



FAIRFAX COUNTY PARK AUTHORITY



M E M O R A N D U M

TO: Chairman and Members
Park Authority Board

VIA: Jai Cole, Executive Director

FROM: Mike Peter, Division Director
Business Administration Division

DATE: September 8, 2023

UPDATED 9/14/2023

- ACTION - 2 ITEM UPDATED

- PRESENTATION SLIDES ADDED

Agenda

**Budget Committee
(Committee of the Whole)
Wednesday, September 13, 2023 – 6:30 pm
Boardroom, Herrity Building
Chairman: Ken Quincy
Vice Chair: Tim Hackman**

1. FY 2023 Fourth Quarter Budget Review – Fund 80000, Park Services Revenue and Operating Fund (with presentation) – Action*
2. FY 2025 Non-Recommended General Fund Budget Reductions (with presentation) – Action
3. FY 2025 Proposed Budget (with presentation) – Presentation

*Enclosures



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

Board Agenda Item
September 13, 2023

ACTION – 1

FY 2023 Fourth Quarter Budget Review, Fund 80000, Park Services Revenue and Operating Fund

ISSUE:

Approval of the FY 2023 Fourth Quarter Budget Review for the Park Revenue & Operating Fund (80000).

RECOMMENDATION:

The Park Authority Executive Director recommends approval of the FY 2023 Fourth Quarter Review for the Park Revenue & Operating Fund (80000).

TIMING:

Board action is recommended on September 13, 2023. The submission of the FY 2023 Fourth Quarter Review was due to the Department of Management and Budget on July 1, 2023.

BACKGROUND:

Carryover is the continuation of financial obligations from the current fiscal year ending June 30, 2023 (FY 2023), to the new fiscal year beginning July 1, 2023 (FY 2024). Carryover recognizes current obligations and adjusts the next fiscal year’s budget appropriation for the carryover amount. Carryover items include commitments that should have been expended from the FY 2023 budget but cannot be paid until FY 2024.

Revenue

The total FY 2023 fourth quarter revenue in the Revenue and Operating Fund (80000) is \$54,520,874. The fourth quarter total is \$3,182,780/6.20% higher than FY 2022 fourth quarter (\$51,338,094).

Revenue			
Division	2023	2022	Variance
Administration	\$ 727,774	\$ 4,073,557	\$ (3,345,783)
Golf	\$ 16,744,969	\$ 15,300,723	\$ 1,444,246
RECenters	\$ 27,731,405	\$ 23,702,302	\$ 4,029,103
Rec Activities	\$ 6,032,071	\$ 5,665,306	\$ 366,765
Resource Management	\$ 3,284,655	\$ 2,596,206	\$ 688,449
Total	\$ 54,520,874	\$ 51,338,094	\$ 3,182,780

Board Agenda Item
September 13, 2023

Expenditures

The total FY 2023 fourth quarter expenditures in the Revenue and Operating Fund (80000) are \$52,356,713. The fourth quarter total is \$8,603,506/19.66% over FY 2022 fourth quarter (\$43,753,207).

Expenditures			
Division	2023	2022	Variance
Administration	\$ 4,322,340	\$ 2,528,737	\$ 1,793,603
Golf	\$ 12,310,657	\$ 11,545,661	\$ 764,996
RECenters	\$ 28,368,519	\$ 24,726,528	\$ 3,641,991
Rec Activities	\$ 4,318,402	\$ 3,074,008	\$ 1,244,394
Resource Management	\$ 3,036,795	\$ 1,878,273	\$ 1,158,522
Total	\$ 52,356,713	\$ 43,753,207	\$ 8,603,506

ENCLOSED DOCUMENTS:

Attachment 1: FY 2023 Park Revenue & Operating Fund (80000) Statement

Attachment 2: FY 2023 4th Qtr Trends-Fund 80000

Attachment 2: FY 2023 Revenue and Expenditure Analysis By Site, Fund 80000

STAFF:

Jai Cole, Executive Director

Sara Baldwin, Deputy Director/COO

Aimee L. Vosper, Deputy Director/CBD

Michael Peter, Director, Administration Division

Tonya Mills, Senior Fiscal Administrator, Financial Management Branch

Nicole Varnes, Budget, Capital and Financial Reporting Manager

FUND STATEMENT

Fund 80000, Park Revenue and Operating Fund

	FY 2023 Estimate	FY 2023 Actual	Increase (Decrease) (Col. 2-1)	FY 2024 Adopted Budget Plan	FY 2024 Revised Budget Plan	Increase (Decrease) (Col. 5-4)
Beginning Balance	\$4,658,297	\$4,658,297	\$0	\$4,500,381	\$4,500,381	\$0
Revenue:						
Park Fees	\$52,710,829	\$52,823,729	\$112,900	\$51,497,745	\$51,497,745	\$0
Interest	17,466	216,561	199,095	17,466	\$17,466	0
Sale of Vehicles and Salvage Equipment	204,771	144,582	(60,189)	179,771	\$179,771	0
Donations and Miscellaneous Revenue	305,832	418,695	112,863	305,018	305,018	0
Total Revenue	\$53,238,898	\$53,603,567	\$364,669	\$52,000,000	\$52,000,000	\$0
Transfers In:						
Park Improvement Fund (80300) ²	\$0	\$0	\$0	\$0	\$0	0
General Fund (10001) ⁴	\$255,000	\$255,000	\$0	\$0	\$0	0
Total Transfers In	\$255,000	\$255,000	\$0	\$0	\$0	\$0
Total Available	\$58,152,195	\$58,516,864	\$364,669	\$56,500,381	\$56,500,381	\$0
Expenditures:						
Personnel Services	\$31,461,303	\$31,294,930	(\$166,373)	\$31,626,754	\$31,626,754	\$0
Operating Expenses	19,667,346	17,958,980	(1,708,366)	15,806,823	\$16,299,206	492,383
Recovered Costs	(1,303,137)	(772,363)	530,774	(1,137,952)	(1,137,952)	0
Capital Equipment	515,874	362,195	(153,679)	200,000	349,856	149,856
Subtotal Expenditures	\$50,341,386	\$48,843,743	(\$1,497,643)	\$46,495,625	\$47,137,864	\$642,239
Debt Service:						
Fiscal Agent Fees	\$0	\$0	\$0	\$0	\$0	\$0
Bond Payments ³	0	0	0	0	0	0
Total Expenditures	\$50,341,386	\$48,843,743	(\$1,497,643)	\$46,495,625	\$47,137,864	\$642,239
Transfers Out:						
General Fund (10001) ⁴	\$820,000	\$820,000	\$0	\$820,000	\$820,000	\$0
County Debt Service (20000) ⁵	1,008,862	1,008,862	0	895,547	895,547	0
Park Improvement Fund (80300) ⁶	1,235,950	1,235,950	0	0	0	0
Total Transfers Out	\$3,064,812	\$3,064,812	\$0	\$1,715,547	\$1,715,547	\$0
Total Disbursements	\$53,406,198	\$51,908,555	(\$1,497,643)	\$48,211,172	\$48,853,411	\$642,239
Ending Balance⁷	\$4,745,997	\$6,608,309	\$1,862,312	\$8,289,209	\$7,646,970	(\$642,239)
Revenue and Operating Fund Stabilization Reserve ⁸	\$4,745,997	\$1,950,012	(\$2,795,985)	\$8,289,209	\$7,646,970	(\$642,239)
Donation/Deferred Revenue ⁹	0	0	0	0	0	0
Set Aside Reserve ¹⁰	0	4,658,297	4,658,297	0	0	0
Unreserved Ending Balance	\$0	\$0	\$0	\$0	\$0	\$0

¹ use of revenue and stabilization Fund to cover the shortages due to Covid 191.

² Represents a transfer in from Fund 80300, Park Improvement Fund to support Revenue and Operating Fund A activities.

³ Debt service represents principal and interest on Park Revenue Bonds which supported the construction of the Twin Lakes and Oak Marr Golf Courses

⁴ 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.

⁵ Debt service payments which support the development of the Laurel Hill Golf Club are made from Fund 20000, County Debt Service.

⁶ represents a transfer in 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.

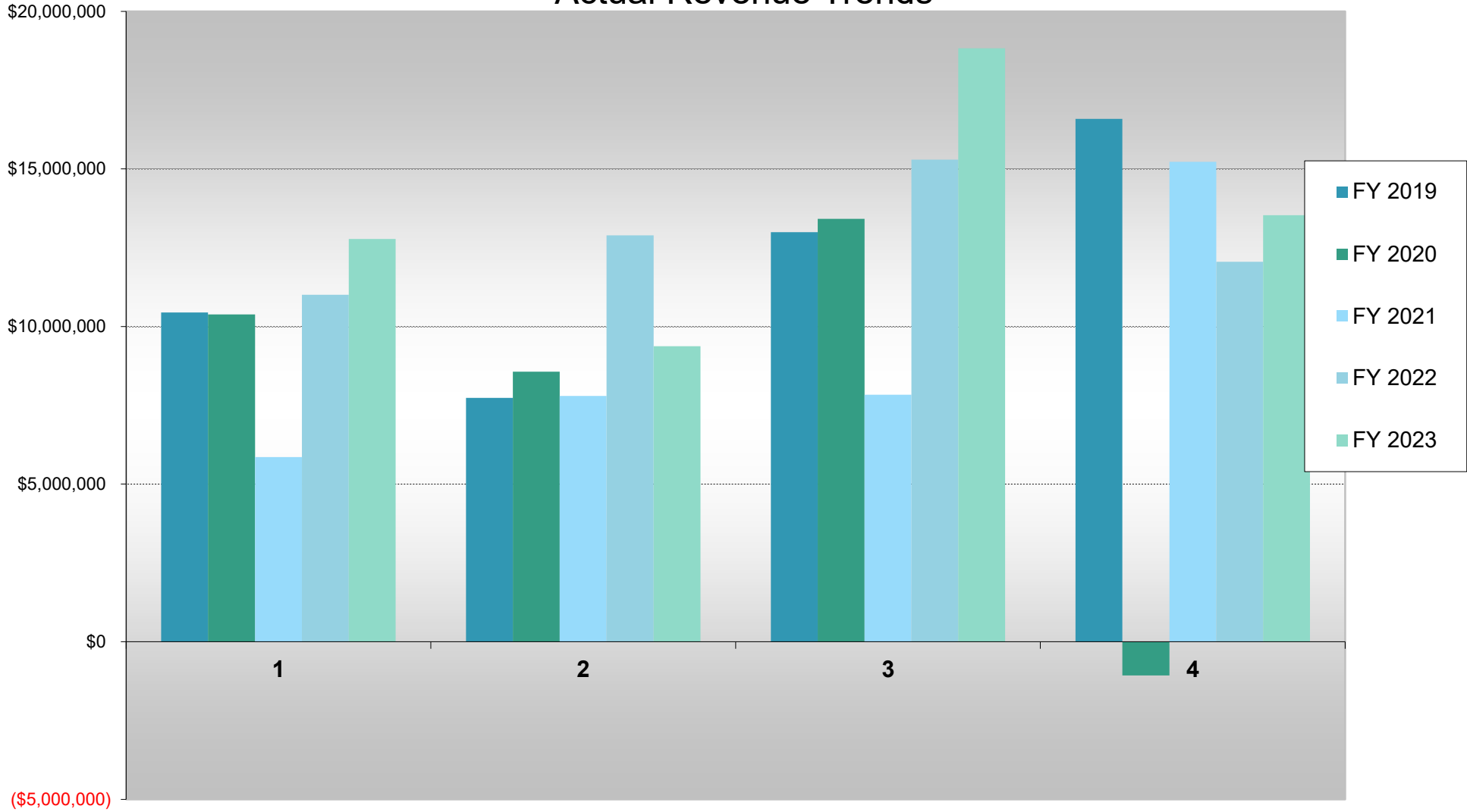
⁷ The Park Revenue and Operating Fund maintains fund balances at adequate levels relative to projected operation and maintenance expenses. These costs change annually; therefore, funding is carried forward each fiscal year, and ending balances fluctuate, reflecting the carryover of these funds.

⁸ 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. Due to Fund shortages as a result of Covid 19, the reserves are used to cover the portion of shortages.

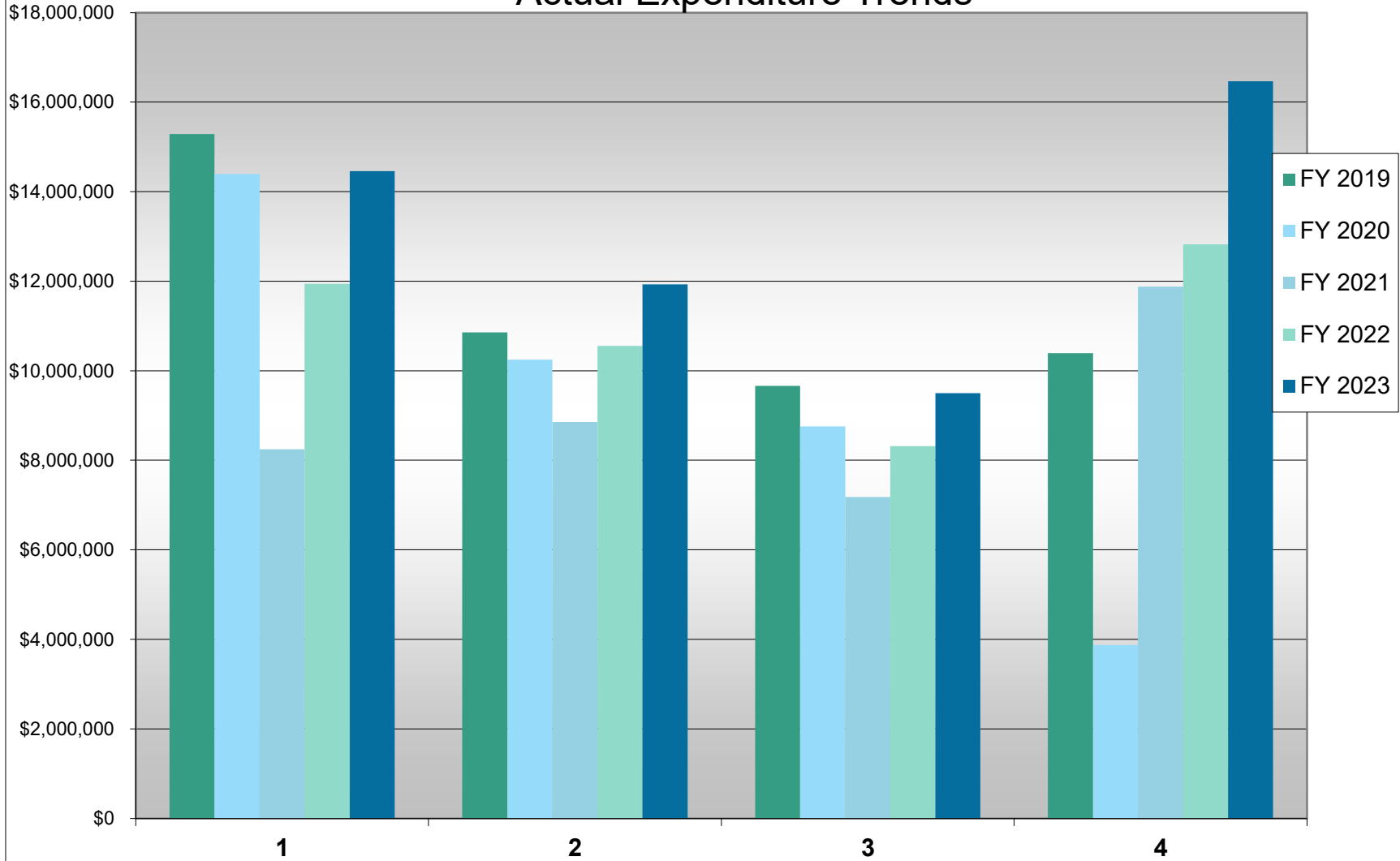
⁹ The Donation/Deferred Revenue Reserve includes donations that the Park Authority is obligated to return to donors in the event the donation cannot be used for its intended purpose. It also includes a set aside to cover any unexpected delay in revenue from sold but unused Park passes. Park Authority Board approved transfer of Donation Reserve to Fund 80300, PR-000133, FCPA Donation Account to allow staff to more efficiently spend donation dollars.

¹⁰ The Set Aside Reserve is used to fund renovations and repairs at various park facilities as approved by the Park Authority Board.

Revenue Fund Actual Revenue Trends



Revenue Fund Actual Expenditure Trends



FY 2023 REVENUE AND EXPENDITURES ANALYSIS FUND 80000
CUMULATIVE AMOUNTS BY SITE
As of June 30, 2023

	Category	FY2023	FY2022	Variance
Administration	Revenue	727,774	4,073,557	(3,345,783)
	Expense	4,322,340	2,528,737	1,793,603
	Net	<u>\$ (3,594,566)</u>	<u>\$ 1,544,820</u>	<u>\$ (5,139,386)</u>
Golf Enterprises	Revenue	16,744,969	15,300,723	1,444,246
	Expense	12,310,657	11,545,661	764,996
	Net	<u>\$ 4,434,312</u>	<u>\$ 3,755,062</u>	<u>\$ 679,250</u>
RECenters	Revenue	27,731,405	23,702,302	4,029,103
	Expense	28,368,519	24,726,528	4,666,217
	Net	<u>\$ (637,114)</u>	<u>\$ (1,024,226)</u>	<u>\$ (637,114)</u>
REC Activities	Revenue	6,032,071	5,665,306	366,765
	Expense	4,318,402	3,074,008	1,244,394
	Net	<u>\$ 1,713,669</u>	<u>\$ 2,591,298</u>	<u>\$ (877,629)</u>
Resource Management	Revenue	3,284,655	2,596,206	688,449
	Expense	3,036,795	1,878,273	1,158,522
	Net	<u>\$ 247,860</u>	<u>\$ 717,933</u>	<u>\$ (470,073)</u>
Combined Total	Revenue	54,520,874	51,338,094	3,182,780
	Expense	52,356,713	43,753,207	8,603,506
	Net	<u>\$ 2,164,161</u>	<u>\$ 7,584,887</u>	<u>\$ (5,420,726)</u>

GOLF ENTERPRISES

	Category	FY2023	FY2022	Variance
Administration	Revenue	106,577	102,197	4,380
	Expense	300,393	619,726	(319,333)
	Net	<u>\$ (193,816)</u>	<u>\$ (517,529)</u>	<u>\$ 323,713</u>
Burke Lake Golf	Revenue	2,310,883	2,105,608	205,275
	Expense	1,766,518	1,338,840	427,678
	Net	<u>\$ 544,365</u>	<u>\$ 766,768</u>	<u>\$ (222,403)</u>
Greendale Golf	Revenue	1,921,369	1,648,765	272,604
	Expense	1,374,017	1,153,446	220,571
	Net	<u>\$ 547,352</u>	<u>\$ 495,319</u>	<u>\$ 52,033</u>
Jefferson Golf	Revenue	1,478,610	1,395,737	82,873
	Expense	1,057,109	1,018,380	38,729
	Net	<u>\$ 421,501</u>	<u>\$ 377,357</u>	<u>\$ 44,144</u>
Pinecrest Golf	Revenue	1,361,112	1,291,714	69,398
	Expense	1,236,135	930,580	305,555
	Net	<u>\$ 124,977</u>	<u>\$ 361,134</u>	<u>\$ (236,157)</u>
Twin Lakes Golf	Revenue	4,080,461	3,735,000	345,461
	Expense	3,039,809	3,037,087	2,722
	Net	<u>\$ 1,040,652</u>	<u>\$ 697,913</u>	<u>\$ 342,739</u>
Oak Marr Golf	Revenue	2,365,770	2,201,055	164,715
	Expense	1,197,979	1,225,988	(28,009)
	Net	<u>\$ 1,167,791</u>	<u>\$ 975,067</u>	<u>\$ 192,724</u>
Laurel Hill Golf	Revenue	3,120,187	2,820,646	299,541
	Expense	2,338,697	2,221,614	117,083
	Net	<u>\$ 781,490</u>	<u>\$ 599,032</u>	<u>\$ 182,458</u>

RECENTERS

	Category	FY2023	FY2022	Variance
Administration	Revenue	-	-	-
	Expense	1,929,715	2,990,033	(1,060,318)
	Net	<u>\$ (1,929,715)</u>	<u>\$ (2,990,033)</u>	<u>\$ 1,060,318</u>
George Washington RC	Revenue	469,081	314,194	154,887
	Expense	796,009	549,376	246,633
	Net	<u>\$ (326,928)</u>	<u>\$ (235,182)</u>	<u>\$ (91,746)</u>
Franconia RC	Revenue	4,623,927	3,861,270	762,657
	Expense	4,239,718	3,146,030	1,093,688
	Net	<u>\$ 384,209</u>	<u>\$ 715,240</u>	<u>\$ (331,031)</u>
Oak Marr RC	Revenue	4,247,704	3,425,839	821,865
	Expense	3,622,229	2,973,480	648,749
	Net	<u>\$ 625,475</u>	<u>\$ 452,359</u>	<u>\$ 173,116</u>
Providence RC	Revenue	2,286,024	2,157,375	128,649
	Expense	2,671,020	2,285,812	385,208
	Net	<u>\$ (384,996)</u>	<u>\$ (128,437)</u>	<u>\$ (256,559)</u>
South Run RC	Revenue	3,528,031	3,167,065	360,966
	Expense	3,282,563	2,569,327	713,236
	Net	<u>\$ 245,468</u>	<u>\$ 597,738</u>	<u>\$ (352,270)</u>
Spring Hill RC	Revenue	4,369,872	3,385,907	983,965
	Expense	3,647,136	2,725,529	921,607
	Net	<u>\$ 722,736</u>	<u>\$ 660,378</u>	<u>\$ 62,358</u>
Audrey Moore RC	Revenue	3,971,392	3,157,550	813,842
	Expense	3,602,592	2,770,498	832,094
	Net	<u>\$ 368,800</u>	<u>\$ 387,052</u>	<u>\$ (18,252)</u>
Cub Run RC	Revenue	2,899,532	2,052,644	846,888
	Expense	2,902,362	2,440,183	462,179
	Net	<u>\$ (2,830)</u>	<u>\$ (387,539)</u>	<u>\$ 384,709</u>
Mount Vernon RC	Revenue	1,335,844	2,180,458	(844,614)
	Expense	1,675,175	2,276,257	(601,082)
	Net	<u>\$ (339,331)</u>	<u>\$ (95,799)</u>	<u>\$ (243,532)</u>

REC Activities

	Category	FY2023	FY2022	Variance
Marketing	Revenue	-	-	-
	Expense	327,038	241,775	85,263
	Net	<u>\$ (327,038)</u>	<u>\$ (241,775)</u>	<u>\$ (85,263)</u>
Business Office	Revenue	-	-	-
	Expense	777,245	645,923	131,322
	Net	<u>\$ (777,245)</u>	<u>\$ (645,923)</u>	<u>\$ (131,322)</u>
Production Services	Revenue	-	-	-
	Expense	452,608	344,049	108,559
	Net	<u>\$ (452,608)</u>	<u>\$ (344,049)</u>	<u>\$ (108,559)</u>
Clemyjontri	Revenue	152,638	190,612	(37,974)
	Expense	106,032	22,017	84,015
	Net	<u>\$ 46,606</u>	<u>\$ 168,595</u>	<u>\$ (121,989)</u>
REC Activities Admin	Revenue	2,023,791	1,352,964	670,827
	Expense	686,405	636,421	49,984
	Net	<u>\$ 1,337,386</u>	<u>\$ 716,543</u>	<u>\$ 620,843</u>
Burke Lake Park	Revenue	1,149,672	1,229,594	(79,922)
	Expense	658,241	236,348	421,893
	Net	<u>\$ 491,431</u>	<u>\$ 993,246</u>	<u>\$ (501,815)</u>
Lake Fairfax Park	Revenue	1,011,640	938,565	73,075
	Expense	153,287	90,595	62,692
	Net	<u>\$ 858,353</u>	<u>\$ 847,970</u>	<u>\$ 10,383</u>
Lake Accotink Park	Revenue	300,294	304,859	(4,565)
	Expense	126,828	75,190	51,638
	Net	<u>\$ 173,466</u>	<u>\$ 229,669</u>	<u>\$ (56,203)</u>
The Water Mine	Revenue	1,394,037	1,648,712	(254,675)
	Expense	1,030,718	781,691	249,027
	Net	<u>\$ 363,319</u>	<u>\$ 867,021</u>	<u>\$ (503,702)</u>

Resource Management

	Category	FY2023	FY2022	Variance
Administration	Revenue	43,373	37,461	5,912
	Expense	148,074	163,725	(15,651)
	Net	<u>\$ (104,701)</u>	<u>\$ (126,264)</u>	<u>\$ 21,563</u>
Colvin Run Mill	Revenue	104,972	75,563	29,409
	Expense	164,526	55,141	109,385
	Net	<u>\$ (59,554)</u>	<u>\$ 20,422</u>	<u>\$ (79,976)</u>
EC Lawrence	Revenue	171,981	127,737	44,244
	Expense	108,189	91,450	16,739
	Net	<u>\$ 63,792</u>	<u>\$ 36,287</u>	<u>\$ 27,505</u>
Frying Pan Farm Park	Revenue	1,547,224	1,240,074	307,150
	Expense	1,077,394	771,152	306,242
	Net	<u>\$ 469,830</u>	<u>\$ 468,922</u>	<u>\$ 908</u>
Green Spring Gardens	Revenue	483,672	387,762	95,910
	Expense	435,948	291,929	144,019
	Net	<u>\$ 47,724</u>	<u>\$ 95,833</u>	<u>\$ (48,109)</u>
Hidden Oaks Nature Centr	Revenue	198,055	105,324	92,731
	Expense	131,764	78,689	53,075
	Net	<u>\$ 66,291</u>	<u>\$ 26,635</u>	<u>\$ 39,656</u>
Hidden Pond Nature Centr	Revenue	117,216	94,812	22,404
	Expense	189,778	83,766	106,012
	Net	<u>\$ (72,562)</u>	<u>\$ 11,046</u>	<u>\$ (83,608)</u>
Huntley Meadows Park	Revenue	196,818	179,273	17,545
	Expense	247,954	87,076	160,878
	Net	<u>\$ (51,136)</u>	<u>\$ 92,197</u>	<u>\$ (143,333)</u>
Riverbend Park	Revenue	320,102	274,143	45,959
	Expense	436,030	223,643	212,387
	Net	<u>\$ (115,928)</u>	<u>\$ 50,500</u>	<u>\$ (166,428)</u>
Sully Historic House	Revenue	101,243	74,057	27,186
	Expense	97,137	31,702	65,435
	Net	<u>\$ 4,106</u>	<u>\$ 42,355</u>	<u>\$ (38,249)</u>



FAIRFAX COUNTY PARK AUTHORITY



Financial Update

Michael Peter

Park Authority Board Budget Committee

September 13, 2023

Action Item 1

FY 2023 Fourth Quarter Budget Review

Fund 80000 – Park Revenue and Operating Fund



Net Revenue Goals

Purpose	Requirement	Current Value	What Should We Have?	Proposed Carryover Amounts
Revenue Stabilization Reserve	Required minimum 10% of expenditures	\$2.3 Million	\$6 Million	+\$214,149
Deferred Revenue for Summer Programs	Required build up of deferred revenue for all summer programs (audit finding).	\$2.6 Million	\$7.5 - \$8 Million	+\$500,000
Revenue Sinking Fund	For deferred maintenance and reinvestment	\$753,000	\$2 - \$5 Million Annually	+\$1,950,012



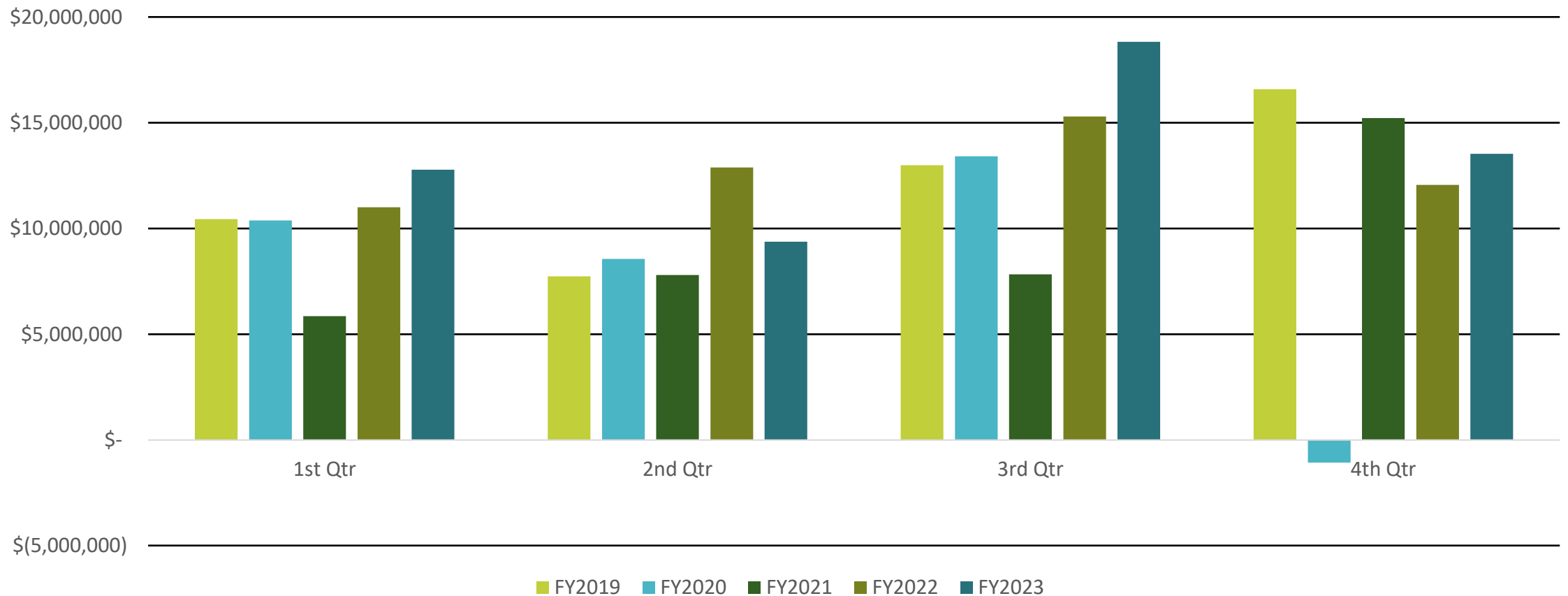
FY 2023 Fourth Quarter Review – Revenue Fund

	Rec Activities	Rec Centers	RMD	Golf	Admin	TOTALS
Revenue/Transfers In	\$6,032,071	\$28,231,405	\$3,284,655	\$16,744,969	\$727,774	\$55,020,874
Merit Salaries	\$1,110,537	\$4,995,322	\$709,916	\$3,321,821	\$1,062,751	\$11,200,347
Non-Merit Salaries	1,181,277	8,389,046	1,288,479	2,420,183	159,133	13,438,118
Benefits	671,540	3,406,960	324,173	2,056,012	517,915	6,976,600
Operating Expenditures	1,355,048	11,577,191	745,398	4,615,914	155,647	18,449,198
Recovered Costs	-	-	(31,171)	(103,273)	(637,918)	(772,362)
County Debt Service					1,008,862	1,008,862
Transfer to General Fund					820,000	820,000
Transfer to Park Improvement Fund					1,235,950	1,235,950
Total Expenditures	\$4,318,402	\$28,368,519	\$3,036,795	\$12,310,657	\$4,322,340	\$52,356,713
<i>Revenue Deferral (Proposed)</i>						\$500,000
<i>Revenue Stabilization (Proposed)</i>						\$214,149
<i>Sinking Fund (Proposed)</i>						\$1,950,012



FY 2023 Actual Revenue – Revenue Fund

Actual Revenue Trends



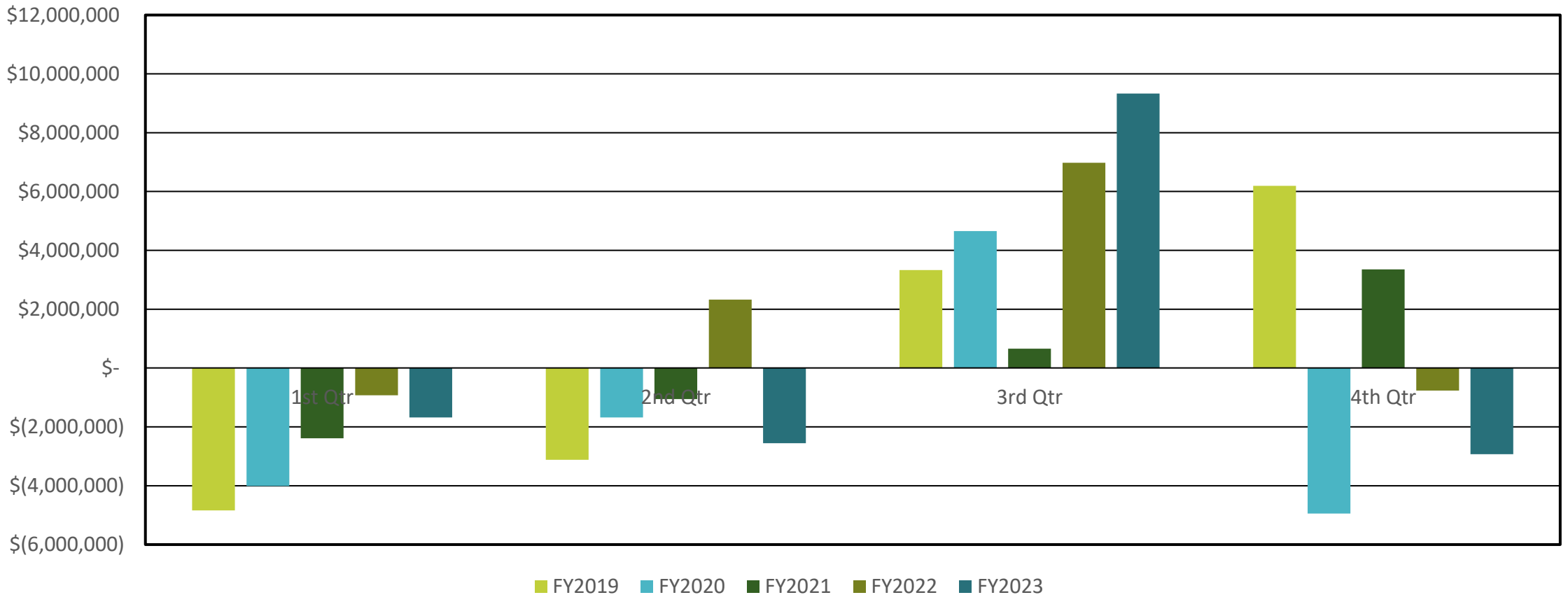
FY 2023 Actual Expenditures – Revenue Fund

Actual Expenditure Trends



FY 2023 Net Revenue – Revenue Fund

Net Revenue Trends



FY 2023 Fourth Quarter Review – Revenue Fund

	FY 2022		FY 2023		
	Actuals	Current Budget	Actuals	Variance to FY 2022	Variance Budget to Actuals
Revenue/Transfer In	\$51,338,094	\$53,493,898	\$55,020,874	\$3,182,780	\$1,026,976
Total Revenue	\$51,338,094	\$53,493,898	\$55,020,874	\$3,182,780	\$1,026,976
Merit Salaries	\$10,400,217	\$10,706,865	\$11,200,893	\$800,676	\$494,028
Non-Merit Salaries	\$11,569,827	\$13,764,223	\$13,437,572	\$1,867,745	(\$326,651)
Benefits	\$6,496,327	\$6,990,215	\$6,976,601	\$480,274	(\$13,614)
Operating/Xfers	\$15,857,127	\$22,732,158	\$21,151,815	\$5,294,688	(\$1,580,343)
Capital Equipment	\$483,025	\$515,874	\$362,195	(\$120,830)	(\$153,679)
Recovered Costs	(\$1,053,316)	(\$1,303,137)	(\$772,363)	\$280,953	\$530,774
Total Expenditures	\$43,753,207	\$53,406,198	\$52,356,713	\$8,603,506	(\$1,049,485)
Net Revenue	\$7,584,887	\$87,700	\$2,664,161	(\$4,920,726)	\$2,576,461



Pandemic Recovery and Required Transfers

Transfers to Revenue and Operating Fund: \$3,328,834

- FY20 - \$1,455,136 from Revenue Sinking Fund
- FY21 - \$957,403 from FY20 Appropriated Monopole Revenue
- FY22 - \$916,295 from FY21 Appropriated Monopole Revenue

Rebuild Revenue Sinking Fund: \$2,669,531

- \$1,950,012 from FY23 Year-End Net Revenue
- \$719,519 from FY23 Appropriated Monopole Revenue



Net Revenue Distribution – If Approved by PAB

Purpose	Requirement	Proposed Value	What Should We Have?
Revenue Stabilization Reserve	Required minimum 10% of expenditures	\$4.7 Million	\$6 Million
Deferred Revenue for Summer Programs	Required build up of deferred revenue for all summer programs (audit finding).	\$3.1 Million	\$7.5 - \$8 Million
Revenue Sinking Fund	For deferred maintenance and reinvestment	\$753,000 + \$1,950,012 + \$719,519 \$3,422,531	\$2 - \$5 Million Annually





FAIRFAX COUNTY PARK AUTHORITY



Financial Update

Michael Peter

Park Authority Board Budget Committee

September 13, 2023



ACTION

****UPDATED – 9/13/2023 PER PAB DISCUSSION**

FY 2025 Non-Recommended General Fund Budget Reductions

ISSUE:

Approval of the Package of FY 2025 Non-Recommended General Fund (Fund 10001) Budget Reduction Submission to the Department of Management and Budget, as presented to the Budget Committee on August 23, 2023.

RECOMMENDATION:

The Park Authority Executive Director recommends approval of the FY 2025 Non-Recommended General Fund (Fund 10001) Budget Reduction Submission.

TIMING:

Board action is requested on September 13, 2023 and the submission is due to the Department of Management and Budget on September 15, 2023.

BACKGROUND

The County Board of Supervisors directed the County Executive to undertake a comprehensive review of rates and fees and to review current services to evaluate efficacy and determine if savings could be achieved. This has a direct impact on the Park Authority's General Fund appropriation from the Board of Supervisors. The County Executive directed all departments to produce budget reduction packages totaling 7% of the department's General Fund appropriation. In his communication, the County Executive stressed that "not every reduction submitted will be incorporated into the proposed FY 2025 Budget, but the process we are undertaking will allow to us to step back and evaluate the services we offer as well as the most efficient means of offering them." Additionally, per County direction the proposed reductions should not include encumbered positions leaving only the Park Authority's operating funds for potential cuts. The Park Authority's operating budget is \$7,458,149 including \$3,282,450 of internal county charges that can't be considered as part of the proposed cuts. This leaves only \$4,200,000 in operating expenses that can be considered as part of the the Park Authority's \$2,370,000 budget reductions.

NON-RECOMMENDED BUDGET REDUCTIONS

Items	Division	Net Amount of Adjustment	Remaining Budget
Close 2/3 of Standalone Park Restrooms	Park Operations	\$185,000	\$102,000

Board Agenda Item
September 13, 2023

Items	Division	Net Amount of Adjustment	Remaining Budget
Eliminate Port-A-Johns at Athletic Field Sites	Park Operations	\$175,000	\$0
Reduce Park Mowing by 1/3	Park Operations	\$147,333	\$294,667
Reduce Athletic Field Mowing from 8X Per Month to 5X Per Month	Park Operations	\$300,000	\$600,000
Reduce Trail Maintenance Funding	Park Operations	\$198,399	\$188,300
Reduce Court Maintenance Budget	Park Operations	\$200,000	\$90,000
Increase Rec-Pac Fees in Line with SACC	Park Services	\$595,000	Revenue Increase
Reduce Rec-Pac Sites by 25%	Park Services	\$275,000	\$825,000
TOTAL NON-PERSONNEL		\$2,075,732	\$2,099,967
Eliminate New Forestry Positions	Park Operations	\$193,974	\$132,026
Eliminate New Bamboo Mitigation Position	Resource Management	\$100,894	\$0
TOTAL PERSONNEL (NON-ENCUMBERED)		\$294,868	\$132,026

Close 2/3 of Standalone Park Restrooms: \$185,000

- Current Budget: \$287,000
- Maintenance and restroom cleaning at 28 year-round and 11 seasonal restroom facilities
- Close 26 restroom sites, keeping open only the following:
 - Frying Pan Farm Park
 - Patriot Park North
 - Lake Fairfax Campsites
 - Burke Lake Marina, Ice Cream Parlor, Campsites
 - Martin Luther King Pool

Eliminate Port-A-Johns at Athletic Field Sites: \$175,000

- Current Budget: \$175,000
- 139 Port-A-Johns are rented via contract on a seasonal basis for athletic fields with no permanent restroom facilities.

Reduce Park Open Space Mowing by 1/3: \$147,333

- Current Budget: \$442,000

Board Agenda Item
September 13, 2023

- Designated open space areas are mowed once every two weeks.
- Reduction would result in open space mowing once every three weeks.
- This would increase and magnify the already existing deferred maintenance throughout parks.

Reduce Athletic Field Mowing by 1/3: \$300,000

- Current Budget: \$900,000
- 715 Athletic Fields (452 FCPS; 263 FCPA) are mowed during the growth season twice per week.
- This would result in a 38% reduction in frequency of mowing (from 8 times per month to 5 times per month.)

Reduce Trail Maintenance Funding by 57%: \$198,399

- Current Budget: \$350,000
- Trail maintenance needs for more than 300 miles of trails are identified by the community as a priority (needs assessment.)
- Increase and magnify the existing deferred maintenance throughout parks.

Eliminate New Forestry Positions: \$193,974

- Total Budget: \$1,072,643
 - Personnel: \$746,643
 - Contract: \$326,000
- In total, the Park Operations Forestry remediates as many as 1,900 trees annually, meeting only the high priority cases.
- As of FY24, the BOS added three positions to create a new crew to address forestry needs.
- This reduction will eliminate the additional support that has yet to be implemented.

Reduce Athletic Court Maintenance and Renovations by 70%: \$200,000

- Current Budget: \$290,000
- Definition: Pickleball, Tennis, Futsal, Basketball
- An average of five athletic courts (pickleball, tennis, futsal, and basketball) are renovated (from re-striping to milling and repaving) each fiscal year.
- The life expectancy of an athletic court is 10 years regular maintenance.
- The Park Authority maintains 409 athletic courts. The public can expect to see court closings start to occur.

Eliminate New Bamboo Mitigation Position: \$100,894

- Current Budget: \$100,894
- With recent one-time funding, FCPA's Natural Resource Managers will prioritize and target locations with good access, vested interests or park assets that could be impacted, and parkland in socially vulnerable areas.

Board Agenda Item
September 13, 2023

- A planned and targeted approach treats up to 20 acres of FCPA parkland and prioritizes equity, allowing for a proactive method instead of reacting to those most vocal citizens.
- Eliminates bamboo mitigation program.

Increase Rec-PAC Fees in Line with Camp Fairfax: \$595,000

- Current Revenue Goal: \$522,000
- Increase Rec-Pac fees (Currently \$3.33 per hour based on 37.5 hours per week) to base level of Camp Fairfax fees (\$5.73 per hour based on 52.5 hours per week)
- Over 11,000 children attended Rec-PAC in FY23, many whom are from high vulnerability areas.
- Assume 40% of increase would be taken by sliding fee scale subsidies.

Reduce Rec-PAC Sites by 25%: \$275,000

- Current Budget: \$1,100,000
- Rec-PAC is a six-week, structured recreation program for elementary school children in Fairfax County. Participants enjoys activities focused on fitness, games, nature, crafts, and other play sessions.
- Reduce number of sites where Rec Pac is offered from 36 to 27.
- Would reduce the number of children participating by 4,000 children.

FISCAL IMPACT:

The County has asked for options that would total 7% of the current Park Authority General Fund Budget. The options presented to the Park Authority Board total \$2,370,600, meeting that goal.

ENCLOSURES:

None

STAFF:

Jai Cole, Executive Director
Sara Baldwin, Deputy Director/COO
Aimee L. Vosper, Deputy Director/CBD
Michael Peter, Director, Administration Division
Tonya Mills, Senior Fiscal Administrator
Nicole Varnes, Senior Budget Analyst

Board Agenda Item
September 13, 2023

PRESENTATION – 1

FY 2025 Proposed Budget

As noted at the July 26, 2023 meeting of the Park Authority Board (PAB), staff have been working through the internal department engagement regarding the Park Authority's FY 2025 Proposed Budget Development. During the month of August, in coordination with the Director's Office, staff have developed data and baseline justifications for priority areas. The background and budget requests will be presented by staff during this PAB meeting. Slides will be available at the conclusion of the meeting.

ENCLOSED DOCUMENTS:

None.

STAFF:

Jai Cole, Executive Director
Sara Baldwin, Deputy Director/COO
Aimee L. Vosper, Deputy Director/CBD
Michael Peter, Director, Administration Division
Tonya Mills, Senior Fiscal Administrator
Nicole Varnes, Senior Budget Analyst

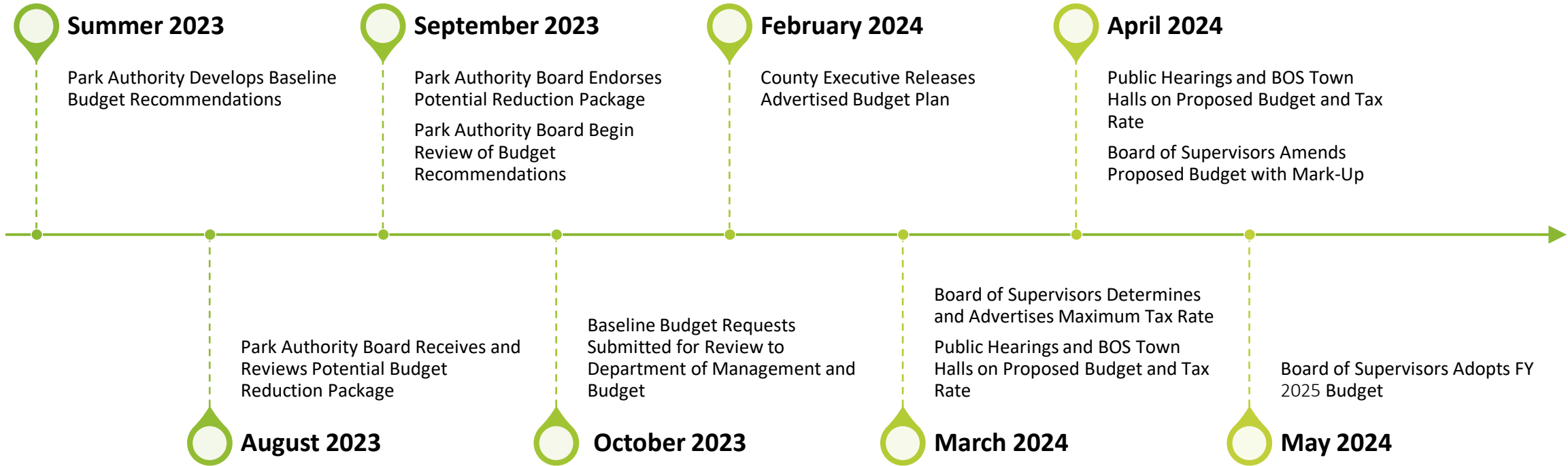


FY 2025 Budget Development

Park Authority Board Meeting
September 13, 2023



FY 2025 Proposed Budget Development Summary



Action Item 2

FY 2025 Budget Reduction Package

Fund 10001 – General Fund



General Fund Budget Reduction Guidance

Due to a challenging budget forecast, the County Executive has requested each department to develop preliminary budget reductions totaling 7% of General Fund appropriation.

The Board of Supervisors discussed this at the meeting on September 12:
[Board of Supervisors Meeting: Sept. 12, 2023 | Board Of Supervisors \(fairfaxcounty.gov\)](#)

Guidance from CEX: “Not every reduction submitted will be incorporated in the proposed FY 2025 Budget, but the process we are undertaking will allow us to step back and evaluate the services we offer as well as the most efficient means of offering them.”

FCPA General Fund Target: \$2,370,600



FY 2025 Non-Recommended General Fund Budget Reductions

Items	Division	Net Amount of Adjustment	Remaining Budget
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TOTAL PERSONNEL (NON-ENCUMBERED)		\$294,868	\$132,026



Information Item 3

FY 2025 Budget Development

Fund 10001 – General Fund



FCPA-Specific Operating Budget Guidance

1. Members of the Park Authority Board are encouraged to coordinate with their District Supervisor in fall 2023 to discuss budget issues in advance of the preparation of the FY 2025 Advertised Budget Plan.
2. Make FCPA operationally whole in future budgets for Forestry and IMA-bamboo mitigation.
3. Work with FCPD to initiate a review of options to expand the presence of law enforcement within our park system, including the proposed park ranger program, and return to the Board with recommendations.



FY 2025 Budget Requests: \$6,842,299

Items	\$ Request
Continuing Services	
CPI/Baseline Operating Increases (Admin and Operations)	\$658,018
Compliance	
Bamboo Removal on Parkland	\$400,000
Zero Waste Trash Removal and Recycling	\$3,391,979*
Operating Budget Impact	
OBI Funding - Maintenance/ Stabilization/ Staffing	\$1,502,302
Forestry Operations	\$890,000
Equity Funding Request	\$TBD

*Can be achieved utilizing a combination of one-time (OEEC, Carryover, Third Quarter) and General Fund for positions.

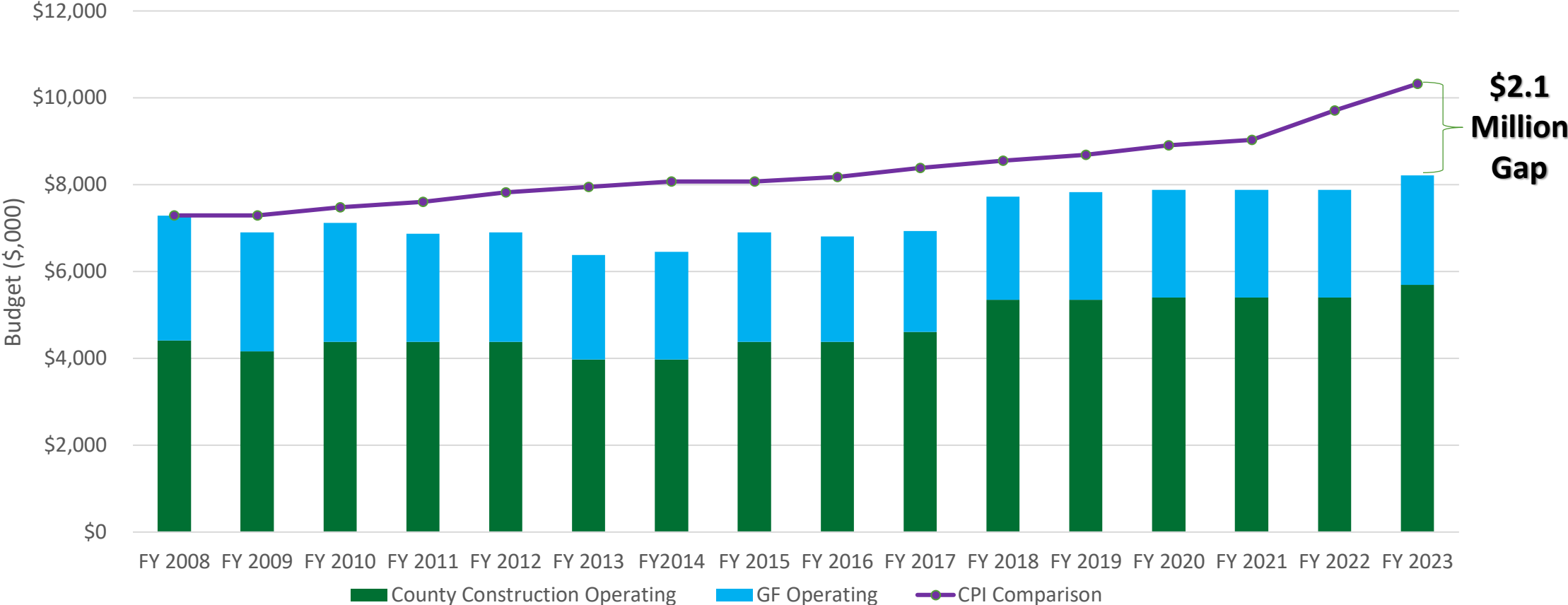


Consumer Price Index (CPI)/Baseline Increases: \$658,018

- Overall CPI for most goods and services has stabilized post-COVID, although catch-up funding for past unfunded increases is still required.
- To continue providing our baseline services as they are, additional funds are required.
- Major maintenance contracts are driving large increases in staffing specifically.
- All requests are to continue providing services at the current levels provided.



Maintenance Budgets vs CPI



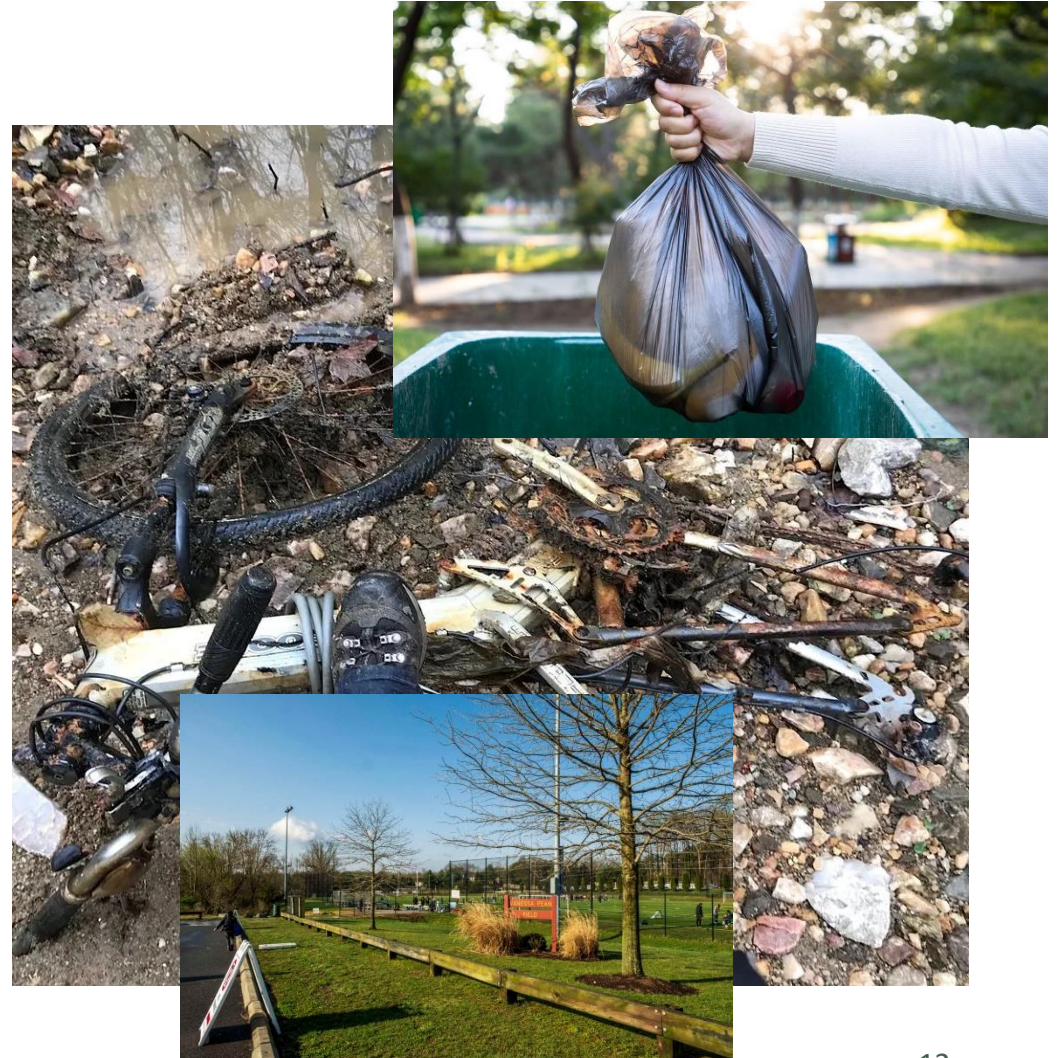
Bamboo Removal on Parkland: \$400,000

- We estimate that there is currently ~200 acres of running bamboo countywide on FCPA property and receive multiple resident complaints per month.
- In response to Fairfax County Code §119-3-2, passed in March 2022 (with enforcement which started January 2023), funding is needed to proactively mitigate bamboo infestation.
- Assuming coordinator position is saved, this ongoing funding would cover the annual needs for mitigation.



Zero Waste Trash and Recycling: \$3,391,979

- Fairfax County Code § 109.1-2-3(a)(4) - Recycling at Non-Residential Properties requires that waste cans must be accompanied by recycling cans.
- In the current model, maintenance staff spend 2-3 days per week on trash, impacting their ability to focus on other park maintenance projects.
- Provide additional trash and recycling services in our parks on the weekends.
- Ensure that trash and recycling separation is occurring at our parks and transported according to associated standards.



Zero Waste Trash and Recycling: \$3,391,979

Item	Amount	Potential Funding Source
One-Time Items		
8 Trucks	\$790,504	OEEC Funding, Carryover, Third Quarter
8 Compactors/Site Prep	\$680,000	
750 Waste/Recycling Receptacles	\$500,000	
TOTAL ONE-TIME	\$1,970,504	
Ongoing Items		
6 Maintenance Crew Chiefs (S17)	\$381,311	General Fund Appropriation
6 Senior Maintenance Workers (S15)	\$347,982	
12 Non-Merit Maintenance Workers (S12)	\$452,955	
Maintenance, General Operating	\$239,227	
TOTAL ONGOING	\$1,421,475	



Maintenance/Stabilization/Staffing: \$1,502,302

- FY23 - \$201,000 for 214 acres/13 Renovated Sites
- All new and majorly renovated properties require additional maintenance, utility, and operating costs that are not in the current budget
- # of Positions Needed: 6 Merit; 2 Non-Merit; 3 Temporary

Unfunded FY24 Request – for FY22 and FY23 Sites (\$350,000)	New FY25 Request – for FY23 and FY24 Sites (\$1,152,302)
Arrowbrook Park – Ratcliffe	Accotink Stream Valley Park Expansion
Arrowhead Park	Blake Lane Park
Bren Mar Property Stabilization	Elklick Preserve Expansion
Chandon – Playground/ADA Improvements	Mount Vernon Woods Park
Fairfax Arms Property	Woodlands Education and Stewardship Center
Holladay- Synthetic Turf Conversion	
Laurel Hill - Central Green	
Oak Marr Rec Center- Cricket Netting	
Pohick Stream Valley Trail	
Riverbend - Maintenance Facility	
Scotts Run - Station 44 Athletic Field	

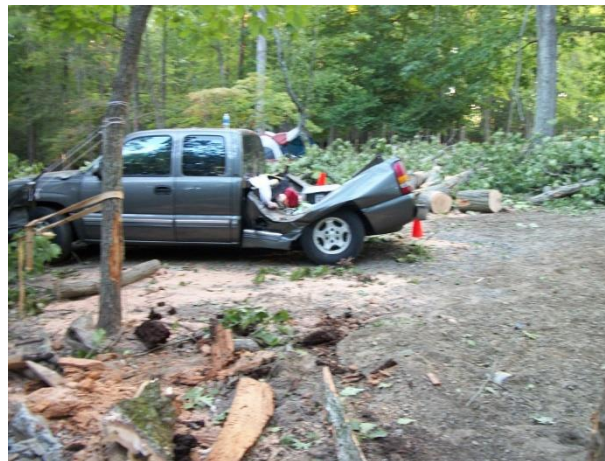


Forestry Funding: \$890,000

- The current contract budget of \$383,000 only covers about 30% of the annual costs of removing high-risk trees
- Average # of trees removed as increased by 100% (1,005) compared to ten years ago
- Cost overruns are taken from other high priority maintenance projects. With no additional funds, we must scale back to only high-risk trees
- Additional funding will allow FCPA to move from reactive service delivery to proactive and preventative care needs



Forestry Operations: Potential Consequences of Inadequate Resources



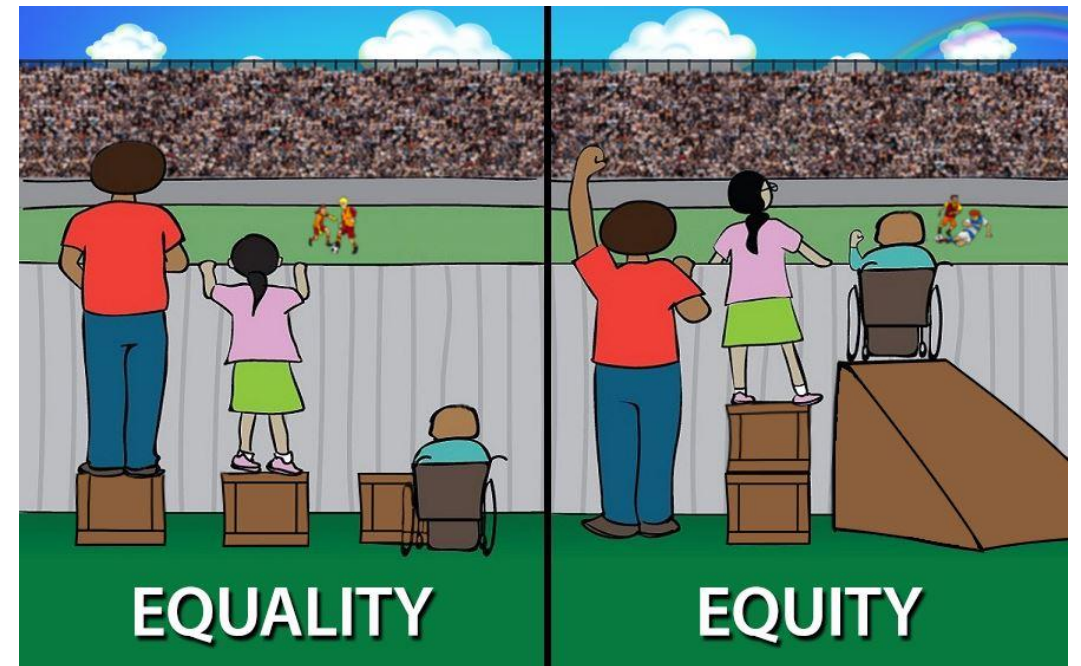
Forestry Operations Trees & Expenditures

Fiscal Year	Budgeted Amount	Actuals	Deficit	Sources of Deficit Coverage			
				Carryover/ 3d Quarter	Park Maintenance	General Fund	Athletic Fields
2013	\$212,924	\$237,000	\$24,076		\$24,076		
2019	\$276,000	\$784,000	\$508,000	\$300,000	\$100,000	\$58,000	\$50,000
2020	\$276,000	\$530,000	\$254,000			\$254,000	
2021	\$276,000	\$635,000	\$359,000		\$81,000	\$218,000	\$60,000
2022	\$276,000	\$961,000	\$685,000		\$295,000	\$390,000	
2023	\$326,000	\$1,240,000	\$914,000	\$500,000	\$64,000	\$300,000	\$50,000
2024 (Forecast)	\$383,000	\$1,273,000	\$890,000	\$500,000		+ \$TBD	

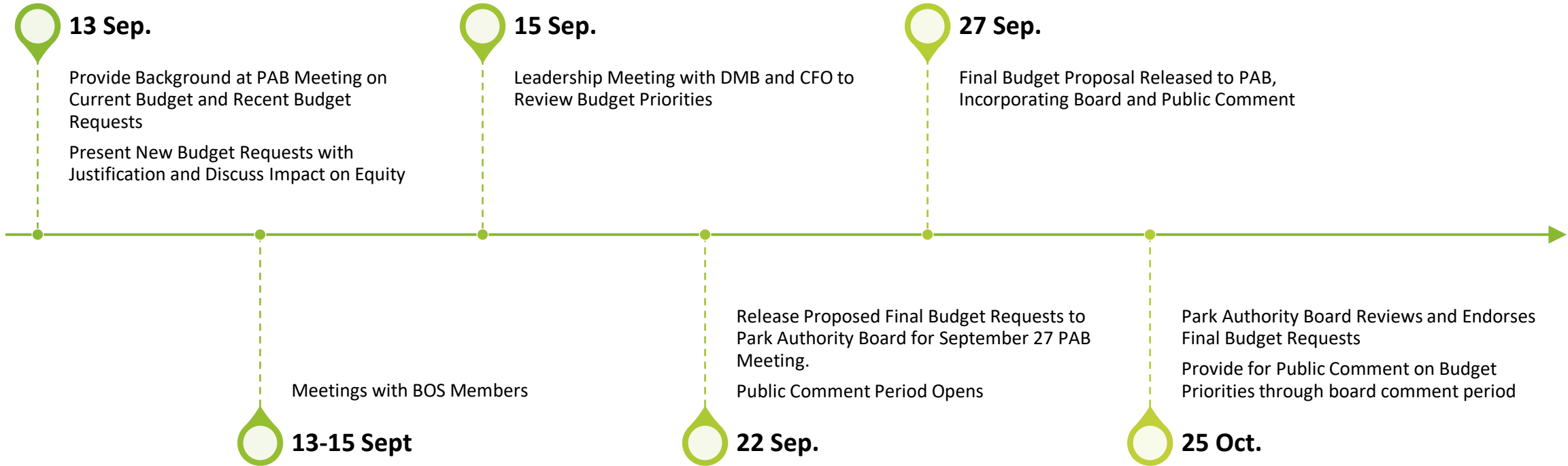


Equity: \$TBD

- Still working with consultant and DMB, etc.
- Focus was always past the budget cycle
- Options will be presented in the Winter.
- We will come back to the PAB with an equity request for endorsement.



FY 2025 Proposed Budget Development



Opportunities for Input

- **September 13, 2023 (6:30PM)**
 - Watch Presentation on Budget Priorities at Park Authority Board Budget Committee Meeting
<https://www.fairfaxcounty.gov/parks/board/meetings>
- **September 15-22, 2023**
 - Public Comment Period on Initial FCPA Budget Proposals
<https://www.fairfaxcounty.gov/parks/publications-plans-budget>
- **September 22, 2023**
 - Final Staff Proposed Budget Package Released to Park Authority Board and Available to Public
- **September 27, 2023 (6:30PM)**
 - Presentation on Revised Budget Priorities at Park Authority Board Budget Committee Meeting
<https://www.fairfaxcounty.gov/parks/board/meetings>
- **October 25, 2023 (7:00PM)**
 - Park Authority Board Reviews Revised Budget Priorities, Discusses Public Comments, and Endorses Final Budget Proposal

Public Comment can be sent to Parkmail@fairfaxcounty.gov

Opportunities for Input

<https://www.fairfaxcounty.gov/parks/board/meetings>

Parkmail@fairfaxcounty.gov

<https://www.fairfaxcounty.gov/parks/publications-plans-budget>

Questions



A photograph of a garden scene. In the foreground, there is a wooden bench with a curved backrest. The bench is surrounded by lush greenery and numerous small, light purple flowers. A stone path leads from the bench into the background, flanked by more flowering bushes and trees.

FY 2025 Budget Development

Park Authority Board Meeting
September 13, 2023

