



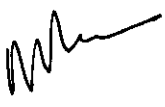
# FAIRFAX COUNTY PARK AUTHORITY

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# M E M O R A N D U M



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

**VIA:** Michael A. Kane, Director 

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

**DATE:** March 23, 2007

## *Agenda*

**Administration, Management and Budget Committee**  
**Wednesday, March 28, 2007 – 5:30 p.m.**  
**Board Room – Herrity Building**  
**Chairman: Kenneth G. Feng**

1. Fairfax County Park Authority Financial Report, as of June 30, 2006 – Information\*
2. Approval – Replacement of Park Authority Policy 304 – Regional Storm Water Management with Policy 304 – Stormwater Projects on Parkland – Action\*

\*Enclosures

cc: Timothy K. White  
Leadership Team



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

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## **INFORMATION -**

### Fairfax County Park Authority Financial Report, as of June 30, 2006

Fairfax County Park Authority (Authority) is continually striving for excellence in financial management and financial reporting. Generally Accepted Accounting Principles (GAAP) promulgated by the Government Accounting Standards Board (GASB) are followed. The Code of Virginia established GAAP as the basis for statewide financial reporting and GAAP is used extensively by rating agencies, investment banks and other organizations involved in the issuance and marketing of government bonds.

GASB is an independent, private-sector, not-for-profit which establishes and improves standards of accounting and reporting for U.S. State and Local Governments. Compliance with GASB standards is enforced through the audit process via the auditor's opinion in conformity with GAAP and through state laws.

Prior to FY 2002, when GASB-34 was required to be implemented by Fairfax County, the Authority's financial report consisted of 12 pages. After implementation, the report had expanded to 34 pages. The FY 2006 financial report being presented today consists of 58 pages which includes, in addition to a required transmittal letter, an economic and demographic statistical section in compliance with GASB-44. In addition, the Authority's financial report possesses the attributes of a Comprehensive Annual Financial Report (CAFR).

The goal of the Financial Management Branch is to publish its FY 2007 financial report as a CAFR and to submit it to the Government Finance Officer's Association (GFOA) in consideration for its Certificate of Achievement for Excellence in Government Finance in Financial Reporting. This prestigious national award recognizes conformance to the highest standards in government accounting and financial reporting.

Based on the above, the Authority is required, on an annual basis, to have an external audit and review of the basic financial statements produced by the Authority. This audit was conducted by KPMG, the County's external auditors, and an opinion and any recommendations were obtained from the audit review.

The FY 2006 Audit includes a review of the financial statements of the governmental activities to ensure that they are free of any misstatements for the fiscal period July 1, 2005 to June 30, 2006. The audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. The audit also

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includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall basic financial statement presentation. Recommendations, if any, are suggestions for improvements and are sent to the Director of the Authority. Any material findings are written in the form of an opinion and sent to the Director and Park Authority Board as well as the Department of Finance and the County Board of Supervisors.

Staff is pleased to provide you with the attached copy of the audited *Financial Report as of June 30, 2006*. Once again, no findings were reported in the audit process nor disclosed in the Independent Auditor's Report. Additionally, no recommendations were offered by KPMG as a result of this audit. KPMG's Independent Audit Report and opinion state that the *Financial Statements as of June 30, 2006*, fairly and in all material respects, present the financial position of the governmental activities and the major funds of the Authority as of June 30, 2006, and the respective changes in financial position for the year in conformity with generally accepted accounting principles.

The financial report consists of three sections:

- Introductory Section
- Financial Section
- Financial and Demographic Trends

The ***Introductory Section*** consists of a Transmittal Letter which formally conveys the financial report to its intended users, the list of principal officials, the organization chart, and an acknowledgment of those who have made a significant contribution to the preparation of the report.

The ***Financial Section*** contains the Independent Auditor's Report on the financial statement audit (covered above), the Management's Discussion and Analysis (MD&A), the Basic Financial Statements, the Notes to the Financial Statements (Notes), and the Required Supplementary Information (RSI). The MD&A provides the reader, in narrative format, with an overview and analysis of data contained in the statements and establishes a basis for the reader to ascertain the overall financial position and results of operation. The financial statements follow the MD&A and include government-wide financial statements and fund financial statements accompanied by the Notes to the Financial Statements. The RSI section presents budget to actual data and also provides a reconciliation of actual revenues and expenditures (budget basis) to those reflected in the financial statements.

The final section is the ***Financial and Demographic Trends Section*** consisting of five to ten years of comparative data which is the main source of information regarding economic conditions. In addition to comparative financial statement data, contained

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within these tables are population data, per capita income, unemployment rate, principal employers, and additional Park Authority facts.

ENCLOSED DOCUMENT:

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

STAFF:

Michael A. Kane, Director

Timothy K. White, Chief Operating Officer

Miriam C. Morrison, Chief Financial Officer, Administration Division

Seema Ajrawat, Fiscal Administrator, Administration Division

Marcia Smeenck, Financial Accountant, Administration Division

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

Hardcopy of this report is available at Park Authority headquarters:

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

703-324-8702

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**ACTION -**

Approval – Replacement of Park Authority Policy 304 – Regional Storm Water Management with Policy 304 – Stormwater Projects on Parkland (with presentation)

ISSUE:

Approval of the replacement of Policy 304 – Regional Storm Water Management with Policy 304 – Stormwater Projects on Parkland.

RECOMMENDATION:

The Park Authority Director recommends that the Park Authority Board authorize approval of the replacement of Policy 304 – Regional Storm Water Management with Policy 304 – Stormwater Projects on Parkland.

TIMING:

Board action is requested on March 28, 2007.

BACKGROUND:

Park Authority Policy 304 – Regional Storm Water Management was created in response to the County's 1989 initiative to locate 134 regional storm water management facilities in seven watersheds. The Park Authority developed a policy to govern the potential location of these facilities on parkland (Attachment 1).

Staff has been working with the Department of Public Works and Environmental Services (DPWES) on the watershed planning efforts for all major watersheds in Fairfax County. The new watershed plans contain detailed project lists for a wide array of stormwater controls in order to improve water quality throughout the county and a significant number of these projects are being targeted for location on Park Authority property. Maintenance of existing facilities and application of county policy and ordinances also result in numerous upstream property owners seeking land rights from the Park Authority to address stormwater issues related to the development of their land. Therefore, it seemed prudent to update and expand Policy 304 to encompass all stormwater projects on parkland.

Policy 304 – Stormwater Projects on Parkland provides criteria for all stormwater features and easements proposed on parkland to ensure consistent review and application as well as concordance with other Park Authority policies which protect park resources. The new policy includes:

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- Criteria for evaluating potential stormwater projects on parkland.
- Limits in term for locating stormwater projects on parkland.
- Removal of Stormwater features that are no longer functional, as opposed to abandonment.
- Potential for requests of suitable replacement property when the stormwater project restricts the Park Authority from protecting or managing parkland.

The draft policy was brought before the Administration, Management and Budget Committee on February 14, 2007, and based on comments received the policy has been revised and is shown in Attachment 2. This policy has been reviewed by DPWES, the Department of Planning and Zoning, Fairfax County Public Schools, and the Office of Transportation.

FISCAL IMPACT:

While the workload from these stormwater project requests is currently being absorbed with existing staff, the number and nature of future projects, particularly from the watershed planning process, will require additional staff position(s) to provide the level of review and oversight required under this policy. We are working with DPWES to provide funding for the staff support needed by the Park Authority to support DPWES' stormwater initiatives.

ENCLOSED DOCUMENTS:

Attachment 1: Policy 304 – Regional Storm Water Management  
Attachment 2: Policy 304 – Stormwater Projects on Parkland

STAFF:

Michael A. Kane, Director  
Timothy K. White, Chief Operating Officer  
Charles Bittenbring, Acting Director, Planning and Development Division  
Cindy Messinger, Director, Resource Management Division  
Michael Rierson, Manager, Resource Stewardship Branch  
Heather Schinkel, Manager, Natural Resource Protection Section  
Charles Smith, Natural Resource Specialist, Resource Management Division  
Kay Rutledge, Manager, Land Acquisition and Management Branch  
Cindy McNeal, Supervisor, Land Acquisition and Management Branch

**Policy 304 Regional Storm Water Management**

The Fairfax County Park Authority should limit the placement of County regional storm water management facilities\* on park lands either titled or leased to the Park Authority to locations meeting the following criteria:

Pursuant to the County Comprehensive Plan, Parks and Recreation policy 3c, the Park Authority shall prohibit the location of major public facilities, including transportation, through or on public parklands unless: a) the Park Authority determines that the proposed location is compatible with its use of parkland, or b) a determination has been made that there is no feasible and prudent alternative to the use of parkland and that all possible planning to minimize harm is included in the proposed project. The Park Authority shall require a plan amendment where the location of such facilities would substantially interfere with the provision of open space and/or recreational facilities or would have a significant adverse impact on ecological and heritage resources.

Where it has been determined that there is no feasible and prudent alternative OR where the co-location and placement of the facility would enhance the water quality of the stream flowing through the park, and subsequently the Chesapeake Bay, through reduction of non-point source pollution, the following criteria shall be applied to proposed storm water management facilities on parklands:

The site is identified in the Regional Storm Water Management Plan approved by the Board of Supervisors in 1989 (or on subsequent plans approved with Fairfax County Park Authority involvement);

The proposed facility would not present a potential legal exposure or liability to the Park Authority;

The proposed location would not adversely affect (e.g., displace, damage or destroy) significant natural or cultural resources;

The proposed storm water management facility is designed to mitigate impact on the character of the park; and construction plans and easements have been reviewed by Park Authority staff or consultant for compatibility with stream valley hydrology;

The proposed location would not displace existing or planned park facilities;

The proposed facility location would not adversely affect park operations and maintenance;

Adjoining property owners have been duly notified of the proposed storm water management facility location;

The County assumes responsibility for the maintenance of the storm water management facility, easements, structures, associated access road, as well as responsibility for the monitoring and the removal of toxic and non-toxic materials, if necessary, to maintain the environmental integrity of the park;

The County Department of Public Works assumes responsibility for the rehabilitation of downstream damages to the Park Authority or other land resulting from the failure of a storm water management facility under their maintenance; and

The Park Authority is adequately compensated for the preliminary and final review of plans, including the necessary staff and or/consultant time, field survey, legal work, permits and other relevant expenses in addition to the fair market value of parkland used for regional storm water management facilities, to the extent that such facility does not benefit Park Authority management objectives.

\* In January 1989, the Fairfax County Board of Supervisors approved a consultant's study and concept plan for the placement of 134 regional storm water management (SWM) facilities in seven watersheds, primarily in the developing western quadrant of the county as an alternative to the placement of more numerous "on site" detention ponds. The purpose of the program was to provide a "cost efficient system for storm water management" through the design, construction and maintenance of fewer facilities to manage a given watershed. Staff from the Park Authority participated in the interagency work group that directed and reviewed the study. Of those facilities proposed, 35 locations were situated, either wholly or partially within parks and stream valley land owned by the Fairfax County Park Authority. Presented with the findings and recommendations of the report, the Park Authority board accepted the report without actually approving it.

Regional SMW facilities are more effective than on-site detention ponds for the collection of run-off, dissipation of storm water velocity, settling of silt and pollutants, and reduction of downstream erosion and sedimentation; they are most effective when used in combination with on-site basins. Nevertheless, concerns remain about the effects of such facilities on the parkland and the disruption of the stream valleys which adjacent homeowners may have expected to remain undeveloped. This policy is intended to address these concerns in a manner consistent with the Park Authority's responsibilities for stewardship of the public lands titled or leased to it.

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*Revised and adopted October 28, 1998*

## Park Authority Stormwater Policy

[Would replace **Policy 304 Regional Storm Water Management** ]

In Fairfax County there are growing demands to improve surface water by treating stormwater runoff, preserving open space and stabilizing stream corridors. This policy has been developed pursuant to the Fairfax County Comprehensive Plan, Policy Plan, Parks and Recreation Element, Objective 5, which requires that the County ensure the long term protection, preservation and sustainability of park resources. Objective 5 states, in part, that park lands are to be protected from adverse impacts of off-site development and uses; that compensation is to be provided for use of park lands for other than park uses; that the public's investment in park lands and facilities is to be protected and efficient operation and maintenance ensured; that non park uses on park land are consistent with existing or planned uses; and there is no feasible alternative to the proposed project.

Requests for locating stormwater features as well as easements and restrictive covenants shall be evaluated with due regard to existing policies and using the Project Evaluation Criteria identified below. For the purposes of this policy, **stormwater features** include ponds, dams, stream stabilization, stream restoration, wetland and stream mitigation, flood proofing measures, rain gardens and created wetlands, rain gardens and other Low Impact Development features, channel modifications to achieve adequate outfall, etc.; and **easements** or **restrictive covenants** are stormwater-related deed restrictions placed on park land for the benefit of others. For the purposes of this policy, stormwater features and easements or restrictive covenants will be referred to collectively henceforth as **stormwater projects**.

The Park Authority will not approve stormwater projects that may impact sensitive natural or cultural resources or restrict the Park Authority's ability to properly protect, manage or conduct research on such resources or develop park land. ***For the purposes of this policy, sensitive natural and cultural resources are those that are rare or unique and/or that would be destroyed, significantly degraded or cease to function as a result of impacts from proposed stormwater projects.*** The applicant will bear all cost and responsibility for notifying adjoining property owners about their proposed stormwater projects and for completing any public review process whether required by the Park Authority or others. The applicant or their successors or assigns will assume responsibility for the monitoring and maintenance of their stormwater projects, to include associated structures, access roads, etc. If the stormwater project will restrict the Park Authority from protecting or managing park land, then the Park Authority may request suitable replacement property.

The rights for locating stormwater projects on park land will be limited in term, and, in the case of stormwater features, they will be tied to the life of the feature. If at some point in the future it is decided under mutual agreement of the parties that the stormwater feature is no longer needed, the party or entity responsible for its maintenance shall remove the feature, restore park land to the satisfaction of the Park Authority, and vacate any legal restrictions on park land associated with the stormwater feature.

Project Evaluation Criteria – The Fairfax County Park Authority will evaluate proposals to place stormwater projects on park land according to the following criteria:

- 1) The proposal conforms to the provisions of Fairfax County Comprehensive Plan, Policy Plan, Parks and Recreation Element, Objective 5 as stated above.
- 2) If the proposal is intended to provide mitigation, it is preferred that the proposed project is designed to protect/improve the water quality and/or habitat in the same watershed where the impact will occur. However, proposals to pursue mitigation projects in other watersheds within Fairfax County may be considered on a case-by-case basis.
- 3) The proposal demonstrates that the site was selected based on detailed analysis for suitability using scientifically valid criteria and there are no feasible alternatives.
- 4) The proposal demonstrates that the stormwater project would avoid impact to sensitive natural or cultural resources.**
- 5) Proposed stormwater features are designed in accordance with best practices in the most environmentally sensitive manner possible, blend with the landscape and accommodate wildlife to the greatest extent possible.
- 6) The proposed stormwater project would not present a potential legal exposure or liability to the Park Authority.
- 7) The applicant assumes all responsibility for downstream damages to Park Authority or other land or property resulting from the failure of a stormwater feature under their maintenance.
- ~~8) The placement of the stormwater project would not adversely affect (e.g., displace, damage or destroy) significant natural or cultural resources or restrict the Park Authority's ability to protect, manage or conduct research on such resources.~~
- 9 ~~8~~) The placement of the stormwater project would not displace existing or planned park facilities such as trails, recreational facilities, or resource protection or management areas (unless the project provides for suitable replacement or improvement of such facilities).
- 10 ~~9~~) The placement of the stormwater project would not adversely affect park operations and maintenance.