion for community and public service. She has led initiatives regarding Oak Hill and extensive service on the Tysons Land Use Task Force. She will be a huge help in navigating the park facilities that are coming on line in the Tysons Corner area. Ms. Hedetniemi brings a lot of experience to the Board and Ms. Quintana looks forward to working with her.

- Mr. Vellucci stated that while it's been a very short time for them, he thanked Mr. Glasgow for all the help Mr. Glasgow had given him with the bylaws for the friends groups. Mr. Glasgow has made him much more sensitive about the environment, causing him to have a lot more discussions with Cindy Walsh.

Mr. Vellucci commented that it's nice to have Ms. Hedetniemi onboard and took the opportunity to let the rest of the Board know that there are three representatives from the Braddock District on the Park Board.

Mr. Vellucci reminded the Board that the public input meeting for Monticello Park will be held on February 27, and everyone is invited. Braddock Dogs has been out hitting the trail. He mentioned that while a change in venue was suggested, Supervisors Cook's office prefers to keep it at Braddock Hall.

Mr. Vellucci echoed Mr. Batten's comments regarding Lake Accotink Park. He indicated that while Chairman Bulova had been the Braddock District Supervisor for 20 years, a number of folks contacted her about the operations plan. This was good in a way because it mobilized FLAP. FLAP moved its next meeting to February 16 at 7 p.m.

Mr. Bowden provided Mr. Vellucci a schedule he received from DPWES for the Kings West Swim Club property. The Park Authority is scheduled to take ownership sometime in April. There will be a community meeting sometime around March 5. Tony recommended Laurel Ridge Elementary School or Robinson Jr. Sr. High School for meeting locations.

Mr. Vellucci received a very interesting briefing from George Mason University professor Chris Jones about an EPA grant for \$7,000 that he submitted in December with regard to stormwater management. The professor is expecting award of the grant to happen sometime in June or July. Professor Jones stated that a lot of the initiatives had topped out and this

grant is looking at bottom up, looking at what can communities can do in order to improve stormwater management and try to lessen the run off that occurs in our streams. Professor Jones has partnered with the Park Authority, DPWES and NVSWCD. Mr. Vellucci stated that he would share the emails with everyone and with Kings Park Civic Association because most of the land identified is park land and HOA land, and is basically the Rapid Run Watershed that runs from Mason to Royal Lake.

Mr. Vellucci reported that he will meet with Supervisor Cook on Thursday, January 26, and will address an increase in the bond referendum amount.

- Mr. Gorham thanked Mr. Glasgow for his many years of service to the Park Authority and personally thanked Mr. Glasgow for mentoring him when he first joined the Board.

Mr. Gorham asked Mr. Bouie to make it a policy going forward that any notice going to the county calendar be sent directly to the entire Board. He asked Judy Pedersen if that would be easy to execute and she replied that that would be a determination for Ms. Gorski.

Mr. Gorham stated that he feels that it would be appropriate and would better serve the Board if a better seating arrangement be established either by magisterial district or by mixing the less experienced members amongst the more experienced members. He feels this will make the Board more cohesive. Mr. Bouie indicated that he is already working on the issue.

- Ms. Hedetniemi stated that she had already been informed that the duty of one sitting in the seat that she occupies is to close the door when they have closed session, and she is comfortable with that.

Ms. Hedetniemi thanked Mr. Glasgow as well. She indicated that they have known each other for a number of years. He took her aside when he learned she would be appointed and he helped her to understand some of the priorities that he espouses and the things that he is concerned about. She values his perspective and knows that he is not going to go away.

Ms. Hedetniemi reported that she retired from the National Institutes of Health in 2002. She was the director of Community Liaison which involved master planning, traffic management, working with the National Capital Planning Commission, environmental concerns, tree protection, and all of the things this body embraces either directly or indirectly.

Not knowing what she was going to do, she asked Chairman Bulova if she could use her. Chairman Bulova appointed Ms. Hedetniemi on the Transportation Advisory Commission, a seat she held through July 2011, serving as chair for three years. Jan was on the Tysons Land Use Task Force and chaired four of the last five bond referendum committees. She espoused and advocated for the bonds that supports the work the Park Authority does.

Ms. Hedetniemi described herself as a dedicated and fervent advocate for community outreach and communication, and for involvement. Everything she has done in the past 10 or so years with Tysons, the Transportation Commission, the bond referendum, and saving Oak

Hill mansion has been skirting the Park Authority. She knows some of the staff and has worked with them in the past in various capacities. With that, she feels she has landed in the right seat.

Ms. Hedetniemi stated that she appreciates the warm welcome and looks forward to working with each and everyone in the coming years.

ELECTION OF OFFICERS:

Mr. Batten stated that the 2012 Election of Park Authority Board Officers was placed on the Agenda and duly advertised. He thanked the Ms. Quintana and Mr. Quincy for serving with him on the Nominating Committee.

Having previously distributed copies of his memorandum regarding the Nominating/Election Committee Report dated January 11, 2012, Mr. Batten, Chairman of the 2012 Nomination Committee, called for nominations from the floor for the 2012 Park Authority Board officers. Hearing no nominations from the floor, Mr. Batten MOVED the nomination of the slate of officers.

Chairman William G. Bouie (Incumbent)

There being no nominations from the floor Mr. Vajda moved the nominations for Chairman be closed, the motion was seconded by Ms. Quintana and carried unanimously.

Vice Chairman Ken Quincy

There being no nominations from the floor Ms. Quintana moved the nominations for Chairman be closed, the motion was seconded by Mr. Vajda and carried unanimously.

Secretary Marie Reinsdorf

There being no nominations from the floor Mr. Vajda moved the nominations for Chairman be closed, the motion was seconded by Ms. Quintana and carried unanimously.

Treasurer Frank Vajda (Incumbent)

There being no nominations from the floor Mr. Quincy moved the nominations for Chairman be closed, the motion was seconded by Ms. Quintana and carried unanimously.

2012 Fairfax County Park Authority Board Officers

Mr. Batten announced the 2012 Fairfax County Park Authority Board Officers:

Chairman William G. Bouie
Vice Chairman Ken Quincy

Secretary
Treasurer

Marie Reinsdorf
Frank S. Vajda

Installation of Officers

Mr. Batten announced that the installation of officers would be effective immediately. There were no objections from the Park Authority Board.

On behalf of the Nomination/Election Committee, Mr. Batten congratulated the 2012 Fairfax County Park Authority Board Officers and thanked the Board members for their support during the nominating process. Mr. Bouie thanked the Nomination/Election Committee, Mr. Batten, Ms. Quintana, and Mr. Quincy for their participation.

Mr. Bouie thanked Mr. Batten for his service as chair of the Nomination Committee.

ADJOURNMENT

At 8:35 p.m. Mr. Vajda MOVED that the Park Authority Board meeting adjourn. Mr. Quincy seconded the motion which carried unanimously by all members present.

Marie Reinsdorf, Secretary

Minutes Approved at Meeting
on February 8, 2012

John W. Dargle, Jr., Director

Park Authority Board Minutes prepared by

Barbara J. Gorski, Administrative Assistant

Board Agenda Item
February 8, 2012

ADMINISTRATIVE – 2

Resolutions – Various Contributions to the Park Services Division

ISSUE:

Park Authority Board acceptance of cash and in-kind contributions in the amount of \$288,256 from various donors in support of Park Services Division programs and operations and approval of the Resolutions of appreciation to specified donors.

RECOMMENDATION:

The Park Authority Director recommends acceptance of cash contributions in the amount of \$275,306 and in-kind contributions in the value of \$14,825 and approval of resolutions expressing appreciation to various donors who contributed to the Park Services Division programs and operations.

TIMING:

Board action is requested on February 8, 2012.

BACKGROUND:

Over the past twelve months contributions have been received at a number of Fairfax County Park Authority facilities. Highlights of the contributions to be recognized with Board Resolutions are as follows:

Sully District's 2011 Starlight Cinema, a series of outdoor drive-in movies, was a resounding success. Centerville residents turned out in large numbers to enjoy four Saturday nights of free family friendly entertainment. The series received a total of \$39,778 in cash contributions from sponsoring organizations.

Members of the corporate community and individual donors contributed \$76,863 to support the Parks And Community Together (PACT) summer camp scholarship program. The PACT project accommodates children from Fairfax County homeless and transitional housing shelters to participate in a two-week or a summer-long camp program.

Board Agenda Item
February 8, 2012

Braddock Nights concert series offered concerts at Lake Accotink and Royal Lake Parks on Friday evenings and the Ossian Hall on Sunday evenings with presentations from around the world. This year's donation totaled \$17,570.

In summer 2011, Fairfax County Park Authority in partnership with Hunter Mill District Supervisor, presented its second Hunter Mill Melodies Concert Series at Frying Pan Farm Park. Concerts were held weekly in June, July and August on Thursday evenings and Wednesday mornings. Total contributions of \$18,600 fully covered the expenses.

During 2011, the Fairfax Symphony contributed in-kind services valued at \$12,950 in support of the Sounds of Summer Concert Series. The partnership between the Fairfax County Park Authority and the Fairfax Symphony spans almost two decades.

The Spotlight by Starlight series was a success with over 50 performances held weekly during summer season at Newton W. Edwards Amphitheater. Expenses were covered through corporate contributions, donations from Friends of Mason District Park and a portion of monopole rental fees.

The Nottoway Nights concerts series held weekly on Thursday evenings at Nottoway Park was a huge success. The onsite support is managed by the Friends of Nottoway Park.

FISCAL IMPACT:

Cash contributions in the amount of \$275,306 have been assigned to Fund 170 (Donations) and dedicated to projects as specified by the donors.

ENCLOSED DOCUMENTS:

Attachment 1: List of Contributors and Donation Amount

Attachment 2: Sample Resolution

STAFF:

John Dargle, Jr., Director

Cindy Messinger, Deputy Director/CFO

Sara Baldwin, Deputy Director/COO

Barbara Nugent, Director, Park Services Division

John Berlin, Manager, Program Branch, Park Services Division

Sousan Frankeberger, Events and Volunteer Services, Park Services Division

PARK SERVICES DIVISION - Program Branch, Events & Volunteer Services

2011 CONTRIBUTORS & DONATION AMOUNTS	
ARTS IN THE PARKS	\$21,640
Dominion Virginia Power	\$1,000
ExxonMobil	\$1,000
FCPA Park Foundation (Individual Donations)	\$140
Friends of Mason District Park	\$2,500
PNC Foundation	\$15,000
Ruskin Zafren Foundation	\$2,000
BRADDOCK NIGHTS	\$17,570
AAA Recycling & Trash Removal Services	\$500
Cox Communications, Inc.	\$3,000
Dominion Virginia Power	\$1,000
ExxonMobil	\$1,000
Fairfax Memorial Funeral Home, L.L.C.	\$1,500
Fairfax Memorial Park	\$1,500
Individual Donations (Braddock Nights)	\$760
Interstate Worldwide Relocation	\$3,000
Transurban-Fluor	\$2,500
Verizon	\$1,500
Wegmans Food Markets	\$710
Virginia Commission for the Arts	\$600
HUNTER MILL MELODIES	\$18,600
AAA Recycling & Trash Removal Services	\$500
Accenture LLP	\$2,000
Brandywine Operating Partnership	\$2,000
Cox Communications, Inc.	\$3,000
Dominion Virginia Power	\$1,000
ExxonMobil	\$1,000
Individual Donations (Hunter Mill Melodies)	\$100
Giant Food, Inc.	\$500
Washington Gas	\$500
Letner Corporation	\$3,000
BOS Supervisor (Hunter Mill)	\$5,000

Board Agenda Item
February 8, 2012

LEE NIGHTS	\$18,050
Cox Communications, Inc.	\$3,000
Dominion Virginia Power	\$1,000
ExxonMobil	\$1,000
Individual Donations (Lee Nights)	\$50
Mt. Vernon Voice	In-kind
Sheehy Ford/Nissan/Subaru in Springfield	\$1,500
Sheehy Honda in Alexandria	\$1,500
Springfield Mall (Franconia Two L.P.)	\$5,000
Transportation Association of Greater Springfield	\$1,000
Transurban-Fluor	\$2,500
Verizon	\$1,500
MT VERON NIGHTS	\$6,500
AAA Recycling & Trash Removal Services	\$500
Cox Communications, Inc.	\$3,000
Dominion Virginia Power	\$1,000
ExxonMobil	\$1,000
Individual Donations (Mount Vernon Nights)	\$100
Virginia Commission for the Arts	\$900
NOTTOWAY NIGHTS	\$12,655
Cash Box Donations	\$105
Cox Communications, Inc.	\$3,000
Dewberry	\$1,000
Dominion Virginia Power	\$1,000
ExxonMobil	\$1,000
Individual Donations (Nottoway Nights)	\$50
Rush Mark Properties	\$2,000
Transurban-Fluor	\$2,500
Tysons Corner Center	\$1,500
Virginia Commission for the Arts	\$500

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PACT	\$76,863
BB&T	\$355
Booz Allen Hamilton	\$2,840
Claude Moore Charitable Foundation	\$20,000
Cenrnium Corporation	\$355
Clark Construction Group, LLC	\$1,420
Fairfax County Park Foundation	\$1,455
GFWC Western Fairfax County Women's Club	\$355
Good Shepherd Housing & Family Services	\$15,387
Innovations Group	\$1,420
Lockheed Martin	\$2,400
Mars	\$2,280
Mr. & Mrs. Wilks	\$355
Noblis	\$710
Northern Virginia Ethical Society	\$91
Reed Smith, LLP	\$710
Rosenthal Automotive Organization	\$1,000
The George Preston Marshall Foundation	\$6,900
Suntiva, LLC	\$1,420
The Frontiers Foundation	\$3,300
USA Mobility Wireless, Inc.	\$7,100
Washington Gas	\$710
Mr. & Mrs. Gerald Halpin	\$3,800
Volkswagen Group of America, Inc.	\$2,500
SOUNDS OF SUMMER	\$12,950 (In-kind)
Fairfax Symphony Orchestra	\$12,950
SPOTLIGHT BY STARLIGHT	\$63,650
Cox Communications, Inc.	\$3,000
Dominion Virginia Power	\$1,000
ExxonMobil	\$1,000
Goodwin House Baileys Crossroads	\$1,000
Individual Donations (Spotlight by Starlight)	\$1,950
Transurban-Fluor	\$2,500
Virginia Commission for the Arts	\$3,200
Monopole	\$50,000

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STARLIGHT CINEMA	\$39,778
AAA Recycling & Trash Removal Services	\$500
CARFAX Inc.	\$3,000
Cox Communications, Inc.	\$3,000
Dominion Virginia Power	\$1,000
ExxonMobil	\$1,000
Luck Stone	\$1,278
McDonald's of Centreville	\$500
New Life Christian Church	In-kind
BOS Supervisor (Sully)	\$20,000
Trinity Centre II, LLC	\$2,500
Trinity Centre IV, LLC	\$1,500
Trinity Centre One, LLC	\$2,500
Trinity Centre Three, LLC	\$1,500
Verizon	\$1,500

FY 2011 DONATION SUMMARY - PROGRAM BRANCH, PSD	
CASH Contribution	\$275,306
IN-KIND Contribution	\$12,950
5 Number of SPONSORS	59
Number of PROJECTS	10
TOTAL CASH AND IN-KIND CONTRIBUTION	\$288,256

***WHEREAS**, the Fairfax County Park Authority sponsored the Parks And Community Together (PACT) summer camp scholarship program for children from local homeless shelters; and*

***WHEREAS**, BB&T has contributed funding to the Fairfax County Park Authority to provide the Parks And Community Together (PACT) program during summer season; and*

***WHEREAS**, the Fairfax County Park Authority agreed to produce the Parks And Community Together (PACT) for children from local homeless shelters at various park sites with the generous cash contribution from BB&T;*

***NOW, THEREFORE, BE IT RESOLVED** that the Fairfax County Park Authority expresses its sincere appreciation to*

BB&T

for its generous sponsorship contribution and support which enhances the quality of life and expands the cultural opportunities for Fairfax County citizens.

Adopted by the Fairfax County Park Authority Board on February 8, 2012.

*Marie Reinsdorf
Secretary*

*William G. Bouie
Chairman*

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Board Agenda Item
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ADMINISTRATIVE – 3

Resolutions - Various Contributions to the Resource Management Division

ISSUE:

Park Authority Board acceptance of contributions in the amount of \$119,989 from various donors in support of Resource Management Division programs and operations and approval of resolutions of appreciation to specified donors.

RECOMMENDATION:

The Park Authority Director recommends acceptance of contributions in the amount of \$119,989 and approval of the resolutions expressing appreciation to various donors who contributed to the Resource Management Division programs and operations.

TIMING:

Board action is requested on February 8, 2012.

BACKGROUND:

Over the past 12 months contributions totaling \$119,989 were received at a number of Resource Management Division facilities. Highlights of the contributions to be recognized with Board Resolutions are as follows:

- Datatel, Inc. donated \$1,500 for support of interpretive programs and operational activities at Ellanor C. Lawrence Park.
- The Kiwanis Club of Annandale donated \$2,000 for support of interpretive programs and operational activities at Hidden Oaks Nature Center.
- Katja Helbing donated \$1,250 for support of interpretive programs and operational activities at Green Spring Gardens.
- Claus Helbing donated \$1,250 for support of interpretive programs and operational activities at Green Spring Gardens.
- Kristina Svensden donated \$1,250 for support of interpretive programs and operational activities at Green Spring Gardens.

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- A. C. Svensden donated \$1,250 for support of interpretive programs and operational activities at Green Spring Gardens.
- David and Beverly Morse donated \$500 to the Joan Kolb Children's Garden Fund at Green Spring Gardens.
- Robert Buillons donated \$1,000 to the Joan Kolb Children's Garden Fund at Green Spring Gardens.
- Timothy and Barbara Schmidt donated \$500 for the VA Native Plant Trail Study at Green Spring Gardens
- Potowmack Chapter of the VA Native Plant Society donated \$2,000 to support an intern at Huntley Meadows Park
- Ryan's Fund donated \$1,709.61 for a park bench at Huntley Meadows Park.
- Hunting Creek Garden Club donated \$10,300 for Natural Resource Management and Environmental Education at Huntley Meadows Park.
- Carole Ann Stover donated \$560 for Natural Resource Management and Environmental Education at Huntley Meadows Park.
- The Emily Monk Davidson Foundation donated \$3,000 for volunteer program support at Huntley Meadows Park.
- The George Washington University donated \$1,677 for support of interpretive programs and operational activities at Sully Historic Site.

In addition to the highlighted contributions, donations were also received from various groups and individuals, as well as from numerous anonymous donors.

FISCAL IMPACT:

Contributions in the amount of \$119,989 have been assigned to Fund 170 (Donations) and dedicated to projects as specified by the donors.

ENCLOSED DOCUMENTS:

Attachment 1: Resolutions

Board Agenda Item
February 8, 2012

STAFF:

John W. Dargle, Jr., Director

Cindy Messinger, Deputy Director/CFO

Sara Baldwin, Deputy Director/COO

Cindy Walsh, Director, Resource Management Division

Todd A. Brown, Site Operations Manager, Resource Management Division

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WHEREAS, the Fairfax County Park Authority provides a variety of programs, facilities and services at Ellanor C. Lawrence Park in order to develop an understanding and appreciation of local natural and cultural history, and

WHEREAS, Datatel, Inc. has a desire to support those programs, facilities and services at Ellanor C. Lawrence Park; and

WHEREAS, Datatel, Inc. has made a generous contribution to support the interpretive programs and operational activities at Ellanor C. Lawrence Park;

NOW, THEREFORE, BE IT RESOLVED by the Fairfax County Park Authority Board that the Board expresses its sincere appreciation and thanks to

Datatel, Inc.

for its continuing support of Ellanor C. Lawrence Park.

Adopted by the Fairfax County Park Authority Board on February 8, 2012.

Marie Reinsdorf
Secretary

William G. Bouie
Chairman

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ACTION – 1

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

RECOMMENDATION:

The Park Authority Director recommends approval of the Mastenbrook Volunteer Matching Fund Grant Program request from Friends of Green Spring Gardens in the amount of \$10,000 to renovate the garage at Green Spring Gardens to create more classroom space, as presented to and reviewed by the Park Operations Committee on January 25, 2012.

ACTION – 2

Approval – Mastenbrook Volunteer Matching Fund Grant Program Request – Lee District Park – Pioneer Baseball League (Lee District).

RECOMMENDATION:

The Park Authority Director recommends approval of the Mastenbrook Volunteer Matching Fund Grant Program request from Pioneer Baseball League in the amount of \$7,364 to install batting cages at Lee District Park, as presented to and reviewed by the Park Operations Committee on January 25, 2012.

ACTION – 3

Approval- Exception to Policy 402-Early Season Use of Park Authority Athletic Fields by Fairfax County Public Schools

RECOMMENDATION:

The Park Authority Director recommends approval of granting an exception to Policy 402-Athletic Field Use for the Fairfax County Public Schools, as presented to and reviewed by the Park Operations Committee on January 25, 2012.

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ACTION – 4

Scope Approval - Old Colchester Park and Preserve Resource Assessment and Management (Mount Vernon District)

RECOMMENDATION:

The Park Authority Director recommends approval of the project scope for cultural and natural resource assessments and management at Old Colchester Park and Preserve, as presented to and reviewed by the Resource Management Committee on January 25, 2012.

ACTION – 5

Approval - Revisions to Policy 204 Countywide Heritage Resource Archaeology

RECOMMENDATION:

The Park Authority Director recommends approval of the revisions to Policy 204 Countywide Heritage Resource Archaeology, as presented to and reviewed by the Resource Management Committee on January 25, 2012.

ACTION - 6

Approval - Revisions to Policy 206 Historic Collections

RECOMMENDATION:

The Park Authority Director recommends approval of the revisions to Policy 206 Historic Collections, as presented to and reviewed by the Resource Management Committee on January 25, 2012.

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Board Agenda Item
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INFORMATION – 1

FY 2012 Third Quarter Budget Review – Fund 001, Park Authority General Fund

The Park Authority Director recommends approval of the submission of the FY 2012 Third Quarter Budget Review for Fund 001, Park Authority General Fund to the Department of Management and Budget (DMB).

FISCAL IMPACT:

There is no change requested to the budget appropriation for the FY 2012 Third Quarter Budget Review. The General Fund Revised Budget Plan will remain at \$22,293,822.

ENCLOSED DOCUMENTS:

Attachment 1: Fairfax County Park Authority, FY 2012 Third Quarter Review Summary
General Fund, Fund 001

STAFF:

John W. Dargle, Jr., Director
Cindy Messinger, Deputy Director/CFO
Sara Baldwin, Deputy Director/COO
Michael P. Baird, Fiscal Administrator, Administration Division
Susan Tavallai, Senior Budget Analyst, Administration Division

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**FAIRFAX COUNTY PARK AUTHORITY
FY 2012 THIRD QUARTER REVIEW SUMMARY
GENERAL FUND 001**

	FY 2011 Revised Budget	FY 2012 Revised Budget	FY 2012 Third Qtr Request	Increase/ Decrease
EXPENDITURES:				
Personnel Services	\$20,669,492	\$20,998,070	\$20,998,070	\$0
Operating Expenses	\$5,114,781	\$4,967,805	\$4,967,805	\$0
Capital Equipment	\$0	\$0	\$0	\$0
Subtotal	\$25,784,273	\$25,965,875	\$25,965,875	\$0
LESS:				
Recovered Costs	(\$3,672,053)	(\$3,672,053)	(\$3,672,053)	\$0
TOTAL EXPENDITURES	\$22,112,220	\$22,293,822	\$22,293,822	\$0
REVENUE:				
	\$2,156,338	\$1,850,000	\$1,850,000	\$0

Expenditures Adjustment:

There is no requested adjustment to expenditures.

Revenue Adjustment:

There is no requested adjustment to revenue.

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INFORMATION – 2

FY 2012 Third Quarter Budget Review – Fund 170, Park Authority Revenue Fund

The Park Authority Director recommends approval of the submission of the FY 2012 Third Quarter Budget Review for Fund 170, Park Authority Revenue Fund to the Department of Management and Budget (DMB).

FISCAL IMPACT:

There is no change requested to the budget appropriation for the FY 2012 Third Quarter Budget Review. Total Fund 170, Park Revenue Fund, budgeted revenues are \$42,097,806 and budgeted expenditures are \$42,097,806 for FY 2012. Expenditures will continue to be managed to achieve the maximum possible net revenue for year end.

ENCLOSED DOCUMENTS:

Attachment 1: Fairfax County Park Authority, FY 2012 Third Quarter Review
Summary, Park Revenue Fund, Fund 170

STAFF:

John W. Dargle, Jr., Director
Cindy Messinger, Deputy Director/CFO
Sara Baldwin, Deputy Director/COO
Michael P. Baird, Fiscal Administrator, Administration Division
Susan Tavallai, Senior Budget Analyst, Administration Division

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**FAIRFAX COUNTY PARK AUTHORITY
FY 2012 THIRD QUARTER REVIEW SUMMARY
PARK REVENUE FUND
FUND 170**

	FY 2011 REVISED BUDGET	FY 2012 REVISED BUDGET	FY 2012 THIRD QTR BUDGET	INCREASE/ (DECREASE)
REVENUE:	\$42,641,814	\$42,097,806	\$42,097,806	\$0
EXPENDITURES:				
Personnel Services	\$26,762,527	\$26,739,287	\$26,739,287	\$0
Operating Expenses	\$14,710,283	\$14,349,722	\$14,349,722	\$0
Capital Equipment	\$579,500	\$395,422	\$395,422	\$0
Subtotal	\$42,052,310	\$41,484,431	\$41,484,431	\$0
Less:				
Recovered Costs	(\$1,302,599)	(\$1,302,599)	(\$1,302,599)	\$0
Debt Service	\$1,064,291	\$1,062,661	\$1,062,661	\$0
	\$41,814,002	\$41,244,493	\$41,244,493	\$0
Laurel Hill Debt	\$827,812	\$853,313	\$853,313	\$0
Total Expenditures with Laurel Hill Debt	\$42,641,814	\$42,097,806	\$42,097,806	\$0
Net Revenue/(Loss)	\$0	\$0	\$0	\$0

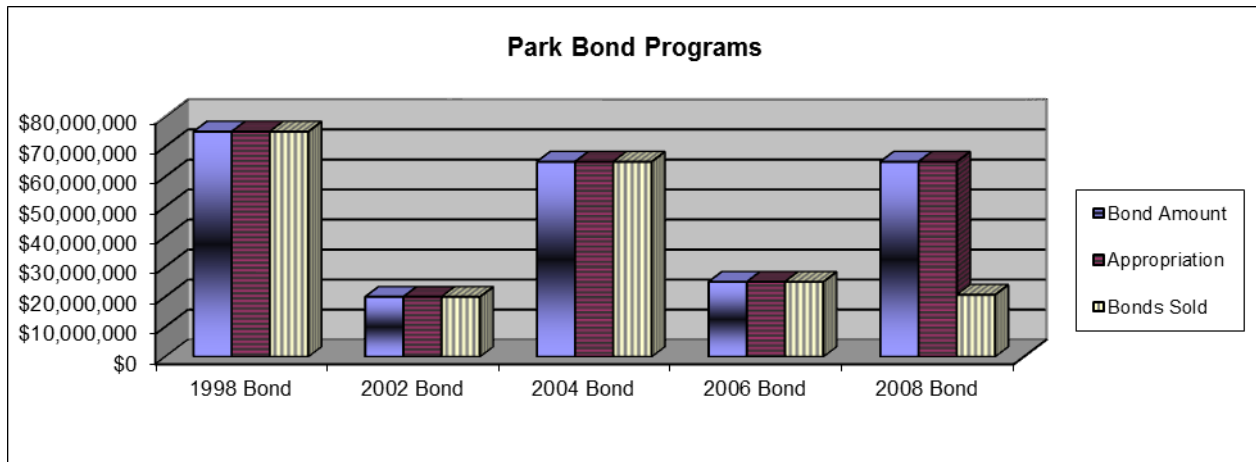
	FY 2011 REVISED BUDGET	FY 2012 REVISED BUDGET	FY 2012 THIRD QTR BUDGET	INCREASE/ (DECREASE)
REVENUE SUMMARY BY COST CENTER:				
Administration	\$932,550	\$835,997	\$835,997	\$0
Golf Enterprises	\$11,940,162	\$11,643,723	\$11,643,723	\$0
REC Activities	\$27,723,006	\$27,573,161	\$27,573,161	\$0
Resource Management	\$2,046,096	\$2,044,925	\$2,044,925	\$0
TOTAL	\$42,641,814	\$42,097,806	\$42,097,806	\$0
EXPENSE SUMMARY BY COST CENTER				
Administration	\$2,770,051	\$2,701,887	\$2,701,887	\$0
Golf Enterprises	\$9,959,029	\$9,861,039	\$9,861,039	\$0
REC Activities	\$27,060,473	\$26,713,110	\$26,713,110	\$0
Resource Management	\$2,024,449	\$1,968,457	\$1,968,457	\$0
TOTAL	\$41,814,002	\$41,244,493	\$41,244,493	\$0
Laurel Hill Debt	\$827,812	\$853,313	\$853,313	\$0
Total Expenditures with Laurel Hill Debt	\$42,641,814	\$42,097,806	\$42,097,806	\$0
EXCESS INCOME OVER EXPENDITURES	\$0	\$0	\$0	\$0

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INFORMATION – 3

FY 2012 Third Quarter Budget Review, Fund 370, Park Authority Bond Construction

The Park Authority had a total of \$75,000,000 authorized bonds from the 1998 Bond Program and \$20,000,000 authorized from the 2002 program and \$65,000,000 approved as part of the 2004 Bond Program, and \$25,000,000 authorized as part of the fall 2006 Bond Program in Fund 370 for park land acquisition and development. All bonds associated with the 1998, 2002, 2004, and 2006 program have been sold. In addition, a \$65,000,000 park bond was approved as part of the fall 2008 Bond Referendum. The full complement of \$65,000,000 from the 2008 program was appropriated as part of FY 2009 Third Quarter Budget Review. As part of the FY 2011 Bond Sale, \$10,520,000 from the fall 2008 program was sold, leaving a balance of \$44,315,000 associated with the fall 2008 program.



Based on a beginning cash balance in FY 2012 of \$3,022,620, and bond sales in the amount of \$44,315,000, the total for FY 2012 is \$47,337,620 to expend in the Capital Improvement Program for parkland acquisition, development and renovation for Fund 370, Park Authority Bond Construction. These funds represent the full appropriation of funds from the 1998, 2002, 2004, 2006 and 2008 Park Bond Program.

No additional funding is requested in the fund.

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FISCAL IMPACT:

The FY 2012 Third Quarter appropriation for Fund 370, Park Authority Bond Construction is \$47,337,620.

ENCLOSED DOCUMENTS:

Attachment 1: FY 2012 Third Quarter Budget Review Fund Statement - Fund 370, Park Authority Bond Construction Fund

STAFF:

John W. Dargle, Jr., Director

Cindy Messinger, Deputy Director/CFO

Sara Baldwin, Deputy Director/COO

Michael P. Baird, Fiscal Administrator, Administration Division

FY 2012 THIRD QUARTER REVIEW FUND STATEMENT					
Fund: 370, Park Authority Bond Construction					
Agency: Park Authority					
	1.	2.	3.	4.	5.
	FY 2011 Actual	FY 2012 Adopted Budget Plan	FY 2012 Revised Budget Plan	2012 Third Quarter Estimate	Increase (Decrease)
Beginning Balance	\$7,901,313	\$0	\$3,022,620	\$3,022,620	\$0
Revenue:					
Sale of Bonds ¹	\$10,520,000	\$0	\$44,315,000	\$44,315,000	\$0
Bond Premium ¹	\$680,000				
Build America Bond Interest ²	\$9,516	\$0	\$0	\$0	\$0
Grants ³	\$100,000	\$0	\$0	\$0	\$0
Total Revenue	\$11,309,516	\$0	\$44,315,000	\$44,315,000	\$0
Total Available	\$19,210,829	\$0	\$47,337,620	\$47,337,620	\$0
Expenditures:	\$16,188,209	\$0	\$47,337,620	\$47,337,620	\$0
Total Disbursements	\$16,188,209	\$0	\$47,337,620	\$47,337,620	\$0
Ending Balance ⁴	\$3,022,620	\$0	\$0	\$0	\$0

¹ The sale of bonds is presented here for planning purposes only. Actual bond sales are based on cash needs in accordance with Board policy and county debt service ratios. On November 4, 2008 voters approved a \$65 million Park Authority Bond Referendum to continue land acquisition, park development, park and building renovation and stewardship. The FY 2011 actual reflect \$10.52 million sold in January 2011, leaving a balance of \$44.315 million in authorized but unissued bonds for this fund. In addition, \$680,000 in Bond Premium has been applied to this fund.

² Interest earned on Build America Bonds. According to IRS Code, 100 percent of available project proceeds, which includes investment interest, must be spent of capital expenditures.

³ Funding of \$100,000 received in FY 2011 from the National Park Service "Save America's Treasures Grant" program, will be used as a contribution toward the cost of the preservation and redevelopment of the Huntley Historic Site.

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.

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February 8, 2012

INFORMATION – 4

FY 2012 Third Quarter Budget Review, Fund 371, Park Capital Improvement Fund

Fund 371, Park Capital Improvement Fund is the fund for money received from grants, right-of-way fees, easements, proffers, donations, lease payments, interest on pooled investments and transfers from Fund 170, Park Revenue Fund. These funds are used for capital improvements for revenue facilities and park sites where grants, proffers and donations have been received for specific park improvements.

With regard to Fund 371, Park Capital Improvement Fund, the Park Authority has a current appropriation of \$21,120,369 for projects in the fund. Based on the beginning balance of \$25,481,870, offset by the reserve set aside for the Golf Revenue Bond in the amount of \$700,000, the reserve set aside for the maintenance and renovation of revenue generating facilities in the amount of \$2,153,575 and the Lawrence Trust Reserve in the amount of \$1,507,926, the available balance for expenditure on capital projects is \$21,120,369. This amount is based on the FY 2011 Carryover approved by the Board of Supervisors.

The Park Authority submission of the FY 2012 Third Quarter Budget Review for Fund 371, Park Capital Improvement Fund to the Department of Management and Budget will reflect the current FY 2012 appropriation and not request appropriation of additional funds for FY 2012.

Fund 371 receives its appropriation at the end of the fiscal year as part of the Carryover Review. Any funds received during the current fiscal year will be appropriated during the next Carryover Review in September 2012.

FISCAL IMPACT:

The FY 2011 Carryover appropriation request for Fund 371, Park Capital Improvement Fund is \$21,120,369. Funds received during FY 2012 will be requested to be appropriated as part of the FY 2012 Carryover Review. Therefore, no additional funds will be requested to be appropriated in FY 2012.

ENCLOSED DOCUMENTS:

Attachment 1: FY 2012 Third Quarter Review Fund Statement - Fund 371, Park Capital Improvement Fund

Board Agenda Item
February 8, 2012

STAFF:

John W. Dargle, Director

Cindy Messinger, Deputy Director/CFO

Sara Baldwin, Deputy Director/COO

Michael P. Baird, Fiscal Administrator, Administration Branch

FY 2012 THIRD QUARTER REVIEW FUND STATEMENT					
Fund: 371, Park Capital Improvement Fund					
Agency: Park Authority					
	1. FY 2011 Actual	2. FY 2012 Adopted Budget Plan	3. FY 2012 Revised Budget Plan	4. FY 2012 Third Quarter Estimate	5. Increase (Decrease)
Beginning Balance	\$32,287,582	\$4,354,218	\$25,481,870	\$25,481,870	\$0
Revenue:					
Interest	\$127,873	\$0	\$0	\$0	\$0
Other Revenue ⁽¹⁾	\$2,808,331	\$0	\$0	\$0	\$0
Total Revenue	\$2,936,204	\$0	\$0	\$0	\$0
Transfers In:					
Park Revenue Fund (170) ⁽²⁾	\$800,000		\$0	\$0	
Total Transfer In	\$800,000		\$0	\$0	
Total Available	\$36,023,786	\$4,354,218	\$25,481,870	\$25,481,870	\$0
Expenditures:	\$10,541,916	\$0	\$21,120,369	\$21,120,369	\$0
Total Disbursements	\$10,541,916	\$0	\$21,120,369	\$21,120,369	\$0
Ending Balance ⁽³⁾	\$25,481,870	\$4,354,218	\$4,361,501	\$4,361,501	\$0
Lawrence Trust Reserve ⁽⁴⁾	\$1,507,926	\$1,507,926	\$1,507,926	\$1,507,926	\$0
Repair and Replace Reserve ⁽⁵⁾	\$700,000	\$700,000	\$700,000	\$700,000	\$0
Facilities and Services Res ⁽⁶⁾	\$2,146,292	\$2,146,292	\$2,153,575	\$2,153,575	\$0
Unreserved Ending Balance	\$21,127,652	\$0	\$0	\$0	\$0

(1) Other revenue reflects easements, donations, monopole and proffer revenue.

(2) As part of the *FY 2011 Third Quarter*, an amount of \$800,000 was transferred from Fund 170, Park Revenue Fund, for General Park Improvements, Rental Property and Facilities and Services Reserve.

(3) 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 ending balances fluctuate, reflecting the carryover of these funds.

(4) This Reserve separately accounts for the Ellanor C. Lawrence monies received for maintenance and renovation to this site. In accordance with the FCPA Board, the principal amount of \$1,507,926 received from the donation will remain intact, and any interest earned will be used according to the terms of the Trust.

(5) The Golf Revenue Bond Indenture requires that a security reserve and capital repair reserve be maintained in the Capital Improvement Plan for repairs to park facilities.

(6) In FY 2001, the Park Authority created this reserve to support the maintenance and renovation of revenue-generating facilities.

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