

Fund 80000: Park Revenue and Operating Fund

Mission

To enrich the quality of life for all members of the community through an enduring park system that provides a healthy environment, preserves natural and cultural heritage, offers inspiring recreational experiences, and promotes healthy lifestyles.

Focus

The Fairfax County Park Authority (the Authority), created by legislative action in 1950, serves the most populous jurisdiction in both the Virginia and Washington D.C. metropolitan area with over 1 million people. Under the direction of a Board of Supervisors' appointed 12-member Park Authority Board, the Authority works collaboratively with constituents, partners, stakeholders, government leaders, and appointees to implement Board policies, champion the preservation and protection of natural and cultural resources, and facilitate the development of park and recreation programs and facilities. The Authority oversees the operation and management of a County park system with 23,584 acres, 427 parks, nine RECenters centers, eight golf courses, an ice skating rink, 209 playgrounds, 668 public garden plots, five nature centers, three equestrian facilities, 452 Fairfax County Public Schools athletic fields, 42 synthetic turf athletic fields, 263 Park Authority-owned athletic fields, 10 historic sites, two waterparks, a horticultural center, and more than 334 miles of trails. The Authority has balanced the dual roles of providing recreational, fitness and wellness opportunities to citizens and serving as stewards and interpreters of Fairfax County's natural and cultural resources.



The Authority, a four-time National Gold Medal Award winner and a nationally accredited agency, is one of the largest, most diverse park systems in the nation. The agency offers leisure and recreational opportunities through an array of programmed and un-programmed resources which enrich the quality of life for all County residents. This enrichment is accomplished through the protection and preservation of open space and natural areas, nature centers, RECenters, historic sites, golf courses, athletic fields, public gardens, horticulture sites, trails, and neighborhood, community, district and

countywide parks, as well as stewardship education, park programs, classes, camps, and tours. Delivering high-quality inclusive service in parks is an important focus for the Park Authority as demand and usage continue to grow.

Fund 80000, Park Revenue and Operating Fund, is supported by user fees and charges from admissions, pass sales, retail sales, equipment and facility rentals, classes and events generated at the Authority's revenue-supported facilities, and is supplemented by donations and grants. Revenue-generating facilities and programs include RECenters, golf courses, nature centers, historic sites, and various other major parks. Fees offer a mechanism to support programs and services that the General Fund does not provide and are generally applied in areas serving an individual's benefit. As per the Financial Management Principles, revenue received is applied towards fully recovering the annual operating and maintenance costs of programs and services at these facilities. The Authority also strives to achieve an overall positive net cost recovery in order to contribute to capital renewal, maintenance, and repairs for revenue generating facilities to meet County residents' service expectations.

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

Park Board

The Authority operates under the policy oversight of a Board of Supervisors' appointed 12-member Park Authority Board, in accordance with a Memorandum of Understanding with the County's Board of Supervisors. The Authority manages acquisition, preservation, development, maintenance, and operation of its assets and activities through five funds: the Parks General Fund Operating Budget, Park Revenue and Operating Fund, County Construction and Contributions Fund, Park Authority Bond Construction Fund, and Park Improvement Fund. The Park Authority Board has fiduciary responsibility for the Park Revenue and Operating Fund and the Park Improvement Fund, while the County has fiduciary responsibility for the three other funds. The Authority pursues partnerships and alternate funding sources to sustain the delivery of quality services and facilities.

Current Trends

A comprehensive Park and Recreation Needs Assessment is conducted every 5 to 10 years to address a growing population and evolving recreation needs of County residents. The most recent Needs Assessment was completed in FY 2016. A valuable aspect of this Needs Assessment process is that the resulting community facility needs form the basis for a 10-year phased Capital Improvement Framework (CIF). The CIF provides the overall long-range framework with recommended allocation of capital resources by facility type to meet the projected citizen's park and recreation needs. The plan is a guide for decision-makers for use in creating future bond programs and allocating other capital funding sources. Priority criteria were developed and used in scheduling projects within the CIF timeframe and tied directly to the demonstrated citizen needs. The total projected need for the ten-year period reflected in the CIF is \$941,042,100. This total amount is broken out into three strategic areas of improvement: Critical (repairing the existing parks system), Sustainable (upgrading the existing parks system) and Visionary (new, significant upgrades). The Needs Assessment will be a significant part of the justification for future park bond referenda.

The needs assessment is complemented by "Great Parks, Great Communities," a comprehensive long-range park plan adopted in 2011 that examines needs within 14 planning districts. This plan uses data from the Needs Assessment and serves as a decision-making guide for future park land use, service delivery and resource protection to better address changing needs and growth forecasts through 2020. The Great Parks, Great Communities Plan was updated in 2017 to reflect the data, findings and recommendations of the Needs Assessment completed in FY 2016. The plan, emphasizing 6 key goals related to stewardship, park maintenance, equitable provision of recreational opportunities, healthy lifestyles, organizational agility, and fiscal sustainability was approved by the Park Authority Board in December 2017.

The Park Revenue and Operating Fund continues to face financial challenges. This is primarily due to increased competition in classes, limited demand for golf rounds played that is restraining revenue growth, and growth in expenses from rising salaries. On the other hand, resident demand for services continues to grow due to increasing population, changing needs, and diversity of the community. Visiting parks, walking on trails, and park programs, such as the summer concert series, continue to be a popular community recreational outlet. The Park Authority must respond to changing expectations in order to maintain customer loyalty and stability in the revenue base. Market pressure is exerting downward pressure on the pricing of services, which limits the ability to generate

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additional revenue through fee increases. In addition, the Park Revenue and Operating Fund experiences many uncontrollable factors that may impact its business (weather, local economy, etc.), and the Park Authority is concerned about potential impacts to users if the Authority should experience some difficult times. Recent or near-term initiatives include enabling customer-oriented services such as online pass sales/renewals, e-mail classes and camp surveys, electronic distribution of camp registration packets, updated concert series web pages that include new search capability for citizens to find programs, and development of an enhanced Parktakes online web portal. On the cost side of the equation, projected program offerings and staff to support them have placed additional cost recovery pressure on the fund. In FY 2021, the Revenue and Operating Fund will again transfer an \$820,000 indirect cost payment to the General Fund. The Indirect Cost payment is designed to partially offset central support services provided by the County's General Fund.

To further safeguard and align with County practices, a Park Revenue and Operating Fund Stabilization Reserve and a Capital Sinking Fund were established with certain criteria for use. Annual Net Revenue is designed to be transferred to these reserves to contribute to ongoing needs; however, there are increasing demands that decrease the realization of any available net revenue. Recent analysis identified an unfunded annual need for lifecycle/capital renewal maintenance at revenue supported facilities. This critical funding element of sustainability cannot be realized through charging of fees. Funding for lifecycle/capital renewal maintenance of the revenue facilities will need to be a collaborative effort between the Authority and Fairfax County to ensure park and recreation services will be available into the future.

Strategic Plan

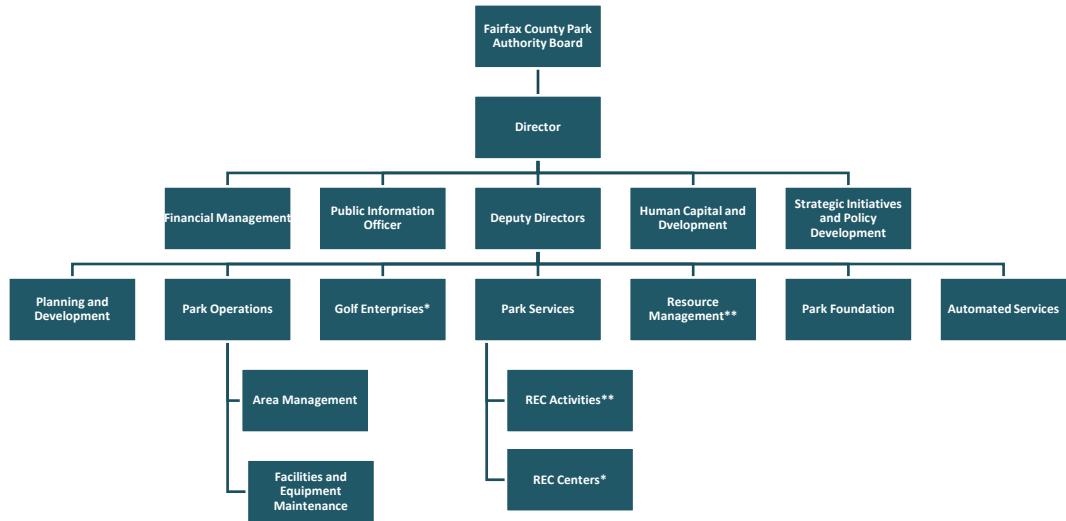
On June 25, 2018, the Park Authority Board approved the new FY 2019 – FY 2023 Strategic Plan. The Strategic Plan is a tool that is designed to help the agency focus on the mission critical, most pressing concerns and opportunities over the next five years. In light of increasing demands and limited and shrinking resources, it is more important than ever that priorities be strategically determined and focused. Key focus areas include:

- Inspire a passion for parks
- Meet changing recreation needs
- Advance park system excellence
- Strengthen and foster partnerships
- Be equitable and inclusive
- Be great stewards
- Promote healthy lifestyles

Incorporating input from park leadership, staff, stakeholders, and the public, the strategic plan is structured around four important perspectives: Customer, Financial, Business Process and Learning and Growth.

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Organizational Chart



* Denotes Cost Centers that are only in Fund 80000, Park Revenue and Operating Fund.

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

Budget and Staff Resources

Category	FY 2019 Actual	FY 2020 Adopted	FY 2020 Revised	FY 2021 Advertised
FUNDING				
Expenditures:				
Personnel Services	\$30,080,139	\$32,093,083	\$32,093,083	\$30,857,502
Operating Expenses	14,824,219	16,097,562	16,101,073	15,873,968
Capital Equipment	51,764	200,000	200,000	0
Bond Expenses	796,259	798,206	798,206	793,684
Subtotal	\$45,752,381	\$49,188,851	\$49,192,362	\$47,525,154
Less:				
Recovered Costs	(\$1,265,182)	(\$1,000,000)	(\$1,000,000)	(\$1,303,137)
Total Expenditures	\$44,487,199	\$48,188,851	\$48,192,362	\$46,222,017
AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)				
Regular	245 / 245	245 / 245	245 / 245	245 / 245

FY 2021 Funding Adjustments

The following funding adjustments from the FY 2020 Adopted Budget Plan are necessary to support the FY 2021 program:

Employee Compensation **\$860,635**

An increase of \$860,635 in Personnel Services includes \$612,100 for a 2.06 percent market rate adjustment (MRA) for all employees and \$248,535 for performance-based and longevity increases for non-uniformed merit employees, both effective July 2020.

Other Post-Employment Benefits **(\$156,062)**

A decrease of \$156,062 in Personnel Services reflects required adjustments associated with providing Other Post-Employment Benefits (OPEB) to retirees, including the Retiree Health Benefits Subsidy. For more information on Other Post-Employment Benefits, please refer to Fund 73030, OPEB Trust, in Volume 2 of the FY 2021 Advertised Budget Plan.

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Operational Requirements (\$2,666,885)

A net decrease of \$2,666,885 includes an adjustment associated with projected program support.

Bond Expenses (\$4,522)

A decrease of \$4,522 in Bond Expenses is consistent with principal and interest requirements for FY 2021.

Changes to FY 2020 Adopted Budget Plan

The following funding adjustments reflect all approved changes in the FY 2020 Revised Budget Plan since passage of the FY 2020 Adopted Budget Plan. Included are all adjustments made as part of the FY 2019 Carryover Review, and all other approved changes through December 31, 2019.

Carryover Adjustments \$3,511

As part of the *FY 2019 Carryover Review*, the Board of Supervisors approved an increase in expenditures based on actual experience during FY 2019. In addition, FY 2020 Transfers Out were recommended to increase \$3,115,000. This adjustment includes a transfer of \$1,115,000 to Fund 80300, Park Improvement Fund, to support unplanned and emergency repairs, the purchase of critical equipment and planned, long-term, life-cycle maintenance of revenue facilities. In addition, a transfer of \$2,000,000 to Fund 20000, Consolidated County and Schools Debt Service Fund, was required to pay back the one-time transfer initiated in FY 2019 to offset a projected revenue decrease.

Cost Centers

The five cost centers of the Park Revenue and Operating Fund are Administration, Golf Enterprises, REC Activities, RECenters and Resource Management. The cost centers work together to fulfill the mission of the Fund and carry out the key initiatives for the fiscal year.

Administration

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

Category	FY 2019 Actual	FY 2020 Adopted	FY 2020 Revised	FY 2021 Advertised
EXPENDITURES				
Total Expenditures	\$1,982,015	\$2,123,838	\$2,123,838	\$1,718,609
AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)				
Regular	18 / 18	18 / 18	18 / 18	18 / 18

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Golf Enterprises

The Golf Enterprises Division operates and maintains eight golf courses in Fairfax County. This division's primary functions and responsibilities include facility operations, maintenance, programming, agency wide support and customer service.

Category	FY 2019 Actual	FY 2020 Adopted	FY 2020 Revised	FY 2021 Advertised
EXPENDITURES				
Total Expenditures	\$9,530,998	\$10,285,637	\$10,286,388	\$9,868,004
AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)				
Regular	80 / 80	80 / 80	80 / 80	80 / 80

REC Activities

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

Category	FY 2019 Actual	FY 2020 Adopted	FY 2020 Revised	FY 2021 Advertised
EXPENDITURES				
Total Expenditures	\$4,017,057	\$5,200,315	\$5,203,075	\$4,650,606
AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)				
Regular	25 / 25	25 / 25	25 / 25	25 / 25

REC Centers

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

Category	FY 2019 Actual	FY 2020 Adopted	FY 2020 Revised	FY 2021 Advertised
EXPENDITURES				
Total Expenditures	\$27,049,890	\$28,231,277	\$28,231,277	\$28,090,564
AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)				
Regular	106 / 106	106 / 106	106 / 106	106 / 106

Resource Management

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

Category	FY 2019 Actual	FY 2020 Adopted	FY 2020 Revised	FY 2021 Advertised
EXPENDITURES				
Total Expenditures	\$1,907,239	\$2,347,784	\$2,347,784	\$1,894,234
AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)				
Regular	16 / 16	16 / 16	16 / 16	16 / 16

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Position Detail

The FY 2021 Advertised Budget Plan includes the following positions:

ADMINISTRATION - 18 Positions			
1	Management Analyst IV	1	Programmer Analyst II
2	Engineers IV	1	Human Resources Generalist II
3	Construction/Maintenance Project Managers II	1	Network/Telecom Analyst I
4	Engineers III	1	Administrative Assistant IV
1	Senior Right-of-Way Agent	1	Material Management Specialist III
1	Geographic Information Spatial Analyst II	1	Park/Rec Specialist III
GOLF ENTERPRISES - 80 Positions			
1	Park Management Specialist II	7	Park/Rec Specialists I
1	Park Management Specialist I	3	Motor Equip. Operators
3	Park/Rec Specialists IV	9	Park/Rec Assistants
2	Golf Course Superintendents III	1	Administrative Assistant III
4	Park/Rec Specialists III	1	Maintenance Crew Chief
2	Golf Course Superintendents II	5	Facility Attendants II
2	Park/Rec Specialists II	10	Senior Maintenance Workers
4	Golf Course Superintendents I	22	Maintenance Workers
3	Vehicle and Equipment Technicians II		
REC ACTIVITIES - 25 Positions			
2	Park Management Specialists I	3	Communications Specialists I
1	Business Analyst III	1	Administrative Assistant V
1	Management Analyst III	2	Park/Rec Specialists I
1	Park/Rec Specialist IV	1	Administrative Assistant IV
1	Communications Specialist II	1	Park/Rec Assistant
3	Management Analysts II	1	Publications Assistant
1	Producer/Director	2	Administrative Assistants III
3	Park/Rec Specialists III	1	Custodian II
REC CENTERS - 106 Positions			
2	Park Management Specialists II	1	Naturalist/Historian Senior Interpreter
4	Park Management Specialists I	8	Park/Rec Specialists I
9	Park/Rec Specialists IV	1	Painter II
2	Park/Rec Specialists III	23	Park/Rec Assistants
30	Park/Rec Specialists II	8	Administrative Assistants III
1	Electronic Equipment Tech. II	1	Facility Attendant I
7	Prevent. Maintenance Specs.	4	Custodians II
1	Administrative Assistant V	4	Custodians I
RESOURCE MANAGEMENT - 16 Positions			
1	Park/Rec Specialist IV	2	Naturalists I
1	Historian II	4	Park/Rec Assistants
1	Park/Rec Specialist II	1	Administrative Assistant III
2	Park/Rec Specialists I	2	Facility Attendants II
2	Historians I		

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Performance Measurement Results

The Park Authority Administrative workload has continued to increase as a result of the opening of a number of new facilities over the last several years as well as increased audit requirements. The Administrative Division accomplished 85 percent of its work plan objectives in FY 2019 and will work to achieve an objective target of at least 75 percent in both FY 2020 and FY 2021. In FY 2019, golf rounds decreased 3.7 percent, with four courses experiencing some decline mainly due to record rainfall and weather experienced in FY 2019. The actual cost recovery in golf for FY 2019 was positive and continued improvement is expected as no major projects that could impact revenue are scheduled for FY 2020. In the Resource Management Division, the number of visitor contacts in FY 2019 decreased by 22 percent. Several factors contributed to this decline. First, the unusually rainy summer resulted in the cancellation of many outdoor recreation activities and nature programs, as well as a drop in walk-in visitation to the sites. Staff vacancies also contributed to a reduction in outreach programs. Finally, there was confusion in recordkeeping procedures after the transition to the new point of sale system and some attendance did not get accurately recorded. The Resource Management Division will strive to maintain the goal of increasing visitor contacts by at least 3.5 percent in FY 2020 and FY 2021 and expect recordkeeping to improve as new procedures are created and modified.

Indicator	FY 2017 Actual	FY 2018 Actual	FY 2019 Estimate/Actual	FY 2020 Estimate	FY 2021 Estimate
Administration					
Percent of annual work plan objectives achieved	73%	82%	75%/85%	75%	75%
Golf Enterprises					
Percent change in rounds played	(3.6%)	(9.2%)	(1.8%)/(3.7%)	19.2%	0.0%
Cost recovery percentage	100.10%	98.06%	105.96%/101.07%	100.51%	103.57%
Resource Management					
Percent change in number of visitor contacts	(3.0%)	(0.1%)	3.5%/(22.3%)	3.5%	3.5%

A complete list of performance measures can be viewed at
<https://www.fairfaxcounty.gov/budget/fy-2021-advertised-performance-measures-pm>

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FUND STATEMENT

Category	FY 2019 Actual	FY 2020 Adopted Budget Plan	FY 2020 Revised Budget Plan	FY 2021 Advertised Budget Plan
Beginning Balance	\$3,769,982	\$2,724,785	\$7,172,353	\$4,594,054
Revenue:				
Park Fees	\$46,235,174	\$49,488,122	\$49,488,122	\$48,591,870
Interest	62,831	49,238	49,238	72,171
Sale of Vehicles and Salvage Equipment	182,142	32,459	32,459	65,000
Donations and Miscellaneous Revenue	1,277,777	898,729	898,729	0
Total Revenue	\$47,757,924	\$50,468,548	\$50,468,548	\$48,729,041
Transfers In:				
Consolidated County and Schools Debt Service Fund (20000) ¹	\$2,000,000	\$0	\$0	\$0
Total Transfers In	\$2,000,000	\$0	\$0	\$0
Total Available	\$53,527,906	\$53,193,333	\$57,640,901	\$53,323,095
Expenditures:				
Personnel Services	\$30,080,139	\$32,093,083	\$32,093,083	\$30,857,502
Operating Expenses	14,824,219	16,097,562	16,101,073	15,873,968
Recovered Costs	(1,265,182)	(1,000,000)	(1,000,000)	(1,303,137)
Capital Equipment	51,764	200,000	200,000	0
Subtotal Expenditures	\$43,690,940	\$47,390,645	\$47,394,156	\$45,428,333
Debt Service:				
Fiscal Agent Fee	\$3,300	\$3,000	\$3,000	\$3,000
Bond Payments ²	792,959	795,206	795,206	790,684
Total Expenditures	\$44,487,199	\$48,188,851	\$48,192,362	\$46,222,017
Transfers Out:				
General Fund (10001) ³	\$820,000	\$820,000	\$820,000	\$820,000
Consolidated County and Schools Debt Service Fund (20000) ⁴	888,354	919,485	2,919,485	952,780
Park Improvement Fund (80300) ⁵	160,000	0	1,115,000	0
Total Transfers Out	\$1,868,354	\$1,739,485	\$4,854,485	\$1,772,780
Total Disbursements	\$46,355,553	\$49,928,336	\$53,046,847	\$47,994,797
Ending Balance⁶	\$7,172,353	\$3,264,997	\$4,594,054	\$5,328,298
Revenue and Operating Fund Stabilization Reserve ⁷	\$1,359,965	\$1,359,965	\$2,689,022	\$2,845,083
Donation/Deferred Revenue ⁸	1,350,000	1,350,000	1,350,000	0
Set Aside Reserve ⁹	4,462,388	555,032	555,032	2,483,215
Unreserved Ending Balance	\$0	\$0	\$0	\$0

¹ Represents a Transfer In from Fund 20000, Consolidated County and Schools Debt Service Fund, as a one-time action to help offset a projected revenue shortfall.

² Debt service represents principal and interest on Park Revenue Bonds which supported the construction of the Twin Lakes and Oak Marr Golf Courses.

³ Funding in the amount of \$820,000 is transferred to the General Fund to partially offset central support services supported by the General Fund, which benefit Fund 80000. These indirect costs include support services such as Human Resources, Purchasing, Budget and other administrative services.

⁴ Debt service payments which support the development of the Laurel Hill Golf Club are made from Fund 20000, Consolidated County and Schools Debt Service Fund. In addition, a transfer of \$2,000,000 is to pay back the one-time transfer initiated in FY 2019.

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⁵ Periodically, funding is transferred from Fund 80000, Park Revenue and Operating Fund, to Fund 80300, Park Improvement Fund, to support unplanned and emergency repairs, the purchase of critical equipment and planned, long-term, life-cycle maintenance of revenue facilities.

⁶ The Park Revenue and Operating Fund maintains fund balances at adequate levels relative to projected operation and maintenance expenses. These costs change annually; therefore, funding is carried forward each fiscal year, and ending balances fluctuate, reflecting the carryover of these funds.

⁷ The Revenue and Operating Fund Stabilization Reserve includes set aside cash flow and emergency reserves for operations as a contingency for unanticipated operating expenses or a disruption in the revenue stream.

⁸ The Donation/Deferred Revenue Reserve includes donations that the Park Authority is obligated to return to donors in the event the donation cannot be used for its intended purpose. It also includes a set aside amount to cover any unexpected delay in revenue from sold but unused Park passes.

⁹ The Set Aside Reserve is used to fund renovations and repairs at various park facilities as approved by the Park Authority Board.