Fairfax County Park Authority
Comprehensive Annual Financial Report

For Fiscal Year Ended June 30, 2020

A Component Unit of the
County of Fairfax, Virginia

PARK AUTHORITY MISSION

To set aside public spaces for, and assist citizens in, the protection and enhancement of environmental values, diversity of natural habitats and cultural heritage to guarantee that these resources will be available to both present and future generations; to create and sustain quality facilities and services that offer citizens opportunities for recreation, improvement of their physical and mental well-being, and enhancement of their quality of life.

PARK AUTHORITY VALUES

Enhancing Stewardship	We are stewards for a wonderfully rich community trust of natural and cultural resources. We will provide leadership to expand awareness, appreciation and protection of this heritage.
Fostering Diversity	We embrace the diversity of our community and seek to provide every resident with a wide variety of park experiences and recreational opportunities.
Developing Partnerships	We believe seeking and maintaining active partnerships with neighborhood and community organizations and individuals are essential to becoming a vital and treasured component of the communities we serve.
Providing Quality and Value	We are committed to providing high quality facilities and services that offer superior value and prompt efficient service to our customers and the community.
Communicating Effectively	We strive for productive two-way communication with residents and our staff to allow all to participate fully in creating quality parks and services.
Valuing Our Workforce	We believe our paid and volunteer staff is the key ingredient to our success and commit to creating a participative, team-oriented organization including career development opportunities and meaningful recognition.
Demonstrating Fiscal Responsibility	We are committed to building and preserving a park system that meets the community's needs in a cost effective, fiscally responsible manner.

FAIRFAX COUNTY PARK AUTHORITY

A Component Unit of the County of Fairfax, Virginia

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended June 30, 2020

Financial Management Branch
12055 Government Center Parkway, Suite 927
Fairfax, Virginia 22035
(703) 324-8700, TTY (703) 803-3354
www.fairfaxcounty.gov/parks

Fairfax County Park Authority
Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2020

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STATISTICAL SECTION (*Unaudited)*

Introductory Section

The Introductory Section contains the letter of transmittal, which provides an overview of the Authority's finances, economic prospects, and achievements. It also provides general information on the Authority's structure and personnel.

FAIRFAX COUNTY PARK AUTHORITY

12055 Government Center Parkway, Suite 927 • Fairfax, VA 22035-5500
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November 17, 2020

Honorable Chairman, Members of the Board of the Fairfax County Park Authority (the Authority), and Residents of the County of Fairfax, Virginia:

We are pleased to submit to you the Authority's Comprehensive Annual Financial Report (the CAFR) for the fiscal year ended June 30, 2020 in accordance with the *Code of Virginia*. The financial statements included in this report conform to the accounting principles generally accepted in the United States of America as promulgated by the Governmental Accounting Standards Board (GASB). The accuracy, completeness, and presentation of the financial statements, along with the entire contents of this report, are the sole responsibility of management. To the best of our knowledge, management has been diligent in adhering to internal control guidelines to ensure the highest degree of accuracy in the data presented.

An independent audit firm, Cherry Bekaert LLP, performed the audit of the financial statements included in this report to determine whether the financial statements are fairly presented in all material respects. They have concluded that the financial statements present fairly, in all material respects, the financial position of the governmental activities and the major funds of the Authority as of and for the fiscal year ended June 30, 2020.

The reader is referred to the Management's Discussion and Analysis (the MD&A) section for additional information regarding the activities and financial position of the Authority. All necessary disclosures have been included to enable the reader to gain the maximum understanding of the Authority's financial position.

Profile of the Authority

The Authority is a political subdivision of the Commonwealth of Virginia (the Commonwealth) created pursuant to the Park Authorities Act by ordinance adopted by the Board of Supervisors of the County of Fairfax, Virginia (the County) on December 6, 1950, as amended on October 28, 1991. The Authority has been in operation since its creation in 1950. The Authority operates under the policy oversight of a 12-member Park Authority Board (PAB), in accordance with a Memorandum of Understanding with the County Board of Supervisors (the Board). The Authority manages acquisition, preservation, development, maintenance and operation of its assets and activities through six funds to include County General Fund, Park Revenue and Operating Fund, County General Construction and Contributions Fund, County Capital Renewal Construction Fund, Park Bond Construction Fund, and Park Improvement Fund. The Authority's Board has direct fiduciary responsibility for the Park Revenue and Operating Fund and the Park Improvement Fund, while the county has fiduciary responsibility for the other four funds. The Authority also aggressively seeks management initiatives and alternate funding sources to sustain the delivery of quality services and facilities. The Park Foundation, established in 2001, serves to coordinate and seek generous gifts from individuals, foundations, and corporations who wish to contribute to delighting current and future generations of park visitors. Grants, donations, the Adopt-A-Field and Adopt-A-Park programs, as well as many "friends groups" and other partnerships have provided cash and in-kind contributions to the Authority. The Park Foundation also created a development plan to strategically align Foundation resources with the Authority initiatives.

The Authority's mission is to enrich 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. The Authority oversees the operation and management of a County park system with 23,595 acres of land, 428 parks, nine RECenters centers, eight golf courses, an ice skating rink, 238 playgrounds, 668 public garden plots, seven nature centers, three equestrian facilities, 408 Fairfax County Public Schools athletic fields, 42 synthetic turf athletic fields, 266 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.

In this time of increased concern over the Coronavirus Disease 2019 (COVID-19), the Authority worked closely with County health officials to carefully monitor the situation, and ultimately minimize any potential impacts on park customers and visitors. During this challenging time, the Authority's management priority is the safety of park visitors and park staff by maintaining clear and transparent lines of communication. All Fairfax County Park Authority parks and facilities with the exception of trails were closed from March 16 including preschools. All events, classes, programs, and permitted use of athletic fields, parks historic sites, campgrounds, and picnic shelters during pandemic were all closed for the summer. Beginning in mid-May, the Authority began reopening other amenities of the park system on a gradual basis, beginning with community gardens, golf courses and parks. The Authority projected that the revenue operating fund will have a negative net revenue position ranging from approximately $8.3 million to $13.5 million depending on when park revenue facilities can re-open.

The Authority's revenue depends on the shape of the economic recovery. The path of the revenue recovery will depend significantly on the course of the virus. The Authority is actively working to add revenue sources including virtual and outdoor programs.

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.

In response to nationwide movements on racial and social equity, the Park Authority has fully committed to promoting fairness and justice for all employees and the community. The Authority adopted and participates in the County's One Fairfax initiative on racial and social equity, as well as developed an agency specific Park Authority Equity Plan. The Authority aims to create an inclusive and equitable environment and expand participation of all employees in actions and initiatives that improve the Park Authority and further equity in the offering of public services. The Authority is working with One Fairfax to identify cultural awareness training to educate staff on these issues.

In addition, the Authority continues to work diligently on Americans with Disabilities Act (ADA) compliance issues as identified in the Department of Justice audit as well as the self-assessment/transition plan to ensure compliance and equitable access to all.

Full-time merit staff for all funds in fiscal year 2020 totaled 580.75, which includes a support staff of engineers, park specialists, accountants, architects, landscape architects, planners, market research specialists and archaeologists. In addition to contracted program and service providers, 1,464 limited term and seasonal staff, and numerous volunteers provide a myriad of direct and support services.

ECONOMIC CONDITIONS AND OUTLOOK

Local Economy

As the most populous jurisdiction in both Virginia and the Washington, D.C. metropolitan area, the county's population exceeds 1.17M residents with a growth rate of 1.2% in the past year according to the most recent United States Census data. Fairfax County, Virginia is the most populated county in Virginia. Northern Virginia’s economy is solid, but tax diversification challenges remain related to the tax base. Fairfax County is working to keep up with the needs of a changing, diverse population of engaged residents that includes immigrant families and seniors living on fixed incomes or below the federal poverty level. In response to changing demographics, the county adopted the One Fairfax resolution which directed the development of a racial and social equity policy and plan to ensure all individuals in Fairfax County have an opportunity to reach their highest level of personal achievement.

The county has attractive places to work, play, live and raise a family. Home to a thriving business community, vibrant recreation and entertainment opportunities, shopping locations, one of the best public-school systems in the nation, a world class university and a nationally recognized park system, Fairfax County attracts new residents and businesses yearly. Leadership describes the wide diversity of the industry sectors, represented in the county in IT, aerospace, financial services, hospitality, and construction materials, which shows the value of a Fairfax County headquarters to corporations of all kinds. While, federal government jobs remain a pillar of Northern Virginia’s economy, Fairfax County is also home to innovative startups.

Housing

The county is home to some of the most desirable residential communities in the nation and has one of the highest qualities of life in the US. In June 2020, the number of homes sold in the county decreased 14.8 percent compared to June 2019 (1,503 vs. 1,765). Despite the drop-in sales, the average sales price of all homes that sold in June 2019 in Fairfax County was $639,395, an increase of 3.2 percent over the June 2019 average sales price of $619,363. The average June 2020 price was up 6.3 percent compared to the annual 2019 average home sales price of $601,506.

In additions homes were on the market for an average of 18 days in June 2020 which is the same number of days on the market from June 2019. The number of active listings of homes for sale in the county decreased 39.6 percent in June from a year ago.

Economic Development

When compared to other similar areas, the county stands out because of its highly trained workforce, network of technology firms and services, affordable housing, excellent schools, colleges and universities. It has a strong, diversified, technology-based economy which provides job opportunities in a wide range of sectors such as internet services, information technology and network communications. The county also has a strong base of defense, environmental engineering, energy, satellite and biotechnology clusters. Because of these factors, the county has one of the strongest local economies of any jurisdiction in the Washington D.C. Metro area. Tax receipts disbursed to the Fairfax County government by the state government in May 2020 totaled $13.8 million, a decrease of 19 percent from July 2019, according to figures reported by the Fairfax County Department of Management and Budget. Tax receipts represented retail purchases made in May. Through June 2020, tax receipts distributed to Fairfax County were up 2.1 percent from the same period a year before.

The county is well-positioned to lead the nation as economic growth returns through its thriving and diversified business base. Business growth helps the county fund the nation’s top-rated school system and other public services that contribute to the quality of life of its residents.

Ten local entities signed a memorandum of understanding to join in the creation of the Northern Virginia Economic Development Alliance (NOVA EDA) - a regional brand to promote Northern Virginia as a welcoming place for development. Fairfax County, with 1.2 million residents, is the largest population center in the region, and is a large part of the effort. In addition to this, the County has approved an increase in funding to attract more tourism to South County attractions.

The Authority, a healthy, nationally recognized leader for its park system and programs, is a critical component of the county's economic vitality and helps to attract businesses and visitors to the county.

Employment

The Fairfax County unemployment rate decreased between April 2020 to May 2020. The number of unemployed residents declined from 64,269 to 55,235, an unemployment decrease of 1.4 percent. The county's unemployment rate was up 6.6 percentage points over May 2019.

Fortune Magazine's 2020 list of the 500 largest U.S. Companies by revenue includes 17 companies that are based in the D.C. region and Fairfax County dominates the local list. New to the list is Reston-based, SAIC which is an information technology company.

Eleven Fairfax County-based companies, in industries ranging from defense and technology consulting to financial services and hospitality, hold spots in Fortune magazine's 2020 list of the 500 largest publicly traded companies in the United States.

The current Fortune 500 companies headquartered in Fairfax County are:

- Freddie Mac (41)
- General Dynamics (83)
- Northrop Grumman (96)
- Capital One Financial (97)
- DCX Technology (155)
- Leidos Holdings (289)
- Hilton Worldwide Holdings (338)
- NVR Corp (417)
- Beacon Roofing Supply (434)
- Booz Allen Hamilton (450
- SAIC (466)

The county has all the important components of a dynamic business environment including excellent location advantages, a highly skilled workforce and extraordinary education systems at all levels. The Fairfax County Economic Development Authority (FCEDA) promotes the county as one of the premier centers of Digital Media. The regional workforce has strengths in analytics, web development, user experience design, systems software and app development. This talent pipeline is fed by 60+ regional colleges, universities, and private sector programs. Michael Mathais, CEO of Whereoware, states " Fairfax County is a great location to attract top-tier talent. Additionally, the business community is incredibly supportive of each other both professionally and personally."

MAJOR INITIATIVES AND ACCOMPLISHMENTS

Human Resources Initiatives

- **Enhanced Communication During COVID Pandemic-** The Park Authority has worked to inform and address concerns of employees with enhanced and increased communications and information from Park Authority leadership, the Health Department, and the Human Resources Department. Increased communication included bi-weekly supervisor round tables, All Staff meetings and daily COVID operational team meetings with the Directors Office and leadership team. Additionally, there was visible and proactive engagement to ensure the safety of employees through a dedicated email box to answer all COVID related questions. The Health Department Liaison worked closely with all site managers at the

Authority facilities (i.e. RECenters, Nature Centers) to ensure safe operations prior to reopening facilities. The Park Authority engagement with the workforce encouraged those employees most interested in returning to work first. This effort was supported by the County's Job Match program during facility closures as a result of the Pandemic.

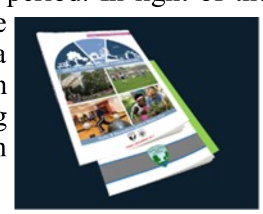
Strengthen Financial Sustainability

- **Financial Sustainability –** The Authority initiated a study to increase revenue from Food and Beverage as this area of the Authority business has significant potential for increased growth and expansion in the Park System. The study will be completed in the fiscal year 2021 and will provide recommendations for expansion and implementation actions.

- **Virtual Summer Program –** As a result of the Pandemic, the Authority's Programs Branch developed virtual programs for a "Virtual Summer". These include: The Virtual Exploration Center, Virtual Camps, Virtual drop-in Fitness Classes, Virtual Concerts, On-demand live classes through Zoom for prearranged groups, and Live Zoom classes in nature, farm tours, fitness, sports, fine arts. Virtual summer was created in collaboration with the Resource Management Division (RMD), the Park Services Division (PSD) and the Summer Entertainment Series. The Programs Branch worked with the County Attorney, Risk Management, and Department of Procurement Materials Management (DPMM) on legal issues related to video streaming, music licenses and rights and contracts for months prior to implementation.

- **Laurel Hill and the Central Green Phase II Underway -** The Central Green is envisioned as a vast maintained lawn suitable for a wide range of activities such as fairs, markets, and special events. Within the Laurel Hill park area are additional opportunities for adaptive re-use of existing facilities related to a cultural display museum and a repurpose of the Heritage Recreation Area to provide space for lighted and irrigated recreational fields. The development of a cultural museum will provide for enhanced education about site and its history related to the cold war, suffragette movement and prison site.

- **Park Authority Strategic Plan -** The Park Authority Board approved Strategic Plan for Fiscal Years 2019-2023 replaced the previous five-year strategic plan for Fiscal Years 2014-2018. The Strategic Plan is a critical management tool that is designed to help the agency focus on the highest priority areas of enhancements, growth, and service improvement opportunities over a five-year period. In light of the pandemic impacts and available resources, it is imperative that priorities be strategically determined and focused. Key focus areas include: inspiring a community passion for parks, meeting the community's changing recreation needs, advancing the park system's excellence, strengthening and fostering partnerships, being equitable and inclusive in services and programs, leading in the area of stewardship, and promoting healthy lifestyles in the community.



Manage and Protect Property

- **Natural Resource Management Plan -** The Natural Resources staff completed the sixth year of the Natural Resource Management Plan adopted in 2014, including activities in all four management themes: Inventory and Planning, Protecting Natural Capital, Managing Wild Populations and Restoring Ecosystems, and Fostering Stewardship and Expanding Natural Capital. Staff continued to populate the geodatabase node and started implementation of five ecosystem restorations under the Helping Our Land Heal (HOLH) program at Old Colchester Park, Riverbend Park, Elklick Preserve, Laurel Hill Park, and Ellanor C. Lawrence Park. Staff also completed two ecological restorations at Fitzhugh Park and Riverbend Park.

- **Environmental Stewardship –** The Natural Resources branch will continue development of the Western Area Natural Resources Management Plan and partner with the Virginia Natural Heritage Program work for the Northern Area Natural Resources Management Plan. This effort seeks to identify the natural resources that are present on park properties and determine the rare, threatened, or endangered organisms living within our park system. These plans will outline natural resources management strategies for protecting and enhancing the Authority's natural communities.

  The Natural Resources Branch and other Authority groups participated in a pilot program for Operation Stream Shield (OSS), a program developed by the Fairfax County Department of Public Works and Environmental Services to employ residents in Fairfax County homeless shelters to remove trash and pull invasive plants on County and Authority owned property. Natural Resources and other staff established an agreement to support OSS year-round by providing work sites and invasive plant training for OSS teams. OSS completed 27 trash cleanups at 20 parks and two invasive plant removals at two parks and will continue to support FCPA in FY21.

- **Conservation Projects –** The Authority has received grants for conservation projects to remove invasive species, which helps benefit the ongoing effort. A Biodiversity Conservation Grant from the National Environmental Education Foundation will fund several projects moving forward. The funds will provide tools, gloves, native plants, and t-shirts for the Invasive Management Area Program, the annual spring Take Back the Forest promotion and the treatment of invasive species at Mark Twain and Huntsman Parks.

- **Developing Partnerships-** In a partnership with Housing and Community Development (HCD), the Park Authority is working on the North Hill Project. The Authority and Housing and Community Development is spending $1.5 million to contract and complete a 12-acre park project that will be owned and maintained by the Park Authority. This project involves development of a 12-acre park parcel with construction of trails and picnic areas, and invasive species mitigation.

  The entire project by HCD will transform the other portions of land to affordable multi-family apartments, independent living for seniors, as well as market-rate townhomes.

  The Authority works in partnership with the Department of Public Works and Environmental Services (DPWES) on the Municipal Separate Storm Sewer System (MS4) permit. The MS4 Permit requires the County and Authority to develop and implement Stormwater Pollution Prevention Plans (SWPPPs) for individual facilities identified as "high priority municipal facilities" (HPMF). Facilities that provide equipment storage, washing and maintenance are considered HPMF. The Department of Public Works and Environmental Services funded pollution prevention projects at high priority park maintenance facilities. Projects were completed at Wakefield Park Maintenance Facility, Greendale Golf course, Jefferson District Park and Twin Lakes Golf Course.

Improve Business Practice

- **GolfNow -** The Authority will replace its existing Point of Sale and Reservation system (EZLinks) application in FY 2021 with the GolfNow G1 application. The replacement of EZLinks with G1 will allow the agency to operate all courses from a single, cloud-based database with enhanced marketing and customer management capabilities and provide ease-of-reporting advances that will improve oversight and data collection and reporting system-wide.

- **Reserve Online -** The Authority implemented a reservation system that includes reservation capability for specific times and pre-purchased tickets for fitness centers, gyms, pools, and park amusements. On-site purchases remain available as the program is implemented. The new program was initiated to provide safe operations and improve controls related to establishing space limitations from the Pandemic impacts on operations. The program has greatly enhanced the ability to manage and maintain proper facility capacity.

FINANCIAL INFORMATION

- **Financial Management**

  All financial activities of the Authority are included within this report. As a component unit of the county, the Authority adheres to the same financial practices as the county and is reported as a discretely presented component unit within the county's CAFR. The Authority is committed to building and preserving a park system that meets the community's needs in a cost effective, fiscally responsible manner. The Authority's Board sets policies and establishes priorities to ensure fiscal integrity and sound financial management. For additional information regarding the basic financial statements and the Authority's financial position, please refer to the Management's Discussion and Analysis section of this report.

- **Independent Audit**

  As a component unit of the county, the Authority is audited each year by an independent auditing firm. The Authority's financial statements of the governmental activities and each major fund have been audited as required by the *Code of Virginia* and received unmodified opinions by the accounting firm of Cherry Bekaert LLP. The report of the independent auditors on the basic financial statements can be found in the financial section of this annual report.

- **Budgetary and Accounting Controls**

  The *Code of Virginia* requires that the county adopt a balanced budget. As a component unit of the county, the Authority adheres to the same budget policies as the county. The county maintains extensive budgetary controls at certain legal, managerial and administrative levels. The adopted Fiscal Planning Resolution places legal restrictions on expenditures at the agency or fund level. Managerial budgetary control is maintained at the fund, cost center and/or project level. Approval by the Board must be granted to alter the total expenditure appropriation of any agency or fund. The Authority's Board has fiduciary responsibility over the Park Authority Revenue and Operating Fund and Park Improvement Fund and has final approval on all budgets of the Authority.

  Management is responsible for establishing and maintaining an internal control system which is designed to ensure that the assets of the Authority are protected from loss, theft, or misuse, and that Generally Accepted Accounting Principal (GAAP) is followed. This system of controls is designed to provide reasonable, but not absolute, assurance that its objectives are met. The concept of reasonable assurance connotes that the cost of controls should not exceed the benefits likely derived. The evaluation of costs and benefits requires estimates and judgments by management. Management has been diligent in adhering to its internal control guidelines to ensure the highest degree of accuracy in its representations. Additionally, as a recipient of federal, state and local financial assistance, the Authority is responsible for maintaining an internal control structure ensuring compliance with all laws and regulations associated with those programs. The internal control structure is subject to periodic evaluation by management, the internal audit staff of the county and independent auditors.

The county's budget is adopted by May 1 for the upcoming fiscal year which begins on July 1, 2020. Two budget reviews, Carryover Review and Third Quarter Review, serve as the primary mechanisms for revising budget appropriations. State law requires that a public hearing be held prior to the adoption of amendments to the current year budget when adjustments exceed $500,000. Any such amendments of $500,000 or more requires that the Board advertise a synopsis of the proposed changes.

- **Debt Administration**

  The county borrows money by issuing tax-exempt general obligation bonds to finance major capital projects. Bond financing spreads the cost of land acquisition and building construction over a period of many years, rather than charging the full cost to current taxpayers. By law, general obligation bonds must be approved in advance by county voters in a referendum. The county continues to maintain its status as a top-rated issuer of tax-exempt securities and has a Triple A rating from all three national rating agencies: Moody's Investors Service, Inc., Standard and Poor's Corporation, and Fitch Investor Service. For additional information on the budgetary, accounting and debt policies, please refer to the Letter of Transmittal in the county's CAFR.

AWARDS

Certificate of Achievement for Excellence in Financial Reporting

- The Authority's CAFR was once again recognized by the Government Finance Officers Association (the GFOA) with the award of its certificate for the fiscal year ending on June 30, 2019.This is the GFOA's highest form of recognition in the area of governmental accounting and financial reporting. In order to be awarded a certificate, an entity must publish an easily readable and efficiently organized comprehensive annual financial report. The report must satisfy both GAAP and applicable legal requirements. Attainment of this award represents significant accomplishment.

The National Recreation and Park Association (NPRA)

- **National Gold Medal for Excellence in Parks and Recreation** – This is the Park Authority's fourth receipt of the Gold Medal Award. The Agency has received the Gold Medal three times previously, in 1983, 2002, 2010 and 2018. Agencies are judged on their ability to address the needs of those they serve through the collective energies of community members, staff, and elected officials.

The Virginia Recreation and Park Society

- **Best New Environmental Sustainability Project in a population area greater than 200,000 -** Team effort to remove invasive species and plant flora to restore White Gardens, to effectively and efficiently utilize resources while helping to raise usage of the park.

- **Best New Renovation/Addition in the Bricks and Mortar category for a population area greater than 200,000 -** Pinecrest Golf Facility, for their innovative project replacing outdated technology at Pinecrest.

Virginia Volunteer Service Award

- **Stephen Thormahlen -** for providing 16 years of service to the Park Foundation and volunteering more than 500 hours at various Board meetings, executive committee meetings, presentations before the Board of Supervisors and the Authority.

Top 50 Public Ranges by Golf Range Magazine

- **Burke Lake Golf Center -** for their dedication to growing the game through programs for all player levels and its fully renovated range.

NACO (National Association of Counties)

- The Park Authority for creating an innovative program that helps to strengthen services for residents by embracing staff ideas for innovation in the "Park Authority Idea Portal".

National Association of Government Communications (NACG)

- **First Place honors in the Display category** – Hidden Oaks Winged Wonders Wall
- **Second Place in E-Newsletter Category** – ResOURces Park Publication
- **Award of Excellence in the Magazine Category** – Parktakes, the Park Authority's chief marketing publication with a subscriber base of nearly 200,000
- **Writers Portfolio Award of Excellence –** Karen Thayer, Parktakes Editor, for feature stories she wrote for the magazine
- **Second Place Award for the Infographic Category** – Parks by Numbers, providing an eye-opening look at the vast size and scope of the Park Authority
- **Second Place honors in the Social Media Outreach (nonpaid) category –** A winter video of animals at Frying Pan Farm Park giving snow day advice on how they were spending their day

ACKNOWLEDGEMENTS

We express our sincere appreciation to all staff who contributed to this report, especially the members of the CAFR Project Team who prepared and compiled this report. We commend them for their professionalism, hard work, and continued efforts to improve this report. Further, we acknowledge and thank our colleagues for their dedication and assistance in adhering to the financial objectives of the Authority.

This CAFR reflects our commitment to provide transparency of information and conformance with the highest standards of financial reporting to the residents of the county, the Authority's Board, and all interested readers of this report.

Respectfully submitted,

Kirk W. Kincannon
Executive Director

Sara Baldwin
Deputy Director/COO

Aimee Vosper
Deputy Director/CBD

FAIRFAX COUNTY PARK AUTHORITY
A Component Unit of the County of Fairfax, Virginia
As of June 30, 2020

Board Members

William G. Bouie, Chairman	Hunter Mill District
Ken Quincy, Vice Chairman	Providence District
Michael W. Thompson, Jr. , Secretary	Springfield District
Timothy B. Hackman, Treasurer	Dranesville District
Dr. Abena Aidoo	Member-at-Large
Cynthia Jacobs Carter	Lee District
Marguerite F. Godbold	Sully District
Linwood Gorham	Mt. Vernon District
Faisal Khan	Member-at-Large
Ronald Kendall	Mason District
Kiel Stone	Braddock District
James P. Zook	Member-at-Large

Executive Director
Kirk Kincannon

Deputy Director/COO
Sara Baldwin

Deputy Director/CBD
Aimee Vosper

Park Operations Division
Kurt Louis, Director

Financial Management Branch
Mike Baird, Acting Sr. Fiscal Administrator

Park Services Division
Cindy Walsh, Director

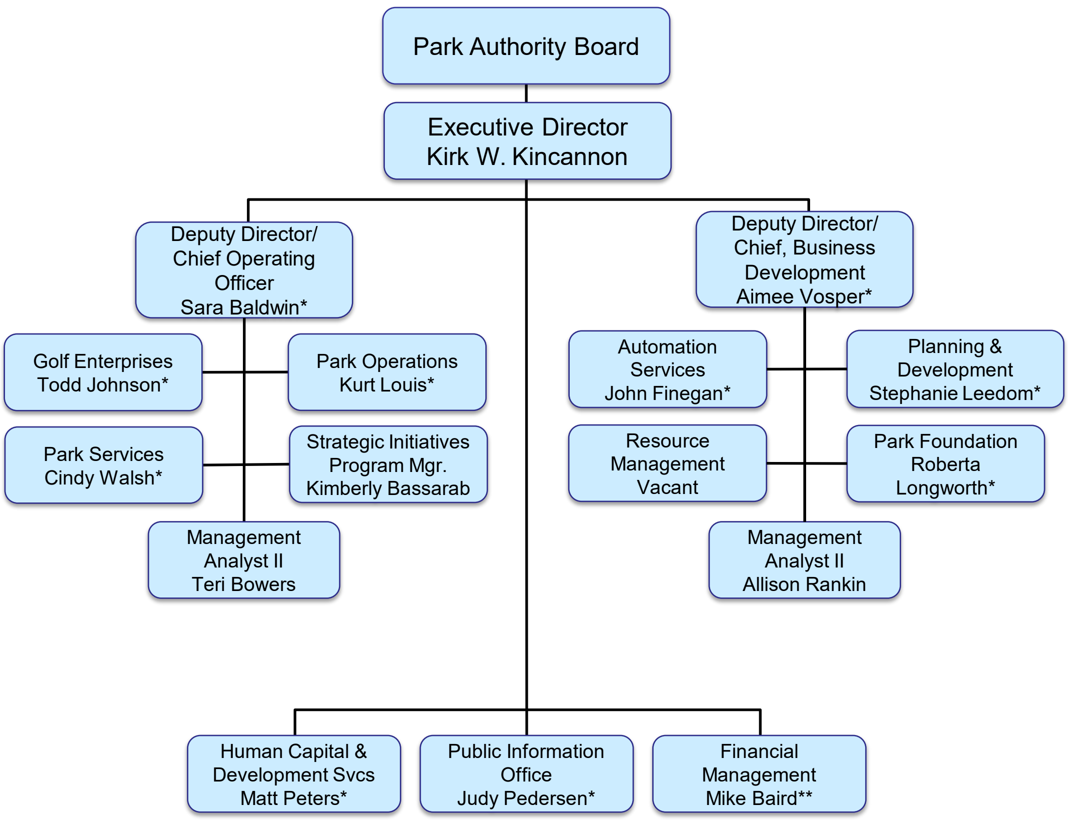
Golf Enterprises
Todd Johnson, Manager

Resource Management Division
Director, Vacant

Planning and Development Division
Stephanie Leedom, Director

Independent Auditor
Cherry Bekaert LLP

Fairfax County Park Authority



*Leadership Team
**Acting

This report was prepared by:

FAIRFAX COUNTY PARK AUTHORITY

FINANCIAL MANAGEMENT BRANCH

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Mike Baird, Acting Senior Fiscal Administrator
& Budget and Capital Projects
Shashi Dua, Financial Reporting
Clare O'Brien, Accounts Payable
Tram Bui, Purchasing
Nicole Varnes, Revenue, Accounts Receivable

With the support and assistance of many others.

Special thanks to Cindy Fortuno, Graphic Designer

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Fairfax County Park Authority
Virginia

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2019

Christopher P. Morrill

Executive Director/CEO

Financial Section

The Financial Section includes the report of the independent auditor on the financial statements, management's discussion and analysis, the basic financial statements, including the accompanying notes, and required supplementary information with notes.

Cherry Bekaert LLP
CPAs & Advisors

Report of Independent Auditor

To the Board of Supervisors
County of Fairfax, Virginia

To the Fairfax Park Authority Board

We have audited the accompanying financial statements of the governmental activities and each major fund of the Fairfax County Park Authority (the "Authority"), a component unit of the County of Fairfax, Virginia, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Authority, as of June 30, 2020, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

Uncertainty
As discussed in Note I to the financial statements, in March 2020, the World Health Organization declared COVID-19 a global pandemic. Given the uncertainty of the situation and the duration of any business disruption, the related financial impact cannot be reasonably estimated at this time. Our opinion is not modified with respect to this matter.

Ordinance
As discussed in Note A-1 to the financial statements, the Authority's current Ordinance with the County of Fairfax, Virginia expires on October 28, 2021, and it is the intent of the Authority to extend this agreement. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information
Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the required supplementary information and notes, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Authority's basic financial statements. The Introductory and Statistical sections, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The Introductory and Statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Cherry Bekaert LLP

Tysons Corner, Virginia
November 17, 2020

Management's Discussion and Analysis

The Management's Discussion and Analysis subsection provides a narrative introduction and overview of the basic financial statements. It also provides an analytical overview of the Authority's overall financial performance and results of operations.

Fairfax County Park Authority
A Component Unit of the County of Fairfax, Virginia
Management's Discussion and Analysis *(Unaudited)*
For the Fiscal Year Ended June 30, 2020

I. INTRODUCTION

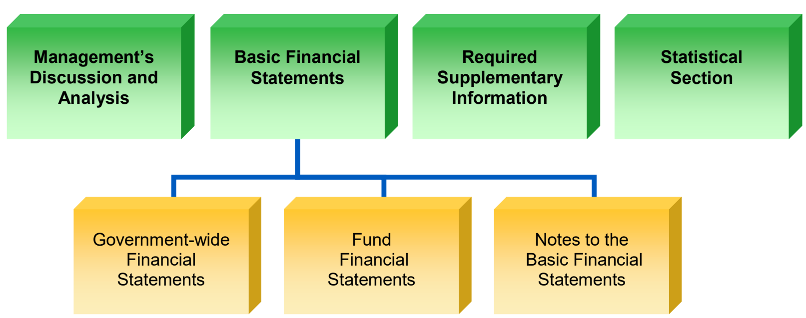
This section of the Fairfax County Park Authority's (the Authority) Comprehensive Annual Financial Report (the CAFR) presents a discussion and analysis of the Authority's financial performance during the fiscal year ended June 30, 2020. The intent of this discussion and analysis is to give perspective on the Authority's fiscal year 2020 financial performance as a whole.

The Management's Discussion and Analysis (the MD&A) presents information that will help the reader ascertain and understand the reasons for changes in revenues, expenses, and net position for the fiscal year ended June 30, 2020 and includes a comparative analysis to the fiscal year ended June 30, 2019.

II. OVERVIEW OF THE FINANCIAL STATEMENTS

The CAFR consists of four parts: MD&A, Basic Financial Statements, Required Supplementary Information, and a Statistical Section. The Basic Financial Statements are organized to provide an understanding of the fiscal performance of the Authority as a whole, followed by an increasingly detailed look at the Authority's specific financial activities and notes to provide more detailed data and explain information in the financial statements.

Components of the Financial Report



Government-wide Financial Statements

The government-wide financial statements, found on pages 19-20 of this report, are designed to provide readers with a broad overview of the Authority in a manner similar to a private sector business. The Statement of Net Position and the Statement of Activities are financial statements that provide information about the activities of the Authority as a whole, and present a long-term view of the Authority's finances. These financial statements are reported using the economic resources measurement focus and the accrual basis of accounting.

The ***Statement of Net Position*** presents information on all of the Authority's assets and deferred outflows of resources less liabilities, and deferred inflows of resources, resulting in the net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Authority is improving or deteriorating. The Statement of Net Position can be found on page 19 of this report.

The ***Statement of Activities*** presents information showing how the Authority's net position changed during the fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in the Statement of Activities for some items that will only result in cash flows in future fiscal periods. The Statement of Activities can be found on page 20 of this report.

The government-wide financial statements of the Authority have only one category of operations titled Governmental Activities. The Authority's services and programs are included here, such as golf courses, lake parks, recreation centers, cultural activities, park maintenance and general administration. The county provides an annual subsidy to the Authority through its General Fund to supplement fees charged for the services provided at the Authority's facilities and for maintenance and support through the County General Construction and Contributions Fund.

Fund Financial Statements

The fund financial statements can be found on pages 21-24 of this report.

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Authority uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The Authority uses governmental funds only.

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of expendable resources, as well as on balances of expendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. Both the governmental funds, Balance Sheet and Statement of Revenues and Expenditures and Changes in Fund Balances, provide a reconciliation to facilitate the comparison between governmental funds and governmental activities.

The fund financial statements utilize the current financial resources measurement focus and the modified accrual basis of accounting. Under modified accrual accounting, the fund recognizes revenues when they become available and measurable and expenditures when the liability is incurred (if measurable), except for long-term debt and obligations, which are recognized as they become due. Modified accrual accounting measures cash and all other financial assets that can be readily converted to cash and, as such, provides a more detailed short-term view of general operations.

Notes to the Basic Financial Statements

The Notes to the Basic Financial Statements, found on pages 25-51 of this report, provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements.

III. FINANCIAL HIGHLIGHTS

Highlights for Government-wide Financial Statements

The government-wide financial statements report information about the Authority as a whole using the economic resources measurement focus and accrual basis of accounting.

- ♦ Assets and deferred outflows of resources of the Authority exceeded its liabilities and deferred inflows of resources by $634.36 million. Of this amount, $51.71 million is unrestricted deficit, $31.30 million is restricted for capital projects, $1.51 million is restricted for E.C. Lawrence trust and $0.70 million is restricted for repair and replacement.

- ♦ Revenues of the Authority's functions/programs amounted to $63.37 million while intergovernmental and other amounted to $51.51 million. Expenses amounted to $106.36 million.

Highlights for Fund Financial Statements

The fund financial statements provide detailed information about the Authority's funds using the current financial resources measurement focus and modified accrual basis of accounting.

- ♦ Governmental funds of the Authority reported combined ending fund balances of $34.36 million, an increase of $1.43 million in comparison to the prior year due to an increase in bond sale and premium, Authority's cost cut initiative and closing of Authority's facilities due to pandemic (COVID 19).

- ♦ Due to COVID 19 and with the order of Virginia State governor, the Authority closed all revenue facilities starting March 16, 2020, which eliminated most revenue and vastly increased refunds. Not only closing facilities impacted the revenue, in addition, the County directed departments to pay all employees who were scheduled to work till end of the calendar year. The Authority projected that the Revenue and Operating Fund will have a deficit ranging from approximately $8.35 million to $13.5 million depending on when park revenue facilities can reopen. To offset this deficit, the Authority's Executive Director recommended approval to use 100% of the Revenue and Operating Fund Stabilization reserve and also transfer fiscal year 2020 telecom revenue as well as revenue collected in FY18 and FY19 for $0.98 million, which was approved by the Authority's Board in May 2020.

- ♦ Revenues of the Authority's governmental funds amounted to $114.16 million and expenses amounted to $112.70 million.

General Financial Highlights

- ♦ As of June 30, 2020, the Authority's cash of $46.06 million was held in the county's treasury and investment pool.

- ♦ The Authority's expenditures in certain funds were supported by the county. As of June 30, 2020, the amount due from the county was $3.87 million.

- ♦ Total capital assets, net, as of June 30, 2020, amounted to $663.53 million compared to $654.17 million in the prior year.

IV. FINANCIAL ANALYSIS OF THE GOVERNMENT-WIDE FINANCIAL STATEMENTS

Net position may serve as a useful indicator of an entity's financial position. The following table represents a summary of the net position of the Authority at June 30, 2020 and 2019:

Summary of Net Position
As of June 30

	2020	2019	$ Change	% Change
Assets				
Current and other assets	$ 51,388,861	$ 55,441,084	$ (4,052,223)	(7.3)
Capital assets, net	663,530,713	654,174,575	9,356,138	1.4
Total assets	714,919,574	709,615,659	5,303,915	0.7
Deferred outflows of resources				
Total deferred outflows of resources	20,176,016	22,255,236	(2,079,220)	(9.3)
Total assets and deferred outflows of resources	735,095,590	731,870,895	3,224,695	0.4
Liabilities				
Current liabilities	17,041,548	22,536,735	(5,495,187)	(24.4)
Long-term	79,992,329	78,051,462	1,940,867	2.5
Total liabilities	97,033,877	100,588,197	(3,554,320)	(3.5)
Deferred inflows of resources				
Total deferred inflows of resources	3,706,532	5,440,815	(1,734,283)	(31.9)
Total liabilities and deferred inflows of resources	100,740,409	106,029,012	(5,288,603)	(5.0)
Net Position				
Net investment in capital assets	652,557,110	641,972,953	10,584,157	1.6
Restricted for:				
Certain capital projects	31,299,094	23,296,112	8,002,982	34.4
E.C. Lawrence trust:				
Nonexpendable	1,507,926	1,507,926	-	-
Repair and replacement	700,000	700,000	-	-
Unrestricted (deficit)	(51,708,949)	(41,635,108)	(10,073,841)	24.2
Net position	$ 634,355,181	$ 625,841,883	$ 8,513,298	1.4

Analysis of Net Position

The largest portion of the Authority's net position is its investment of $652.56 million in capital assets (i.e., land, buildings and equipment, net of depreciation) less any related outstanding debt used to acquire those assets. The Authority uses these capital assets to provide services to residents; consequently, these assets are not available for future spending. Although the Authority's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be liquidated for these liabilities.

For fiscal year 2020, the Authority reported a deferred outflow of resources of $20.18 million related to Other Postemployment Benefits (OPEB) and pension. The majority of the deferred outflows of resources reported are comprised of current year contributions to the retirement system and OPEB. However, there may be some deferred outflow of resources attributable to the various components that impact pension and OPEB expenses, changes due to actuarial assumptions, and differences between expected or actual experience.

For fiscal year 2020, the Authority reported a deferred inflow of resources of $3.71 million, which represents a net amount attributable to the various components that impact pension and OPEB obligations.

The Authority's overall total net position has increased by $8.51 million, or 1.4%, during fiscal year 2020 primarily due to the increase in net investment in capital assets and restricted net position.

- Current and other assets has been decreased by $4.05 million, or 7.3%, primarily due to COVID 19 impact on the Authority's finances.

- Capital assets, net, have increased by $9.36 million, or 1.4%, mainly due to a $0.70 million increase in land acquisition, $0.02 million increase in easement, a $0.40 million decrease in building and improvements net of depreciation, a $0.84 million increase in equipment and depreciation of equipment and a $8.21 million increase in construction in progress balance because of delay in completion of projects due to COVID 19.

- Long-term liabilities increased by $1.94 million, or 2.5%, primarily due to a decrease of $0.56 million in net pension and an increase of $2.20 million in other postemployment benefits liability, which was offset by a decrease of $0.53 million in loans payable.

- Net investment in capital assets, net of related debt, increased by $10.58 million, or 1.6%, reflecting an increase mainly in land and equipment.

- Net position restricted for certain capital projects increased by $8.00 million, or 34.4%, due to an increase in unused bond funds for capital projects, $1.5 million received from Fairfax County Housing Department for North Park and $1.35 million liquidation of donation reserve from Park Revenue and Operating fund to capital projects due to the Authority's continued challenge to make a positive net revenue, and thus, the spending of donations has been limited. This moves enables the use of donated funds in future.

The results of this fiscal year's operations as a whole are reported in the Statement of Activities. The table below summarizes the changes in net position for the fiscal years ended June 30, 2020 and 2019:

Summary of Changes in Net Position
For the Fiscal Years Ended June 30

	2020	2019	Change	% Change
Revenues:				
Program revenues:				
Charges for services	$ 35,751,786	$ 46,698,699	$ (10,946,913)	(23.4)
Capital grants and contributions	27,613,776	23,444,103	4,169,673	17.8
General revenues:				
Intergovernmental	49,486,823	50,521,420	(1,034,597)	(2.0)
Investment earnings	359,722	382,908	(23,186)	(6.1)
Operating grants not restricted to specific programs	641,985	738,021	(96,036)	(13.0)
Capital contributions not restricted to specific programs	1,022,461	5,890,143	(4,867,682)	(82.6)
Total revenues	114,876,553	127,675,294	(12,798,741)	(10.0)
Expenses:				
Administration	33,150,473	26,202,287	6,948,186	26.5
Maintenance/Renovation	19,821,531	18,291,319	1,530,212	8.4
Golf courses	9,584,128	9,897,649	(313,521)	(3.2)
Recreation centers	22,220,355	28,504,359	(6,284,004)	(22.0)
Lake parks	3,434,921	4,461,687	(1,026,766)	(23.0)
Other leisure services	7,355,455	8,394,414	(1,038,959)	(12.4)
Cultural enrichment	10,315,590	11,761,677	(1,446,087)	(12.3)
Interest on long-term debt	480,802	515,202	(34,400)	(6.7)
Total expenses	106,363,255	108,028,594	(1,665,339)	(1.5)
Change in net position	8,513,298	19,646,700	(11,133,402)	(56.7)
Beginning net position	625,841,883	606,195,183	19,646,700	3.2
Ending net position	$ 634,355,181	$ 625,841,883	$ 8,513,298	1.4

Analysis of Changes in Net Position

The Statement of Activities presents the Authority's revenues and expenses in a programmatic format. For each program, it presents gross expenses, offsetting program revenues and the resulting net cost of each program or activity. A large portion of the Authority's revenues are general*,* that is, not associated with any specific program or activity.

Revenues

In fiscal year 2020, revenues from governmental activities totaled $114.88 million, a decrease of $12.80 million, or 10.0%, from fiscal year 2019. Due to COVID 19 and with the order of Virginia State governor, the Authority closed all revenue facilities starting March 16, 2020, which eliminated most revenue and vastly increased refunds. Not only closing facilities impacted the revenue, in addition, the County directed departments to pay all employees who were scheduled to work until the end of the calendar year.

Explanations of these changes include the following:

- ♦ Charges for services decreased by $10.95 million, or 23.4%, due to closing of all park revenue generating facilities, cancellation of spring and summer camps and programs, refunds on facility rentals and extending the length of season passes for the time when facilities were closed due to COVID 19.

- ♦ Capital grants and contributions from program revenues increased by $4.17 million, or 17.8%, primarily due to increase in bond sales and premium and transferring of $1.35 million donation reserve from Park Revenue and Operating fund to Capital improvement fund, contribution of $1.5 million from Fairfax County Housing Department for North Park development, and revenue received from proffers.

- ♦ Intergovernmental revenue decreased by $1.03 million, or 2.0%, mainly due to decrease of $0.34 million in generation from county's contribution and $0.85 in capital grants and contributions from other Virginia State jurisdictions.

- ♦ Unrestricted Operating grants decreased by $0.96 million, or 13.0%, primarily because of a decrease in public private contributions in Park Revenue and Operating Fund and Park Capital Improvement Fund.

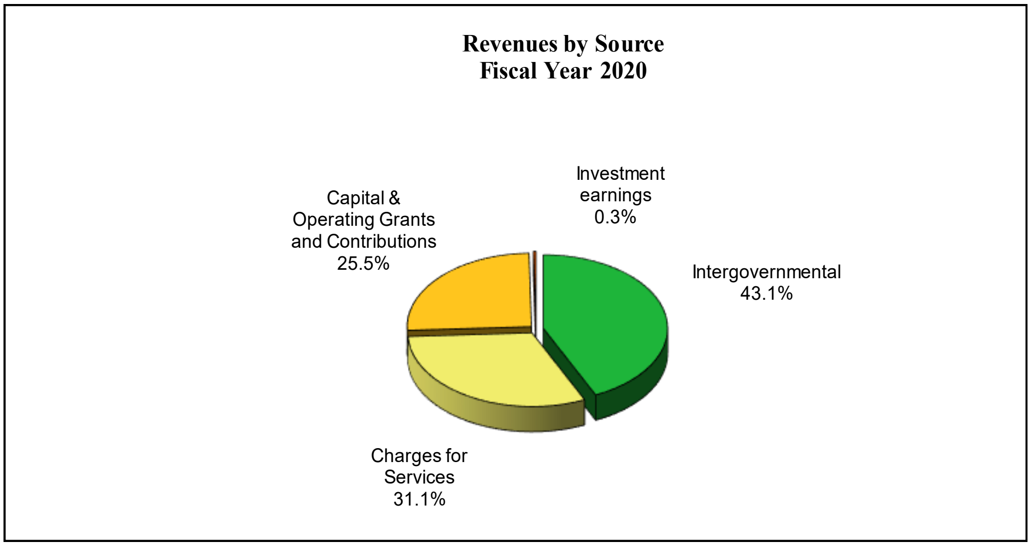
- ♦ Unrestricted capital contributions decreased by $4.87 million, or 82.6%, primarily due to redistribution of developers contributions and a transfer of $1.74 million of telecom revenue to recover Revenue and Operating Fund deficit.

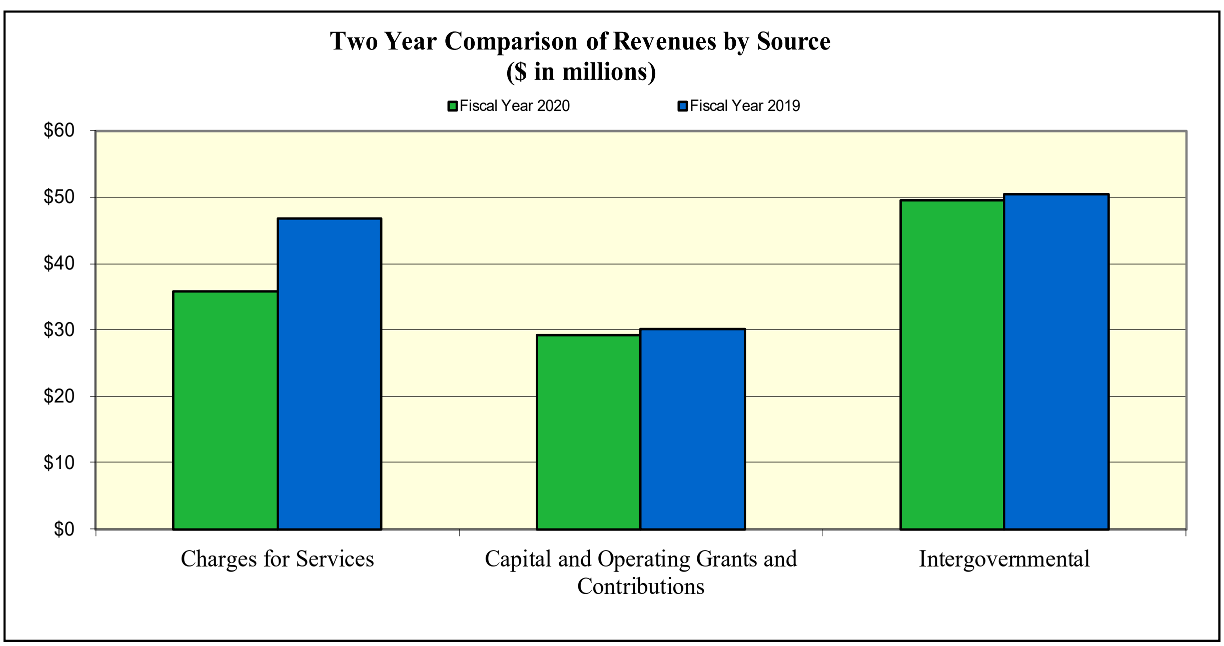
Expenses

The total expenses of the Authority for fiscal year 2020 were $106.36 million representing a decrease of $1.67 million, or 1.5%, compared to fiscal year 2019. This decrease is associated with the Authority's operational costs savings initiatives and reductions in operating expenses and seasonal staff hours.

Revenues

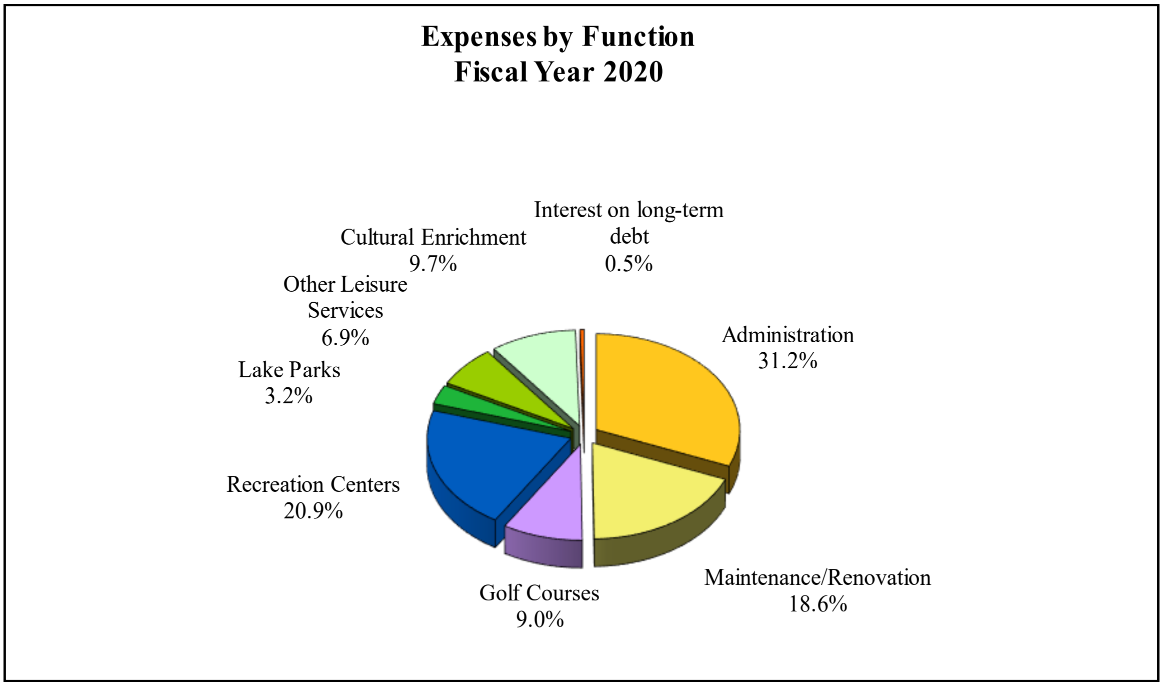
The Authority receives most of its funding from charges for services, capital grants and contributions, and intergovernmental revenues. The following graphics illustrate the Authority's major sources of revenues for the fiscal year ended June 30, 2020:

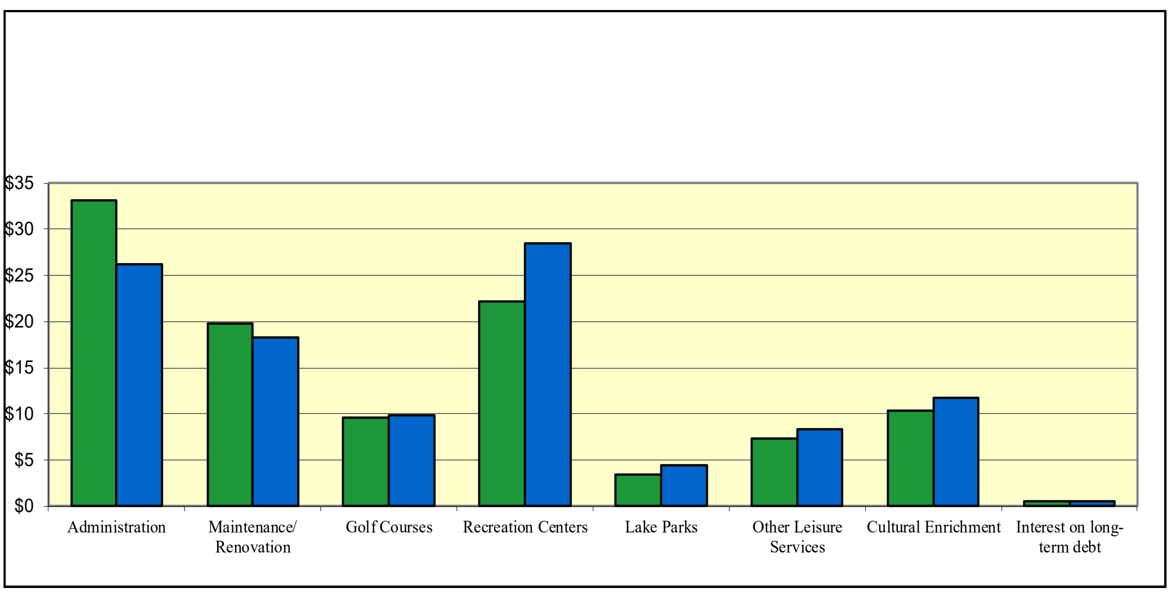




Expenses

For the fiscal year ended June 30, 2020, the Authority's expenses for governmental activities totaled $106.36 million. The Authority's overall expenses have been decreased by $1.67 million, or 1.5%, from fiscal year 2019. The following graphics show the Authority's major expenses by function:





V. MAJOR FUND HIGHLIGHTS

The Authority considers all of its funds to be major. Each fund uses the modified accrual basis of accounting and the current financial resources measurement focus. The fund amounts have been aggregated for fiscal years 2020 and 2019 for the purpose of this analysis.

	Financed from County General Fund	Park Revenue and Operating Fund*	Financed from Construction Contributions Fund	Financed from County Capital Renewal Construction Fund	Financed from Park Bond Construction Fund	Park Improvement Fund	Total Major Funds
Fund balances, 6/30/2018	$ -	$ (981,324)	$ -	$ -	$ 6,724,964	$ 20,657,299	$ 26,400,939
Revenues	36,347,452	47,045,724	12,515,798	1,514,606	20,000,000	6,050,530	123,474,110
Expenditures	(36,347,452)	(46,219,546)	(12,515,798)	(1,514,606)	(16,798,193)	(3,424,245)	(116,819,840)
Transfers (In/Out)	-	(160,000)	-	-	-	160,000	-
Net change in fund balance	-	666,178	-	-	3,201,807	2,786,285	6,654,270
Decrease in revenue for inventory	-	(132,699)	-	-	-	-	(132,699)
Fund balances, 6/30/2019	-	(447,845)	-	-	9,926,771	23,443,584	32,922,510
Revenues	35,513,098	36,114,897	14,066,928	64,493	25,000,000	3,401,792	114,161,208
Expenditures	(35,513,098)	(37,456,513)	(14,066,928)	(64,493)	(19,280,019)	(6,317,723)	(112,698,774)
Transfers (In/Out)	-	(1,507,597)	-	-	-	1,507,597	-
Net change in fund balance	-	(2,849,213)	-	-	5,719,981	(1,408,334)	1,462,434
Decrease in revenue for inventory	-	(28,340)	-	-	-	-	(28,340)
Fund balances, 6/30/2020	$ -	$ (3,325,398)	$ -	$ -	$ 15,646,752	$ 22,035,250	$ 34,356,604

For the fiscal year ended June 30, 2020, the Authority's governmental funds reported a combined fund balance of $34.36 million, an increase of $1.43 million in comparison to the prior year due to an increase in bond premium, Authority's cost cut initiative and closing of Authority's facilities due to pandemic (COVID 19).

The fund balance of the Park Revenue and Operating Fund decreased by ($2.88) million in fiscal year 2020, Due to COVID 19 and with the order of the Commonwealth's governor, the Authority closed all revenue facilities starting March 16, 2020, which eliminated most revenue and vastly increased refunds. Not only closing facilities impacted the revenue, in addition, the County directed departments to pay all employees who were scheduled to work until the end of the calendar year. Of the total fund balance of ($3.33) million in the Park Revenue and Operating Fund, $0.60 million is restricted for debt service and ($4.09) million is unassigned fund balance. The ($4.09) million unassigned fund balance is due to $0.03 million to record resale inventory, $5.26 million of deficit in the fund is because of closing of Parks revenue generating facilities due to COVID and in addition to that paying salary to non merit staff upon the Commonwealth's Governor and County Executive's order. Upon approval of the Authority's board, liquidated $1.2 million of the stabilization reserve to offset fund deficit.

The fund balance of the Park Bond Construction Fund increased $5.72 million due to increase in bond sale and premium. The total fund balance of $15.65 million is restricted for capital projects.

The fund balance of the Park Improvement Fund decreased by $1.41 million mainly due to a transfer in of $1.75 million transfer of monopole revenue to the Park Revenue and Operating Fund to offset fund deficit, a decrease of $1.04 million in developers contributions, an increase of $2.89 million in expenditure and $1.51 million in budgetary transfer. Of the total fund balance of $22.04 million in the Park Improvement Fund, $1.51 million is non-spendable for E.C. Lawrence Trust, $0.70 million is restricted for repair and replacement, and $15.65 million is restricted for capital projects. The remaining fund balance of $4.17 million is committed for other capital projects.

The fund balances of the Financed from County General Fund, Financed from County General Construction and Contributions Fund, and Financed from County Capital Renewal Construction Fund were zero as expenditures are fully offset by revenue received from county appropriations.

VI. CAPITAL ASSETS

The Authority's investment in capital assets includes land, easement, buildings, improvements, equipment, and construction in progress (CIP), which is detailed as follows (net of accumulated depreciation):

Park Authority Capital Assets

		June 30, 2020		June 30, 2019
Land	$	371,144,090	$	370,442,420
Easement		20,007,471		19,990,111
Buildings and improvements		250,712,926		251,124,863
Equipment		5,637,806		4,800,418
Construction in progress		16,028,420		7,816,763
Total	$	663,530,713	$	654,174,575

Major capital asset events during fiscal year 2020 included the following:

- Land increased to $371.14 million, an increase of $0.70 million, or 0.19%, primarily due to the acquisition of Dykstra property, an addition to Poplar Ford and land exchange of Holmes Run with the County Board of Supervisors and transfer of Leewood property at Holmes Run Stream Valley to the County Board of Supervisors.

- A permanent easement to 0.005 acres of Holmes Run Stream Valley increased the easement value by $0.02 million, or 0.09%, from $19.99 million to $20.00 million in FY20.

- Buildings and improvements, net of depreciation, decreased by $0.41 million, or 0.16%, due to increase in depreciation for parks aging facilities.

- Equipment balance net of depreciation, increased by $0.84 million, or 17.44%, due to the purchase of various capital equipment at park sites.

- A increase of $8.21 million in construction in progress, or 105.05%, was mainly due to slow construction works at park sites because of COVID 19.

Additional information on the Authority's capital assets can be found in Note E, page 39, of the Notes to the Basic Financial Statements.

VII. DEBT ADMINISTRATION

The following table summarizes the Authority's gross debt outstanding, as reported in the Statement of Net Position:

Park Authority Outstanding Debt

	June 30, 2020	June 30, 2019
Revenue bonds payable	$ 775,000	$ 1,515,000
Loan payable	10,185,100	10,711,200
Total outstanding debt	$ 10,960,100	$ 12,226,200

Revenue Bonds

As of June 2020, Revenue Bonds Series 2013 Bonds had an outstanding principal balance of $775,000. The county's sale of General Obligation Bonds in January 2013 yielded one of the lowest interest rates in recent history. As a result, the Authority and the county took this opportunity to refinance the Series 2001 debt at a lower rate and provided debt service savings to the Authority.

On June 5, 2013, the Virginia Resources Authority successfully closed the Virginia Pooled Financing Program Spring Series 2013A bond issue and the Authority's local loan. Refunding of the remaining Series 2001 bonds presented a Net Present Value Savings of $784,460 at the rate of 1.2%. The Authority paid $55,206 in interest during fiscal year 2020.

Loan Payable to the County

On June 24, 2003, the Authority entered into a long-term agreement with the county to provide funding of $15,530,000 to finance the costs of the development and construction of a public golf course in the Laurel Hill area of southern Fairfax County. The Laurel Hill Golf Club began operating in fiscal year 2006 and opened its clubhouse in fiscal year 2007. The Laurel Hill revenue bonds Series 2003 were refunded in April 2012 with the outstanding loan payable amount of $13,042,200. The Laurel Hill Series 2012 has an outstanding loan payable amount of $10,185,100 as of June 30, 2020. Principal payments of $526,100 and interest payments of $393,384 were made in fiscal year 2020.

Conduit Debt

On December 27, 2005, the Authority entered into a long-term conservation easement agreement, the "Salona Agreement", in the amount of $12,900,000 with the Northern Virginia Conservation Trust and the DuVal family. This agreement permanently preserves 41 acres of open space as a public park in McLean, VA and will be enforced in perpetuity by the Northern Virginia Conservation Trust. The county made principal payments of $645,000 and interest payments of $169,022 in fiscal year 2020.

As the county is responsible, under the related documents and subject to appropriation, to pay the principal and interest on the related debt, the related transactions, including the liability for the notes, have been recorded in the county's financial statements and not in those of the Authority. As of June 30, 2020, $3,998,661 of this related debt are outstanding. The easement is recorded on the Authority's financial statements.

Bond Rating

The county has the highest credit ratings possible for a local government for its general obligation bonds: Aaa from Moody's Investors Service, Inc., AAA from Standard and Poor's Corporation, and AAA from Fitch Investors Service. The Authority maintains an "AA" rating from Standard and Poor's for its revenue bond debt.

Additional information on the Authority's long-term obligations can be found in Note F, pages 40-42, of the Notes to the Financial Statements.

VIII. GENERAL BUDGET HIGHLIGHTS

The original and final budgeted amounts are shown in the Budgetary Comparison Schedules on pages 54 and 55. Revisions that alter the total appropriations of the budgets must be approved by the Board.

Financed from County General Fund

The Authority's revenue for the leisure services programs (charges for services) continues to be impacted by lower than expected actual revenue due to consolidation of the RecPAC centers, a shift of programs to Park Revenue and Operating Fund, and more scholarship requests. Intergovernmental revenues increased from the original Adopted Budget Plan to offset expenditure increases. Total expenditures appropriation for 2020 Adopted Budget Plan was $27.84 million, which consists of $0.45 million carryover for operating and capital equipment.

Budgetary Trends

The county has experienced many consecutive years of slow revenue growth due to the sluggish economy. Based on a fairly slow economic recovery, complicated by increased needs in services and programs and the revenue shortfalls that the Commonwealth is experiencing, there is limited flexibility to provide required resources. At the current tax rates, the County's General Fund revenues are expected to grow only minimally over the next several years. The approved FY 2020 County General Fund totals $4,449.43 million, an increase of $168.51 million, or 3.94%, over the FY 2019 Adopted Budget Plan. This increase in based on an increase of $86.46 million for Fairfax County Public Schools (FCPS) for Operating, Debt and Constructions requirements and an increase of $88.59 million for County Government requirements. The increase over the Adopted Budget Plan is primarily attributable to requirements to transfer $2.35 billion to FCPS, which represents 52.8% of the total County General Fund Disbursements for FCPS to support operating and debt expenses.

IX. ECONOMIC FACTORS AND TRENDS

Even though the regional economy has been sluggish, Fairfax County has continued to show signs of growth in its economy. Technology has been the driving force behind this economic expansion which has provided a wide range of job opportunities. The county is diversifying from its long time, traditional government market base to new economic sectors such as internet services, information technology and network communications. The county continues to have a strong base of defense, environmental engineering, energy, satellite and biotechnology clusters. All of these sectors are important components of the county's diversified economic base.

In March 2020, the national and local economy were partially shut down to reduce the spread of COVID 19 virus. The future course of the economy is highly uncertain to analyze the state of economic recovery in real time, and to improve forward revenue projections.

Prior to the pandemic, the number of weekly claims for unemployment insurance had been holding steady at historically low levels. As the economy was shut down, the number of initial claims surged dramatically in March 2020. The numbers of continuing claims increased to a maximum around June 2020.

The effect of pandemic on the real estate industry is apparent, the pandemic coincided with spring buying season, and there was a large decrease in the number of purchase applications compared to the previous year. However, mid-May was an inflection point, and the number of applications has bounced back to higher levels than last year, to make up for the slow market in spring, due to lower interest rate.

The Authority provides critical amenities that enhance the quality of life and provide a wide range of cultural and recreational amenities for the residents of Fairfax County, and Northern Virginia more broadly. However, this only tells part of the story as the Authority's operating and capital expenditures generate substantial economic activity within the county economy. The ability of the Authority to leverage its relatively modest, but important, public resources into critical social and cultural infrastructures is a major contributor to the county's overall economy and quality of life.

In mid-March 2020, the national and local economy were shut down partially to reduce the impact of COVID-19, which forced the Authority to close all facilities including RECenters, nature centers, golf courses, historic and visitor centers, equestrian facilities, athletic fields, and cancellation of all summer programs. The closure of facilities eliminated most revenue and increased vastly more refunds. Not only closing facilities impacted the revenue, in addition, the County directed departments to pay all seasonal and non merit employees who were scheduled to work till end of the calendar year. The Authority projected that the Revenue and Operating Fund will have a deficit ranging from approximately $8.35 million to $13.5 million depending on when park revenue facilities can reopen. This impact caused the total liquidation Revenue and Operating Fund Stabilization.

X. FAIRFAX COUNTY PARK AUTHORITY HIGHLIGHTS

The Authority has continued to be true to its dual mission: *To provide recreational opportunity and to preserve and protect natural and cultural resources in Fairfax County*. The Authority continues to be nationally recognized for its excellence in the field of park and recreation management and is considered amongst the best of the best.

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 offering leisure and recreational opportunities through an array of programmed and un-programmed resources. The Authority seeks to provide quality recreational opportunities through construction, development, operation, and maintenance of a wide variety of facilities to meet the varied needs and interests of the county's residents. The Authority strives to improve the quality of life for the residents of the county by keeping pace with residents' interests, by continually enhancing the park system, and by demonstrating stewardship for parkland.

Parks give all county residents and visitors, regardless of age, background or economic condition, the opportunity to seek active recreation as well as natural and cultural enrichment. Park patron use, which includes paid and unpaid visits to staffed and non-staffed parks decreased in fiscal year 2020 to 11.90 million visitors compared to 14.93 million visitors in fiscal year 2019. This decline in attendance from FY19 to FY20 was attributed to the impacts associated with COVID 19, all park facilities were closed to help reduce the impact of the pandemic. The continued impact of COVID virus and restrictions of program and gym attendance will impact the indoor facilities attendance in coming year.

The Authority oversees operation and management of a county park system with 23,595 acres of land, 428 parks, nine RECenters, eight golf courses, an ice skating rink, 238 playgrounds, 668 public garden plots, seven nature centers, three equestrian facilities, 408 Fairfax County Public Schools athletic fields, 42 synthetic turf athletic fields, 266 Authority-owned athletic fields, 83 historic sites, two waterparks, a horticulture center, and more than 334 miles of trails.

The Authority's mission is 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. Despite the continued challenges associated with the economy, the Authority continues has achieved its goals of meeting the county's growing recreational needs and has done so at a high level. In this time of increased concern over the Coronavirus Disease 2019 (COVID-19), the Authority worked closely with County health officials to carefully monitor the situation, and ultimately to minimize any potential impacts on park customers and visitors. During this challenging time, the Authority's management first priority is the safety of park visitors and park staff by maintaining clear and transparent lines of communication. The Authority is actively working to add revenue sources including public private partnerships, virtual and outdoor programs to make their position economically strong.

The Authority is continually challenged by the economic slowdown stressing the park system with continued limited County General Fund support in addition to rising fuel, utility, repair and maintenance costs, aging infrastructure, and needs for active natural and cultural resource management. The Authority also continues to defer all non-critical expenditures in the fiscal year 2020, at a minimum and will continue doing so in future. This includes maintaining positions vacancies and filling only those positions critical to continue to operate core functions of the Authority. These steps were necessary to maximize year end flexibility to offset potential revenue loss.

Resident demand for services continues to grow with the rising population, changing needs and diversity of the community. The continuing urbanization of the county requires different types of parks and recreation services and facilities. The existing suburban park system must be supplemented by parks that are more suitable for the unique urban context and provide appropriate functions, uses, amenities, visual form, ownership, and accessibility to various users of an urban environment. In addition, seniors comprise the most rapidly expanding population group needing park and other county services.

In order to meet the growing challenges in fiscal year 2020, the Authority's Board and staff, along with the County Board, will continue to work through the economic challenges and continue to implement the initiatives and strategies outlined in the 2019 - 2023 Strategic Plan.

XI. CONTACTING THE AUTHORITY'S MANAGEMENT

This CAFR is designed to provide a general overview of the financial condition of the Authority. If you have questions about this report or need additional financial information, please contact the Fairfax County Park Authority, Financial Management Branch, 12055 Government Center Parkway, Suite 927, Fairfax, Virginia 22035. This report can also be found on the Authority's website at www.fairfaxcounty.gov/parks.

Basic Financial Statements

The Basic Financial Statements subsection includes the government-wide financial statements, which incorporate all funds of the Authority. It also includes the Authority's fund financial statements and the accompanying note disclosures to the financial statements.

Fairfax County Park Authority
A Component Unit of the County of Fairfax, Virginia
Statement of Net Position
June 30, 2020

Exhibit A

		Governmental Activities
ASSETS		
Equity in pooled cash and temporary investments	$	27,622,110
Receivables:		
Accounts		57,755
Accrued interest		29,888
Prepaid		207,657
Resale inventory		167,742
Due from Primary Government		3,872,008
Due from intergovernmental units		396,852
Restricted assets:		
Cash with fiscal agents		600,759
Equity in pooled cash and temporary investments		18,434,090
Total current assets		51,388,861
Capital assets:		
Non-depreciable:		
Land		371,144,090
Easement		20,007,471
Construction in progress		16,028,420
Depreciable:		
Building and improvements		518,423,130
Equipment		14,167,897
Accumulated depreciation		(276,240,295)
Total capital assets, net		663,530,713
Total Assets		714,919,574
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflows related to pensions		14,580,059
Deferred outflows related to other postemployment benefits		5,595,957
Total deferred outflows of resources		20,176,016
LIABILITIES		
Accounts Payable and Accrued liabilities		3,890,068
Accrued salaries and benefits		3,313,550
Contract retainages		207,017
Due to Primary Government		117,954
Unearned revenues:		
Passes and classes		8,342,472
Other		338,897
Performance and other deposits		822,299
Accrued interest payable		9,291
Long-term liabilities:		
Portion due or payable within one year:		
Compensated absences payable		2,482,957
Loans payable		585,700
Bonds and premium on bonds payable		788,503
Portion due or payable after one year:		
Compensated absences payable		3,146,325
Loans payable		9,599,400
Net pension liability		57,131,593
Net other postemployment benefits liability		6,257,851
Total liabilities		97,033,877
DEFERRED INFLOWS OF RESOURCES		
Deferred inflows related to pension		2,650,657
Deferred inflows related to other postemployment benefits		1,055,875
Total deferred inflows of resources		3,706,532
NET POSITION		
Net Investment in capital assets		652,557,110
Restricted for:		
Certain capital projects		31,299,094
Restricted reserve for:		
E.C. Lawrence Trust - Nonexpendable reserve		1,507,926
Repair and replacement		700,000
Unrestricted (deficit)		(51,708,949)
Total Net Position	$	634,355,181

See accompanying notes to the financial statements.

Fairfax County Park Authority **Exhibit B**
A Component Unit of the County of Fairfax, Virginia
Statement of Activities
For the Fiscal Year Ended June 30, 2020

		Program Revenues		Net (Expense) Revenue and Changes in Net Position
Functions/Programs	**Expenses**	Charges for services	Capital grants and contributions	Governmental activities
Governmental activities:				
Administration	$ 33,150,473	$ 1,605,950	$ 4,240,821	$ (27,303,702)
Maintenance/Renovation	19,821,531	-	2,120,434	(17,701,097)
Golf courses	9,584,128	9,276,144	630,034	322,050
Recreation centers	22,220,355	19,968,804	6,655,263	4,403,712
Lake parks	3,434,921	2,688,027	855,188	108,294
Other leisure services	7,355,455	196,400	10,919,334	3,760,279
Cultural enrichment	10,315,590	2,016,461	2,192,702	(6,106,427)
Interest on long-term debt	480,802	-	-	(480,802)
Total governmental activities	$ 106,363,255	$ 35,751,786	$ 27,613,776	$ (42,997,693)

General revenues:	
Intergovernmental	$ 49,486,823
Investment earnings	359,722
Operating grants not restricted to specific programs	641,985
Capital contributions not restricted to specific programs	1,022,461
Total general revenues	51,510,991
Change in net position	8,513,298
Net position, June 30, 2019	**625,841,883**
Net position, June 30, 2020	**$ 634,355,181**

See accompanying notes to the financial statements.

Fairfax County Park Authority **Exhibit C**
A Component Unit of the County of Fairfax, Virginia
Balance Sheet-Governmental Funds
June 30, 2020

	Financed from County General Fund	Park Revenue and Operating Fund	Financed from County Construction and Contributions Fund	Financed from County Capital Renewal Construction Fund	Financed from County Park Bond Construction Fund	Park Improvement Fund	Total Governmental Funds
ASSETS							
Equity in pooled cash and temporary investments	$ -	$ 6,416,442	$ -	$ -	$ -	$ 21,205,668	$ 27,622,110
Receivables:							
Accounts	-	57,755	-	-	-	-	57,755
Accrued interest	-	-	-	-	-	29,888	29,888
Prepaid	146,057	-	57,475	-	-	4,125	207,657
Resale inventory	-	167,742	-	-	-	-	167,742
Due from Primary Government	1,955,093	-	1,914,367	2,548	-	-	3,872,008
Due from intergovernmental units	-	-	-	-	396,181	671	396,852
Restricted assets:							
Cash with fiscal agents	-	600,759	-	-	-	-	600,759
Equity in pooled cash and temporary investments	-	-	-	-	16,226,164	2,207,926	18,434,090
Total assets	2,101,150	7,242,698	1,971,842	2,548	16,622,345	23,448,278	51,388,861
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts payable and accrued liabilities	198,182	649,848	1,971,842	2,548	768,576	299,072	3,890,068
Accrued salaries and benefits	1,785,573	1,527,977	-	-	-	-	3,313,550
Contract retainages	-	-	-	-	207,017	-	207,017
Due to Primary Government	117,395	559	-	-	-	-	117,954
Unearned revenues:							
Passes and classes	-	8,342,472	-	-	-	-	8,342,472
Other	-	-	-	-	-	338,897	338,897
Performance and other deposits	-	47,240	-	-	-	775,059	822,299
Total liabilities	2,101,150	10,568,096	1,971,842	2,548	975,593	1,413,028	17,032,257
Fund balances:							
Nonspendable:							
Prepaid	146,057	-	57,475	-	-	4,125	207,657
Inventory	-	167,742	-	-	-	-	167,742
E.C. Lawrence Trust	-	-	-	-	-	1,507,926	1,507,926
Restricted for:							
Repair and replacement	-	-	-	-	-	700,000	700,000
Capital projects	-	-	-	-	15,646,752	15,652,342	31,299,094
Debt service	-	600,759	-	-	-	-	600,759
Committed for:							
Other capital projects	-	-	-	-	-	4,170,857	4,170,857
Unassigned	(146,057)	(4,093,899)	(57,475)	-	-	-	(4,297,431)
Total fund balances	-	(3,325,398)	-	-	15,646,752	22,035,250	34,356,604
Total liabilities and fund balances	$ 2,101,150	$ 7,242,698	$ 1,971,842	$ 2,548	$ 16,622,345	$ 23,448,278	$ 51,388,861

See accompanying notes to the financial statements.

Fairfax County Park Authority **Exhibit C-1**
A Component Unit of the County of Fairfax, Virginia
Reconciliation of the Balance Sheet—Governmental Funds to the Statement of Net Position
June 30, 2020

Fund balance - Total governmental funds			$	34,356,604
Amounts reported for governmental activities in the Statement of Net Position are different because:				
Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in the governmental funds.				
Capital assets:				
Non-depreciable:				
Land	$	371,144,090		
Easement		20,007,471		
Construction in progress		16,028,420		
Depreciable:				
Equipment		14,167,897		
Building and improvements		518,423,130		
Accumulated depreciation		(276,240,295)		663,530,713
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported as liabilities in the funds:				
Accrued interest payable	$	(9,291)		
Compensated absences payable		(5,629,282)		
Loans payable		(10,185,100)		
Bonds payable due within one year		(775,000)		
Bonds payable premium		(13,503)		
				(16,612,176)
Pension and other postemployment benefit liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds				
Deferred outflows related to pensions	$	14,580,059		
Net pension liability		(57,131,593)		
Deferred inflows related to pensions		(2,650,657)		
Deferred outflows related to OPEB		5,595,957		
Net OPEB liability		(6,257,851)		
Deferred inflows related to OPEB		(1,055,875)		
				(46,919,960)
Net position of governmental activities			$	634,355,181

See accompanying notes to the financial statements.

Fairfax County Park Authority
A Component Unit of the County of Fairfax, Virginia
Statement of Revenues, Expenditures and Changes in Fund Balances—Governmental Funds
For the Fiscal Year Ended June 30, 2020

Exhibit D

	Financed from County General Fund	Park Revenue and Operating Fund	Construction and Contributions Fund	Capital Renewal Construction Fund	County Park Bond Construction Fund	Park Improvement Fund	Total Governmental Funds
REVENUES							
Intergovernmental	$ 35,316,698	$ -	$ 14,066,928	$ 64,493	$ 25,000,000	$ 38,704	$ 74,486,823
Charges for services	186,896	32,634,536	-	-	-	-	32,821,432
Revenue from the use of money and property	9,504	2,893,009	-	-	-	498,872	3,401,385
Gifts, donations, and contributions	-	274,624	-	-	-	747,361	1,021,985
Developers' contributions	-	-	-	-	-	2,116,855	2,116,855
Other	-	312,728	-	-	-	-	312,728
Total revenues	35,513,098	36,114,897	14,066,928	64,493	25,000,000	3,401,792	114,161,208
EXPENDITURES							
Current:							
Administration	10,653,307	1,200,671	252,296	-	1,973,232	402,737	14,482,243
Maintenance/Renovation	10,887,225	-	7,719,367	-	-	750,000	19,356,592
Golf courses	504	9,188,155	-	-	11,840	61,924	9,262,423
Recreation centers	179,917	20,621,095	11,221	-	94,323	453,344	21,359,900
Lake parks	1,360,399	1,198,462	-	-	-	15,635	2,574,496
Other leisure services	4,837,990	1,292,256	3,981	-	77,517	64,164	6,275,908
Cultural enrichment	7,547,646	1,418,183	318,520	-	231,084	220,801	9,736,234
Intergovernmental	-	820,000	-	-	-	-	820,000
Capital outlay	46,110	-	5,761,543	64,493	16,892,023	4,349,118	27,113,287
Debt service:							
Principal retirement	-	1,266,100	-	-	-	-	1,266,100
Interest and other charges	-	451,591	-	-	-	-	451,591
Total expenditures	35,513,098	37,456,513	14,066,928	64,493	19,280,019	6,317,723	112,698,774
Excess (deficiency) of revenues over (under) expenditures	-	(1,341,616)	-	-	5,719,981	(2,915,931)	1,462,434
OTHER FINANCING SOURCES (USES)							
Transfers In	-	957,403	-	-	-	2,465,000	3,422,403
Transfers Out	-	(2,465,000)	-	-	-	(957,403)	(3,422,403)
Total other financing sources (uses), net	-	(1,507,597)	-	-	-	1,507,597	-
Net change in fund balances	-	(2,849,213)	-	-	5,719,981	(1,408,334)	1,462,434
Fund balances, June 30, 2019	-	(447,845)	-	-	9,926,771	23,443,584	32,922,510
Decrease in reserve for Inventories	-	(28,340)	-	-	-	-	(28,340)
Fund balances, June 30, 2020	$ -	$ (3,325,398)	$ -	$ -	$ 15,646,752	$ 22,035,250	$ 34,356,604

See accompanying notes to the financial statements.

Fairfax County Park Authority **Exhibit D-1**
A Component Unit of the County of Fairfax, Virginia
Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balances—Governmental Funds to the Statement of Activities
For the Fiscal Year Ended June 30, 2020

Net change in fund balances - Total governmental funds			$	1,462,434
Decrease in fund balance reserve				(28,340)
Amounts reported for governmental activities in the Statement of Activities are different because:				
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeds depreciation expense in the current period.				
Capital outlay	$	27,113,287		
Depreciation expense		(17,348,147)		9,765,140
Donations of capital assets increase net position in the Statement of Activities, but do not appear in the governmental funds because they are not financial resources.				715,345
In the Statement of Activities, the gain or loss on the disposition of capital assets is reported. However, in the governmental funds only the proceeds from sales are reported, which increase fund balance. Thus, the difference is the depreciated cost of the capital assets dispositions				(1,124,339)
Repayment of bond principal is reported as an expenditure or as an other financing use when debt is refunded in governmental funds and, thus, reduces fund balance. However, the principal payments reduce the liabilities in the Statement of Net Position and do not result in an expense in the Statement of Activities				
Principal payment to refunding bonds	$	740,000		
Principal payment of loans		526,100		1,266,100
Interest on long-term debt is reported as an expenditure in the governmental funds when it is due. In the Statement of Activities, however, interest expense is affected as this interest accrues and as bond-related items are amortized. This difference in interest reported is as follows:				
Interest expense	$	8,862		
Amortized premium and deferred loss		(38,081)		(29,219)
Under the modified accrual basis of accounting used in the governmental funds, expenditures for the following are not recognized until they mature. In the Statement of Activities, however, they are reported as expenses and liabilities as they accrue. The timing differences are as follows:				
Compensated absences				(487,238)
Pension and other postemployement benefits related liabilities do not require the use of current financial resources and, therefore, are not reported in the governmental funds:				
Pension expense	$	(2,528,426)		
Other postemployment expense		(498,159)		(3,026,585)
Change in net position of governmental activities			$	8,513,298

See accompanying notes to the financial statements.

Fairfax County Park Authority
A Component Unit of the County of Fairfax, Virginia
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2020

A. Summary of Significant Accounting Policies

The accounting policies of the Fairfax County Park Authority (the Authority) conform to the accounting principles generally accepted in the United States of America (the GAAP) as applicable to governmental units. The Authority's significant accounting policies are described below:

1. Reporting Entity

The Authority, through appropriations from the County of Fairfax, Virginia (the county or Fairfax County) and operating revenues, maintains and operates the public parks and recreational facilities located in the county. The Authority was originally created by the County Board of Supervisors (the Board) on December 6, 1950, to continue in existence for 30 years unless the Board provided for an earlier termination. Its existence, however, may not be terminated while any obligation incurred by the Authority remains binding unless the Board agrees to assume such obligations. The Board approved three interim extensions of the life of the Authority between 1981 and 1991. On October 28, 1991, the Board extended the life of the Authority for a period of 30 years, until October 28, 2021.

Beginning in calendar 2019, work began on the Memorandum of Understanding (MOU) and the County Ordinance that creates and authorizes the Park Authority, by the Board of Supervisors, per the Commonwealth of Virginia enabling legislation. The Authority continues work on the MOU and hired an external legal counsel to assit in this process. However, work related to this action was requested to be put on hold by the County Executive until the completion of the County Strategic Plan, which was agreed to by the Park Authority Leadership. As a result of the Pandemic impacts of COVID-19 on Authority operations, this process has been delayed and has not been finalized as of the date of this report. The Authority will begin in efforts this spring prior to the expiration of the MOU and ordinance in October 2021.

The Board appoints the Authority's board members and a substantial portion of the Authority's operations are financed by the county. Therefore, the Authority is considered a component unit of Fairfax County. The Authority's board appoints the Park Authority's Director to act as the administrative head of the Authority who serves at the pleasure of the Authority's board and carries out the policies established by the Board.

2. Basis of Presentation – Government-wide and Fund Financial Statements

The Basic Financial Statements include both government-wide (based on the Authority as a whole) and fund financial statements. The Authority categorizes its primary activities solely as governmental activities. In the government-wide Statement of Net Position, the governmental type activities are reported using the economic resources measurement focus and the accrual basis of accounting that incorporate long-term assets and obligations. The government-wide Statement of Activities reflects both the gross and net cost per functional category. The Statement of Activities reduces gross expenses, including depreciation, by related program and general revenues.

In the fund financial statements, financial transactions and accounts of the Authority are organized on the basis of funds. The operation of each fund is considered to be an independent fiscal and accounting entity, with a self-balancing set of accounts recording cash and/or other financial resources together with related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations. The fund statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the government-wide statements, reconciliations are presented to explain the adjustments necessary to reconcile the fund financial statements to the government-wide statements.

3. Measurement Focus and Basis of Accounting

The basis of accounting determines when transactions are reported in the financial statements. The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions where the Authority either gives or receives value without directly receiving or giving equal value in exchange include grants and donations. On an accrual basis, revenue from use of money and property and program revenue is recognized in the fiscal year for which services were rendered. Revenues from grants and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied. Program revenues consist primarily of charges to customers who purchase, use or directly benefit from goods, services, or privileges provided by a given function such as recreational classes, tours, golf lessons and green fees, and camps.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. Revenue from the use of money and property and from intergovernmental reimbursement grants is recorded as earned. Other revenues are considered available to be used to pay liabilities of the current period if they are collectible within the current period or within 45 days thereafter. The Authority recognizes budget appropriation at the time of approval by the Board for the Financed from County General Fund, the Financed from County General Construction and Contributions Fund, and Financed from County Capital Renewal Construction Fund. Expenditures are recorded when the related liability is incurred and payment is due, except for principal and interest on long-term debt, which are recorded only when payment is due, and certain other general long-term obligations, such as compensated absences, net pension liability and the net OPEB liability.

The Authority considers all funds to be major and reports the following funds:

<u>*General Fund:*</u>
Financed from County General Fund - This fund is used to account for all financial transactions and resources except those required to be accounted for in other funds. This is financed by county tax dollars to provide operating and maintenance dollars for non-revenue producing sites and programs, agency overhead, planning, mowing, ball field maintenance, trails, natural and cultural management and protection. This fund also accounts for the operations of the park facilities that are financed by the county that generally serve to benefit the community overall.

<u>*Special Revenue Fund:*</u>
Park Revenue and Operating Fund - This fund collects user fees and charges such as general admissions, pass and retail sales, equipment and facility rentals, classes and events at RECenters, Golf Courses, Lakefronts, Historic Sites and Nature Centers. Fees are generally applied in areas serving an individual user benefit. The Authority's Board has fiduciary control over this fund and it is guided by the Revenue and Operating Fund Financial Management Principles found in the Financial Management Plan, which is reviewed and approved annually. This fund operates on a cost recovery basis.

Capital Projects Funds:
Financed from County General Construction and Contributions Fund - This fund accounts for specific park construction and maintenance projects related to park facilities that are financed from the County General Construction and Contributions Fund. No annual operating budget is prepared for this fund as it is budgeted as part of the county's Capital Construction Program. Funding is appropriated to projects and unspent dollars are automatically carried over.

Financed from County Capital Renewal Construction Fund - This fund accounts for Infrastructure Replacement and Upgrades, supports the long-term needs of the county's capital assets to maximize the life of county facilities, avoid their obsolescence, and provide for planned repairs, improvements and restorations to make them suitable for organizational needs. No annual operating budget is prepared for this fund, as it is budgeted as part of the county's Infrastructure Replacement and Upgrades fund.

Financed from County Park Bond Construction Fund - This fund accounts for construction projects and capital improvements of the Authority that are financed primarily by county general obligation bond proceeds. The county bond obligations are not included within the Authority's financial statements as they are county debt and, therefore, are included in the county's government-wide Statement of Net Position. The county is responsible for paying all debt service on these bonds. No annual operating budget is prepared for this fund.

Park Improvement Fund - This fund accounts for construction projects and capital improvements of the Authority that are financed primarily by property rentals, telecommunications, developers' contributions and transfers from the Park Revenue and Operating Fund. No annual operating budget is prepared for this fund. These funds are managed by the projects that the Authority's Board approves.

4. Equity in Pooled Cash and Temporary Investments

The Authority maintains its cash in the county treasury. As of June 30, 2020, $46,056,200 of the Authority's cash was held in the county's cash and investment pool. The county invests cash in temporary investments consisting of money market investments that have a remaining maturity at the time of purchase of one year or less and are reported at amortized cost, which approximates fair value. The county allocates the interest earned on a monthly basis to the individual funds based on each fund's average daily balance of equity in pooled cash, except for the capital projects fund financed by county general obligation bonds. Interest earned on the assets of that fund, the Park Bond Construction Fund, is allocated directly to the County General Fund because debt service is funded by the County General Fund.

5. Resale Inventories

Resale inventories are valued and carried at the lower of cost of market. The consumption method of accounting for inventory is used in the government-wide statements. Under this method, inventories are expensed as they are consumed as operating supplies and spare parts in the period to which they apply. Reported inventories for governmental funds are offset equally by a non-spendable fund balance, which indicates they do not constitute available expendable resources, even though they are a component of assets.

6. Prepaid Items

Prepaid items are accounted for under the consumption methods. Prepaid items represent non-inventory transactions that do no quality for expense or expenditure recognition, but cash flow occurred as of the end of the fiscal year. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in the governmental-wide and fund financial statements.

7. Restricted Assets

Restricted assets typically reflect the receipt of proceeds from revenue bonds, which have been restricted for future debt service payments, the revenue bond requirement for a reserve for repair and replacement of certain capital assets and the trust fund to be spent on the donor's dedicated park. In addition, unspent proceeds from general obligation bonds issued by the county and unspent loan proceeds received from the county are restricted for use in capital improvements.

8. Capital Assets

Capital assets, including land purchased, donated and transferred, easements, buildings, improvements, equipment and construction in progress, are reported in the Statement of Net Position. Purchased property and equipment are recorded at historical cost or at estimated historical cost based on appraisals or on other acceptable methods when historical cost is not available. Donated capital assets are stated at their acquisition value as of the date of donation. Transferred capital assets are stated at the transferor's carrying value at the date of transfer.

The Authority capitalizes all buildings, improvements, and equipment that individually cost $5,000 or more with useful lives of longer than one year. Accumulated depreciation is reported as a reduction of depreciable capital assets. Depreciation is computed using the straight-line method based on estimated useful lives of 20 to 50 years for buildings; 5 to 20 years for equipment; and 10 to 25 years for improvements.

9. Compensated Absences

Employees of the Authority are granted annual and sick leave based on their length of service, and may accrue compensatory leave for hours worked in excess of their scheduled hours. Unused annual and compensatory leave is payable to employees upon termination based on the employees' current rate of pay up to certain limits. Sick leave does not vest with the employee.

The compensated absences liability in the Statement of Net Position is separated into current (expected to be paid within one year) and long-term (expected to be paid after one year). The amount expected to be paid within one year is an estimate based on historical usage. This liability is satisfied by the Financed from County General Fund.

The Memorandum of Understanding between the Board and the Authority states that the Board has agreed to administer the employees of the Authority. All salaries of the Authority, including payments for compensated absences, lie within this understanding and have been paid from the Financed from County General Fund.

10. Unearned Revenues

The Authority receives proceeds for passes sold to park patrons and from registration of summer camps and recreational classes in advance of usage, facility reservation for future usage, refundable deposits from developers for future services and advanced rental fees for monopoles. The balance of unearned revenues at June 30, 2020, was $8.68 million.

11. Net Position

Net Position is comprised of three categories: net investment in capital assets, restricted, and unrestricted net position. The first category reflects the portion of net position associated with non-liquid capital assets, less related outstanding debt (net). The related debt (net) is the debt less the outstanding liquid assets and any associated unamortized costs. Restricted net position are restricted assets reduced by liabilities and deferred inflows of resources related to those asset and net of related debt. As of June 30, 2020, the Authority had $33.51 million in restricted net position. Net position which is neither restricted nor related to capital assets is reported as unrestricted.

Total capital assets of the Authority are the combined balances of land, easements, buildings, improvements, and equipment reduced by accumulated depreciation. This total is further reduced by the Laurel Hill debt and the revenue bonds payable net of the required debt service reserve and is reported as net investment in capital assets on the Statement of Net Position.

12. Long-Term Obligations

For long-term liabilities, only that portion expected to be financed from expendable, available financial resources is reported as a fund liability of a governmental fund. In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the Statement of Net Position.

13. Fund Balance Classification

The Authority's Board, as the highest level of authority, sets policies and establishes priorities for land acquisition, park development and operations for the Authority.

In the governmental fund's financial statements, the Authority reports several categories of fund balances based upon the type of restrictions imposed on the use of the funds. Restricted fund balance represents amounts that can be spent only for the specific purposes stipulated by external resource providers such as creditors, grantors, contributors, or laws and regulations of other governments; or by law through constitutional provisions or enabling legislation. Committed fund balance represents amounts that can be used only for the specific purposes imposed by formal actions of the Authority's highest level of decision making authority, the Authority's Board, and requires the same level of formal action to remove or change the constraint through the approval of the annual budget plan by resolution. Assigned fund balance category includes amounts that are intended to be used by the Authority for specific purposes, but do not meet the criteria for restricted or committed. The Park Authority's Board can delegate assignment authority to the upper levels of management within the Authority for this category. Unassigned fund balances are the residual classification for the Financed from County General Fund and include all spendable amounts not contained in the other categories.

The Authority's Board established the policy on the spending order of the fund balance when both restricted and unrestricted fund balances are available. For the Park Revenue and Operating Fund, the committed fund balance is to be spent first; then the restricted fund balance when expenditures are incurred. For the Park Improvement Fund, the committed fund balance is to be spent first; then the restricted fund balance when expenditures are incurred.

Nonspendable:

E.C. Lawrence Trust - In January 1997, the Authority's Board received $1.31 million from the E.C. Lawrence Trust. In accordance with the Authority's Board resolution, $1.28 million is to remain in perpetuity with interest to be spent on the E.C. Lawrence Park. On June 12, 2002, the Authority's Board took action to increase the portion of the fund held in perpetuity to $1.51 million, which includes $1.28 million plus a portion of the accumulated interest. As of June 30, 2020, the fund balance of the Park Improvement Fund includes a combined principal investment and interest amount of $1.51 million is nonspendable.

Inventory - As of June 30, 2020, the Park Revenue and Operating fund has a nonspendable resale inventory balance of $0.17 million.

Prepaid - As of June 30, 2020, the Authority has a non-spendable balance of $0.21 million as prepaid in Financed from County General Fund, Park Improvement fund and Financed from County Construction and Contribution Fund.

Park Improvement Fund:

The 2001 Bond Indenture requires the Authority to have an accumulated fund balance sufficient to pay costs of major repairs, replacement and capital additions to certain facilities.

The restricted fund balance of $0.70 million is determined by the Authority to be necessary in any fiscal year for repairs and replacements to these facilities. Amounts on deposit in the balance may also be used to pay debt service on the bonds, if necessary.

Restricted for Capital Projects:

At the year end, the unspent fund balance of $15.65 million, but committed to bond projects in the Financed from County Park Bond Construction Fund is funded by county general obligation bond proceeds and is restricted for capital projects to improve recreational facilities such as playgrounds, picnic areas, trails and recreation center/swimming pool complexes or to acquire new land and develop and improve park facilities.

The fund balance of $15.65 million in the Park Improvement Fund is funded through grants, proffers and contributions and is restricted for specific park capital improvements.

Restricted for Debt Service:

The Park Revenue and Operating Fund's restricted fund balance for debt service of $0.60 million as of June 30, 2020 was adopted by the Authority's Board in fiscal year 2020 and it represents a prepayment of principal and interest on the Revenue Refunding Bonds Series 2013.

Committed to Revenue and Operating Fund Stabilization Reserve (the stabilization reserve):

In FY 2016, the Board of Supervisors updated the Ten Principles of Sound Financial Management to increase the County's overall reserve target from 5 percent to 10 percent of General Fund Disbursements. Since the reserve targets were adjusted, the County has made significant progress in increasing reserve funding. As of the FY 2021 Adopted Budget Plan, total reserve funding is funded at 10.04 percent of General Fund Disbursements. Additional allocations to fully fund and maintain the 10 percent target will be made through a combination of annual appropriations, by applying one-time resources such as bond refunding, and setting aside 40 percent of year-end balances after funding critical requirements

The Park Authority maintains a Revenue and Operating Fund Stabilization Reserve in the amount of 5% of expenditures minus debt service. The Park Authority Board had taken action to increase that reserve from the current 5% level to 10% to match the County policy. Three specific criteria must be met to draw from this fund. Projected revenues must reflect a decrease greater than 1.5% from the current year estimate, withdrawals must not exceed one half of the fund balance in any fiscal year, and withdrawals must be used in conjunction with spending cuts or other measures. Permission to use the stabilization reserve must be given by the Authority's Board who has fiduciary oversight of the Park Authority Revenue and Operating Fund. The reserve is maintained at a minimum of 5.0% of the approved annual expenditure budget minus debt of the fund. Per the Authority's Board adopted budget in the Park Revenue and Operating Fund in fiscal year 2020, the stabilization reserve was budgeted at $2.66 million. The Park Revenue and Operating Fund's committed balance for the stabilization reserve was reported as $1.18 million in FY19. The liquidated reserve of $1.00 million was reimbursed with FY19 carryover in Revenue and Operating Fund. The total stabilization reserve in FY20 would be $2.18 million, which is less than the $0.48 million revised Board adopted stabilization reserve. As a result of COVID 19, the full amount of $2.66 million is being used to help balance the Revenue and Operating Fund.

Committed to Other Capital Projects:

The Park Improvement Fund's committed fund balance for other capital projects of $4.17 million was adopted by the Authority's Board in fiscal year 2020 to provide capital improvements to the revenue-generating facilities and parks, as well as to various park sites.

Unassigned fund balance:

The Park Revenue and Operating Fund has an unassigned fund balance of ($4.09) million of which is $0.17 million to record resale inventory, liquidation of $2.66 million from Park revenue and operating Fund stabilization reserve to offset the deficit caused due to COVID 19 in Revenue and Operating fund, $1.35 million donation reserve is transferred to Park Capital improvement fund to expedite the spending of donated fund. Unassigned balance of ($0.15) million and ($0.06) million in Financed from County General Fund and County Construction and Contribution Fund is due to prepaid vendor payments.

14. Encumbrances

The Authority uses encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of funds are recorded to reserve that portion of the applicable appropriation. Encumbrances represent the estimated amount of expenditures ultimately to result if unperformed contracts and open purchase orders are completed. Encumbrances for the capital projects funds do not lapse until the completion of the projects and are reported as reservations of fund balance at year end. Funding for all other encumbrances lapse at year end and require re-appropriation by the Board.

Significant encumbrances by function as of June 30, 2020 are as follows:

Function		Encumbrances Balances
Administration	$	11,625,158
Maintenance/Renovation		387,881
Golf courses		363
Recreation centers		18,535
Lake parks		75
Other leisure services		2,343,707
Cultural enrichment		371,129
Total Encumbrances	$	14,746,848

Significant encumbrances by fund as of June 30, 2020 are as follows:

Fund		Encumbrances Balances
Financed from County General Fund	$	445,833
Financed from County Construction and Contributions Fund		3,384,608
Financed from County Capital Renewal Construction Fund		217,755
Financed from County Park Bond Construction Fund		9,224,027
Park Revenue and Operating Fund		1,885
Park Improvement Fund		1,472,740
Total	$	14,746,848

15. Pensions and OPEB

The reporting entity administers multiple public employee retirement systems and OPEB plans. The net pension liability and associated deferred outflows of resources and deferred inflows of resources are reported with a one year lag when compared with the fiduciary net position as reported by the retirement systems and OPEB plans. Employer contributions to the plans during the current fiscal year are reflected as a deferred outflow of resources which will impact the expense of the subsequent year. Benefits and refunds are recognized when due and payable in accordance with the terms of each plan. Detailed information about the individual retirement systems, their respective pension plans, and OPEB plans is found in Note H.

16. Deferred Outflows/Inflows of Resources

In addition to assets, the financial statements will sometimes report a separate section for deferred outflows of resources representing a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense) until then. Deferred outflows for pensions and OPEB activities result from changes in actuarial proportions, changes in actuarial assumptions, differences between projected and actual earnings on pension and OPEB investments, differences between expected and actual experience and pension and OPEB contributions made subsequent to the measurement date. Deferred outflows related to investment differences are deferred and amortized over a closed five–year period and all other deferred outflows, except contributions made subsequent to the measurement date, are amortized over the remaining service life of all participants.

Deferred outflows on refund bond loss was resulted from refunding the outstanding balance of Revenue Bond Series 2001 through Virginia Resources Authority (Virginia Pooled Financing Program) bond sale of Park Facilities Revenue Refunding Bond – Series 2013, closing on June 5, 2013. This refunding resulted in a deferred loss of $545,888 which is being amortized over 7 years, which was fully amortized as of June 30, 2020.

In addition to liabilities, the financial statements will sometimes report a separate section for deferred inflows of resources representing an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. Deferred inflows for pension and OPEB activities result from changes in actuarial proportions, changes in actuarial assumptions, differences between projected and actual earnings on pension and OPEB investments and differences between expected and actual experience. Deferred inflows related to investment differences are deferred and amortized over a closed five-year period and all other deferred inflows are amortized over the remaining service life of all participants.

17. Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

18. Tax Status

The Authority, as a local government authority, is not subject to federal, state, or local income taxes and, accordingly, no provision for income taxes is recorded.

B. Deposits and Investments

1. Deposit and Investment Policies

The Authority's available cash is invested in the County's cash and investment pool. The county maintains an investment policy, the overall objectives of which are the preservation of capital and the protection of investment principal; maintenance of sufficient liquidity to meet operating requirements; conformance with federal, state, and other legal requirements; diversification to avoid incurring unreasonable risks regarding specific security types or individual financial institutions; and attainment of a market rate of return. Oversight of investment activity is the responsibility of the Investment Committee, which is comprised of the chief financial officer and certain key management and investment staff.

The primary government is a participant in the Virginia Investment Pool Trust Fund (VIP Trust). VIP Trust is a Section 115 governmental trust fund created under the Joint Exercise of Powers statute of the Commonwealth of Virginia to provide political subdivisions with an investment vehicle to pool surplus funds and to invest such funds into one or more investment portfolios under the direction and daily supervision of a professional fund manager. The VIP Trust is governed by a Board of Trustees.

The Code of Virginia (Code), authorized the county and the Authority to purchase the following investments:

- Commercial paper
- U.S. Treasury and agency securities
- U.S. Treasury strips
- Certificates of deposits and bank notes
- Insured Deposits
- Demand Deposit Accounts

- Money market funds
- Bankers' acceptances
- Repurchase agreements
- Medium term corporate notes
- Local government investment pool
- Asset-backed securities
- Hedged debt obligations of sovereign governments
- Securities lending programs
- Obligations of the Asian Development Bank
- Obligations of the African Development Bank
- Obligations of the International Bank for Reconstruction and Development
- Obligations of the Commonwealth of Virginia and its instrumentalities
- Obligations of counties, cities, towns, and other public bodies located within the Commonwealth of Virginia
- Obligations of state and local government units located within other states
- Savings accounts or time deposits in any bank or savings institution within the Commonwealth that complies with the Code
- Qualified investment pools
- Supranationals

However, the county's investment policy precludes the investment of pooled funds in instrument and derivative securities, reverse repurchase agreements, security lending programs, asset-backed securities, hedged debt, obligations of sovereign governments, obligations of the Commonwealth of Virginia and its instrumentalities, obligations of counties, cities, towns, and other public bodies located within the Commonwealth of Virginia and obligations of state and local government units located within other states.

2. Fair Value Measurement

The reporting entity's pooled investments are reported at fair value, except for money market funds and investments that have a remaining maturity at the time of purchase of one year or less. These are carried at amortized cost, which approximates fair value. The fair value of all investments is determined annually and is based on current market prices.

The reporting entity categorizes its fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the source and type of information used to determine the fair value of the asset. The hierarchy gives the highest level to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest level to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described as follows:

Level 1 Information is unadjusted quoted prices for identical instruments in active markets that the County has the ability to access.

Level 2 Information is quoted prices for similar assets in active markets, quoted prices for identical or similar assets in inactive markets, and quoted prices that are observable, either directly or indirectly from a source other than an active market.

Level 3 Includes unobservable information to arrive at the valuation.

The value of the investment for the county as of June 30, 2020 can be located in the County's *Comprehensive Annual Financial Report* (CAFR) Notes under Note B—Deposits and Investments of the Basic Financial Statements section. Investments held by the county are associated with the county policy for investing fund and are not allocated as investments of the Authority.

Virginia Investment Pool is invested in high-quality corporate and government securities with average duration of between 1 to 3 year. The asset value of the Portfolio is determined by calculating the fair market value of all securities and assets held Portfolio, including accrued interest and amounts owed to the Portfolio for securities sold or principal and income not collected as of the Portfolio Valuation date, less any liabilities of the Portfolio. The value of each Participant's account is determined by dividing the net asset value of the Portfolio by the total number of shares of beneficial interest, multiplied by the number of shares owned by the Participant. Prices for securities held in the Portfolio shall be valued at the most recent bid price or yield equivalent as obtained from one or more market makers for such securities, except that any securities designated as money market securities may be valued using the amortized cost method based upon the Portfolio's acquisition of the security.

The income from pooled investments held by the county is allocated at month-end to the individual funds based on the fund's average daily cash balance in relation to total equity in pooled cash.

3. Interest Rate Risk

The Authority's investment within the county's pooled investment portfolio is covered by the county's policy to minimize the risk that the market value of securities in its portfolio will fall due to changes in market interest rates. To achieve this minimization of risk, the county structures the pooled investment portfolio so that sufficient securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity. Pooled investments that are purchased to meet liquidity needs shall have a target weighted average maturity of 90 days or less. All other pooled funds are invested primarily in short-term securities with a maximum of five years or less from settlement date.

4. Credit Risk

The county's policy is to minimize the risk of loss due to the failure of an issuer or other counterparty to an investment to fulfill its obligations. The county pre-qualifies financial institutions, broker-dealers, intermediaries, and advisers with which the county does business. Based on county's investment policy, the pooled investments are limited to relatively low risk types of securities and are diversified so that potential losses on individual securities will be minimized. Also, new investments shall not be made in securities that are listed on Moody's Investors Service, Inc. (Moody's) Watch list or Standard & Poor's, Inc. (S&P) Credit Watch with a negative short-term rating. Moody's, S&P, and Fitch Investor's Services, Inc. (the Fitch) are nationally recognized statistical rating organizations (NRSROs) serving investors, regulators, and issuers.

The policy specifies the following acceptable credit ratings for specific types of investments in the pooled portfolio:

- U.S. government agencies and Government-Sponsored Enterprise (GSE) instruments should have a rating of P-1 by Moody's and A-1 by S&P. In those instances when U.S. government agencies and a GSE does not have a rating, a thorough credit and financial analysis will be conducted by county investment staff.

- Prime quality commercial paper must be rated by at least two of the following: Moody's, with a minimum rating of P-1; S&P, with a minimum rating A-1; Fitch, F-1; or by Duff and Phelps Inc; with a minimum rating of D-1.

- Mutual funds must have a rating of AAA or better by S&P, Moody's, or another nationally recognized rating agency.

- Negotiable certificates of deposit must have a rating of at least A-1 by S&P and P-1 by Moody's if less than 1 year, and a rating of AA by S&P if more than 1 year.

- Banker's acceptances shall be rated by at least two of the following: A-1 by S&P and P -1 by Moody's.

- Corporate notes must have a rating of at least Aa by Moody's and a rating of at least AA by S&P.

- LGIP bond fund must have a rating of AAA by S&P, and AAAm by S&P for VIP Stable NAV Liquidity Pool.

- Supranationals must have a rating of AAA by S&P or Moody's.

Additional information regarding investment types in the pooled portfolio can be found in the County CAFR.

5. Concentration of Credit Risk

The county's policy sets the following limits for the types of securities held in its pooled investment portfolio:

U.S. Treasury securities and agencies	100% maximum
Negotiable certificates of deposit	40% maximum
Bankers' acceptances	35% maximum
Commerical paper	35% maximum
Repurchase agreements	30% maximum
Mutual funds	30% maximum
Virginia investment pool - daily liquidity	30% maximum
Corporate notes	25% maximum
Non-negotiable certificates of deposit	25% maximum
Virginia investment pool - LGIP Bond Fund	25% maximum
Insured certificates of deposits	15% maximum
Bank demand deposits	10% maximum
Supranationals	10% maximum

In addition, not more than 5% of the total pooled funds available for investment at the time of purchase may be invested in any one issuing or guaranteeing corporation for commercial paper, corporate notes, negotiable certificates of deposits, bankers' acceptance and supranationals.

In addition, not more than 10 percent of the total pooled funds available for investment at the time of purchase may be invested in any one issuing or guaranteeing corporation for non-negotiable certificate of deposits, repurchase agreement, bank demand deposit, mutual funds, LGIP daily liquidity and LGIP bond fund.

6. Custodial Credit Risk

For deposits, custodial credit risk is the risk that in the event of a failure of a depository financial institution, the reporting entity may not recover its deposits. In accordance with the Virginia Security for Public Deposits Act (the Act), all of the county's deposits are covered by federal depository insurance or collateralized in accordance with the Act, which provides for the pooling of collateral pledged by financial institutions with the Treasurer of Virginia to secure public deposits as a class. No specific collateral can be identified as security for one public depositor, and public depositors are prohibited from holding collateral in their name as security for deposits. If any member financial institution fails, the entire collateral pool becomes available to satisfy the claims of governmental entities. If the value of the pool's collateral is inadequate to cover a loss, additional amounts are assessed on a pro rata basis to the member of the pool. The State Treasury Board is responsible for monitoring compliance with the collateralization and reporting requirement of the Act and for notifying local government of compliance by participating financial institutions. A multiple financial institution collateral pool that provides for additional assessments is similar to depository insurance; therefore, funds deposited in accordance with the requirements of the Act are considered to be fully insured.

For investments, custodial credit risk is the risk that, the county will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party in the event of the failure of a counterparty. Per policy, all of the pooled investments purchased by the county are insured, collateralized, registered or are securities held by their agent in the county's name.

Certain investments of the Authority are separately held by its fiscal agent, U.S. Bank National Association, in the Authority's name. These investments are held in Fidelity Treasury Funds through money market accounts. Money market investments that have a remaining maturity at the time of purchase of one year or less are reported at amortized cost, which approximates fair value. The Authority follows the county's policy with respect to acceptable credit ratings for its investments. Cash with fiscal agents in the amount of $600,759 is restricted for debt service requirements related to the 2013 Park Facilities Revenue Refunding Bonds.

7. Foreign Currency Risk

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of the investment. Per the county's policy, pooled investments are limited to U.S. dollar denominated instruments; however, the pension trust funds of the county are allowed to invest in foreign currency denominated instruments.

Additional information related to the interest rate risk and the credit risk, such as the weighted average maturity and credit quality ratings of investments, pertaining to the entire cash and investment pool can be found in the County CAFR.

C. Receivables

Receivables as of June 30, 2020 consist of the following:

	Park Revenue and Operating Fund	Park Improvement Fund
Receivables:		
Accounts	$ 57,755	$ -
Accrued interest	-	29,888
Total receivables	$ 57,755	$ 29,888

D. Interfund Balances and Transfers

Due from/to Primary/Other Government and Intergovernmental Units

The Authority's revenues in certain funds consist of a transfer from the county to offset actual expenditures incurred during the fiscal year. Consistent with the Authority's funding mechanism, the amount due to and from the Primary Government and intergovernmental units are equal to the Authority's total outstanding liabilities in these funds on the modified accrual basis of accounting. As of June 30, 2020, the amount due from the county was $3.87 million. Of this amount, $1.96 million is due from the County General Fund and represents accrued salaries, accrued fringe benefits, accounts payable and accrued liabilities, $1.92 million is due from the Financed from County General Construction and Contributions Fund and Financed from County Capital Renewal Construction Fund and represents accounts payable and accrued liabilities.

The Authority owes the Primary Government $0.12 million which consists of the Department of Information and Technology, Waste Water the County Department of Vehicle Services in Financed from County General Fund and Park Revenue and Operating Fund for the services provided by county central departments, i.e., printing, postage, telecommunication, LIPSKA, special collection and EMTA.

Amounts due to the Authority from the Primary Government as of June 30, 2020 include the following:

Payable Entity	Receiving Entity	Amount
Primary Government	**Component Unit**	
General Fund	Park Authority	$ 1,955,093
Financed from County Construction and Contribution Fund	Park Authority	1,914,367
Financed from County Capital Renewal Construction Fund	Park Authority	2,548
Total		$ 3,872,008

Amounts due from Authority to the Primary Government as of June 30, 2020 include the following:

Payable Entity	Receiving Entity	Amount
Fairfax County Park Authority	**Receiving Entity**	
Financed from County General Fund	DIT,Waste Water &DVS	$ 117,395
Park Revenue and Operating Fund	DIT	559
Total		$ 117,954

Amount due to the Authority from intergovernmental units as of June 30, 2020 are $0.40 million for grant reimbursement from National Park Services and Community Food Works (Fresh Farm Markets Inc.).

Amounts due to the Authority from other intergovernmental units as of June 30, 2020 include the following:

	Financed from Park Bond Construction Fund	Park Improvement Fund
Federal Government	$ 396,181	$ 671
Total	$ 396,181	$ 671

Inter-fund Transfers

Inter-fund transfers are used to finance construction projects, capital purchases, and capital improvements. Inter-fund transfers for the year ended June 30, 2020, are as follows:

	Transfers In	Transfers Out
Park Improvement Fund	$ 2,465,000	$ 957,403
Park Revenue and Operating Fund	957,403	2,465,000
Total Transfer In/Out	$ 3,422,403	$ 3,422,403

E. Capital Assets

The following is a summary of the changes in capital assets for fiscal year 2020:

	Balances June 30, 2019	Additions	Deletions	Balances June 30, 2020
Capital assets, not being depreciated:				
Land	$ 370,442,420	$ 1,820,971	$ (1,119,301)	$ 371,144,090
Easement	19,990,111	17,360	-	20,007,471
Construction in progress	7,816,763	24,058,484	(15,846,827)	16,028,420
Total capital assets, not being depreciated	398,249,294	25,896,815	(16,966,128)	407,179,981
Capital assets, being depreciated:				
Buildings and improvements	501,905,849	16,517,281	-	518,423,130
Equipment	13,537,478	1,258,240	(627,821)	14,167,897
Total capital assets, being depreciated	515,443,327	17,775,521	(627,821)	532,591,027
Less accumulated depreciation for:				
Buildings and improvements	(250,780,986)	(16,929,208)	-	(267,710,194)
Equipment	(8,737,060)	(418,939)	625,898	(8,530,101)
Total accumulated depreciation	(259,518,046)	(17,348,147)	625,898	(276,240,295)
Total capital assets, being depreciated, net	255,925,281	427,374	(1,923)	256,350,732
Total capital assets, net	$ 654,174,575	$ 26,324,189	$ (16,968,051)	$ 663,530,713

Depreciation Expense by Function:	
Administration	$ 13,530,260
Maintenance/Renovation	269,001
Golf courses	194,465
Recreation centers	926,216
Lake parks	855,087
Other leisure services	1,036,470
Cultural enrichment	536,648
Total depreciation expense	$ 17,348,147

F. Long-term Obligations

The following is a summary of changes in the government-wide long-term obligations of the Authority for fiscal year 2020:

	Balance June 30, 2019	Additions	Reductions	Balance June 30, 2020	Due within One Year
Revenue bonds payable:					
Principal amount of bonds payable	$ 1,515,000	$ -	$ (740,000)	$ 775,000	$ 775,000
Premium on bonds payable	53,406	-	(39,903)	13,503	13,503
Loan payable	10,711,200	-	(526,100)	10,185,100	585,700
Compensated absences payable	5,142,044	2,837,112	(2,349,874)	5,629,282	2,482,957
Net pension liability	56,569,917	17,989,971	(17,428,295)	57,131,593	-
Net OPEB liability	4,059,895	3,983,264	(1,785,308)	6,257,851	-
Total	$ 78,051,462	$ 24,810,347	$ (22,869,480)	$ 79,992,329	$ 3,857,160

Compensated absences payable, Laurel Hill debt from GO Bonds, and obligations from the primary government are liquidated by the General Fund and other governmental funds. Park Revenue and Operating Fund is used to liquidate pay off revenue bond debt and obligations related with pension and other postemployment benefits.

Bonds Payable

In February 1995, the Authority issued $13.87 million of Park Facilities Revenue Bonds, Series 1995, to fund the construction of additional golf facilities for county residents and patrons. On September 15, 2001, the Authority issued $13.02 million of Park Facilities Revenue Refunding Bonds, Series 2001, with an average interest rate of 4.36%, to advance refund $11.67 million of the outstanding Series 1995 Bonds with an average interest rate of 6.62%. Proceeds of $12.62 million were used to purchase U.S. Government securities, which were deposited in an irrevocable escrow fund to provide for the resources to redeem the Series 1995 Bonds on July 15, 2003. The outstanding $7.02 million of Revenue Bonds Series 2001 was refunded on June 5, 2013 through the Virginia Resources Authority (the VRA) bond sale of Series 2013, which resulted in a total debt service savings of $1.92 million. These bonds are solely the obligations of the Authority and are payable from the Park Revenue Fund's revenues from operations, earnings from investments, and certain fund balance reserves.

The debt service requirements to maturity for the outstanding bonds Series 2013 as of June 30, 2020 are:

Fiscal Year	Interest Rate	Principal	Interest	Total
2021	4.82 %	$ 775,000	$ 18,684	$ 793,684
Totals		$ 775,000	$ 18,684	$ 793,684

As set forth in the new Park Facilities Revenue Refunding Bonds, Series 2013, the bond covenants require the Authority to continue maintaining reserves for major repairs and replacements and to meet specific revenue levels, but not for debt service. The Authority is in compliance with all bond covenants.

In case of an event of default, the VRA may proceed to enforce payment of the principal, interest on the bonds and any other amounts due and payable. The principal of and interest on the bonds is not subject to acceleration upon the event of default.

Loan Payable to the county

On June 24, 2003, the Authority entered into a long-term loan agreement with the county in the amount of $15.53 million. The loan provided funds to finance the development and construction of a public golf course located in the Laurel Hill area of the southern part of the county. As the result of the refunding of the Series 2003 Laurel Hill revenue bonds by the Fairfax County Economic Development Authority in April 2012, the outstanding loan payable amount was reduced to $13.22 million.

The debt service requirements to maturity for the outstanding loan as of June 30, 2020 are:

Fiscal Year	Interest Rate	Principal	Interest	Total
2021	5.00 %	$ 585,700	$ 367,079	$ 952,779
2022	5.00	645,300	337,794	983,094
2023	3.00	714,100	305,529	1,019,629
2024	5.00	670,000	284,106	954,106
2025	3.00	740,000	250,606	990,606
2026-2030	3.00-4.00	4,055,000	900,394	4,955,394
2031-2033	3.00-4.00	2,775,000	199,932	2,974,932
	Totals	$ 10,185,100	$ 2,645,440	$ 12,830,540

Conduit Debt

On December 27, 2005, the Authority issued two long-term notes to finance the acquisition of a permanent conservation easement totaling $12.90 million. This acquisition permanently preserves 41 acres of open space as a public park in McLean, Virginia and will be enforced in perpetuity by the Northern Virginia Conservation Trust.

As the county is responsible, under the related documents and subject to appropriation, to pay the principal and interest on the notes, the related transactions, including the liability for the notes, have been recorded in the county's financial statements and not in those of the Authority. As of June 30, 2020, $3.5 million of these notes are outstanding.

The Authority is not obligated to pay the installments on these notes except from the county payments pledged for such purpose. Neither the faith and credit nor the taxing power of the county or Authority is pledged to the payment of installments on these notes. The Authority has no taxing power.

General Obligations Bonds

On June 21, 2016, the Board took action on the 2016 Park Bond referendum in the amount of $107.00 million, with $94.70 million for the Fairfax County Park Authority, and $12.30 million for the NVRPA. As of June 30, 2020, a balance of $75.42 million is authorized but unissued.

Bond Rating

The county has the highest credit ratings possible for a local government for its general obligation bonds: Aaa from Moody's Investors Service, Inc., AAA from Standard and Poor's Corporation, and AAA from Fitch Investors Service. The Authority maintains an "AA" rating from Standard and Poor's for its revenue bond debt.

G. Commitments and Contingencies

The Authority is contingently liable with respect to lawsuits and other claims that arise in the ordinary course of its operations. Although the outcome of these matters is not presently determinable, in the opinion of Authority management, the resolution of these matters will not have a material adverse effect on the Authority's financial condition.

H. Other Information

1. Retirement Plans

Plan Description

Employees of the Authority are provided with pensions through the Fairfax County Employees' Retirement System (the ERS), a single-employer defined benefit pension plan, which covers full-time and certain part-time employees of the county and component units, who are not covered by other plans of the county or the Virginia Retirement System (the VRS).

Benefits Provided

Benefit provisions are established and may be amended by county ordinances. All benefits vest at five years of creditable service. Members who were hired before January 1, 2013, may elect to join Plan A or Plan B, and members who were hired on or after January 1, 2013, may elect to join Plan C or Plan D. To be eligible for normal retirement, an individual must meet one of the following criteria: (a) attain the age of 65 with five years of creditable service, (b) for Plans A and B, attain the age of 50 with age plus years of creditable service being greater than or equal to 80, or (c) for Plans C and D, attain the age of 55 with age plus years of service being greater than or equal to 85. The normal retirement benefit is calculated using average final compensation (i.e., the highest 78 consecutive two week pay periods or the highest 36 consecutive monthly pay periods) and years (or partial years) of creditable service at date of termination. In addition, if normal retirement occurs before Social Security benefits are scheduled to begin, an additional monthly benefit is paid to retirees. Plan provides that unused sick leave credit may be used in the calculation of average final compensation by projecting the final salary during the unused sick leave period. Those who commenced employment on or after January 1, 2013, may not use more than 2,080 hours of accrued sick leave toward service credit for retirement or Deferred Retirement Option Program (DROP) entry.

The benefit for early retirement is actuarially reduced and payable at early termination. Effective July 1, 2005, DROP was established for eligible members of the ERS. Members who are eligible for normal service retirement are eligible to participate in this program. DROP provides the ability for an employee to retire for purposes of the pension plan, while continuing to work and receive a salary for a period of three years. During the DROP period, the pension plan accumulates the accrued monthly benefit into an account balance identified as belonging to the member. The account balance is credited with interest in the amount of 5.0% per annum, compounded monthly. The monthly benefit is calculated using service and final compensation as of the date of entry in DROP, with increases equal to the annual cost-of-living adjustment provided for retirees.

Funding Policy

All contribution requirements for ERS are established and may be amended by county ordinances, including member contribution rates. Plan A and Plan C require member contributions of 4.0% of compensation up to the Social Security wage base and 5.33% of compensation in excess of the social security wage base. Plan B, Plan D and Plan E require member contributions of 5.33% of compensation.

The Authority is required to contribute at an actuarially determined rate; the rate for the year ended June 30, 2020, was 28.35%. Since the ERS's adjusted funded ratio (the ratio of the sum of the actuarial value of assets and commitments already made to fund changes to the actuarial accrued liability) fell below 90%, the contribution rate includes a margin to amortize this shortfall back to the 90% level. For fiscal year 2020, the amortization target was increased to 100%. The employer contribution made during the measurement period of the liability was $7,131,613. The 2020 employer contribution totaled to $7,552,369.

Pension Liabilities, Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2020, the Authority reported a liability of $57,131,593 for its proportionate share of the net pension liability. The ERS calculated Total Pension Liability was based on participant data collected as of December 31, 2018 and an actuarial valuation as of June 30, 2019, using the entry age actuarial cost method, with a measurement date of June 30, 2019. At June 30, 2019, the Authority's proportion was 3.38%, a decrease of 0.05% from its proportion measured as of June 30, 2018.

For the year ended June 30, 2020, the Authority recognized pension expense of $10,080,795. At June 30, 2020, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 2,646,264	$ 1,174,835
Changes of assumptions	772,703	-
Net difference between projected and actual earnings on pension plan investments	3,141,995	-
Change in proportion applicable to Authority	466,728	1,475,822
Authority contributions subsequent to the measurement date	7,552,369	-
Total	$ 14,580,059	$ 2,650,657

$7,552,369 reported as deferred outflows of resources related to the Authority's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:		
2021	$	2,774,115
2022		871,904
2023		401,813
2024		329,201
Total	$	4,377,033

Actuarial Assumptions

The ERS calculated Total Pension Liability was based on participant data collected as of December 31, 2018 and an actuarial valuation as of June 30, 2019, using the entry age actuarial cost method with a measurement date of June 30, 2019.

Significant actuarial assumptions used in the valuation include:

Discount rate, net of plan investment expenses	7.25%
Inflation	2.75%
Salary increase, including inflation	2.75% + merit
Investment rate of return, net of plan investment expenses	7.25%
Mortality	Health and Disabled Annuity RP-2014 Combined Mortality projected to RPEC-2015

The actuarial assumptions used in the June 30, 2019 valuation were based on the results of an actuarial experience study for the period July 1, 2010 to June 30, 2015.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Best estimates of arithmetic real rates of return for each major asset class included in the ERS's target asset allocation as of June 30, 2019, are summarized below:

Long–term Expected Rate of Return/Target Allocation

Asset Class	Long-Term Expected Real Rate of Return	Target Allocation*
U.S. Equities	5.6%	16%
U.S. Small Cap Equity	7.8%	4%
International equity - developed market	5.6%	7%
International equity - emerging market	10.1%	3%
Private Equity	14.4%	2%
Core Bonds	2.1%	25%
High Yield	4.6%	10%
Global Bonds	0.9%	5%
Emerging Markets Debt	4.8%	2%
Real Estate	6.8%	8%
Absolute Return	11.3%	20%
Risk Parity	6.5%	15%
Commodities	5.9%	5%
*Target totals may exceed 100% due to futures and other derivatives		

Discount Rate

The discount rate used to measure the Total Pension Liability was 7.25%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that county contributions will be made according to the county's stated policy. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Authority's Proportionate Share of the Net Pension Liability to Changes in Discount Rate

The following presents the Authority's proportionate share of the net pension liability calculated using the discount rate of 7.25%, as well as what the Authority's share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25%) or 1-percentage-point higher (8.25%) than the current rate:

	1% Decrease 6.25%	Current Discount Rate 7.25%	1% Increase 8.25%
Total Pension Liability	$ 219,073,411	$ 195,786,670	$ 176,274,620
Plan Fiduciary Net Position	138,655,077	138,655,077	138,655,077
Net Pension Liability	$ 80,418,334	$ 57,131,593	$ 37,619,543
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	63.3%	70.8%	78.7%

Pension Plan Fiduciary Net Position

The ERS is considered a part of the county's reporting entity and the ERS's financial statements are included in the county's basic financial statements as a trust fund.

Information concerning the ERS as a whole, including pension plan's fiduciary net position, is available in the county CAFR for the fiscal year ended June 30, 2020. Additionally, the ERS issues a publicly available annual financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the Employee's Retirement System, 12015 Lee Jackson Memorial Highway, Suite 350, Fairfax, VA 22033, or by calling (703) 279-8200. The county and ERS CAFRs may be accessed online.

Fairfax County CAFR:
https://www.fairfaxcounty.gov/finance/financialreporting/comprehensiveannualfinancialreport

Retirement system CAFR:
https://www.fairfaxcounty.gov/retirement/financial-publications

2. Risk Management

The Authority is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets, errors and omissions, injuries to employees and residents, and natural disasters. For all of these risks, the Authority participates in the county's self-insurance program. The Authority is charged "premiums", which are computed based on relevant data coupled with actual loss experience applied on a retrospective basis. There were no claims settlements in excess of insurance coverage in any of the past three fiscal years. Information regarding the county's insurance program is available in the county CAFR for the fiscal year ended June 30, 2020.

3. Other Postemployment Benefits (OPEB)

The Fairfax County OPEB Plan (the Plan) is a single-employer defined benefit plan administered by the county presented as a cost-sharing plan in the authority's statements. The Plan provides the opportunity to continue participation in medical, dental, vision, and life insurance benefits for eligible retirees and their spouses. The plan benefits correspond with benefits available to active employees. The benefit provisions are established and may be amended by the Board. Fiduciary oversight is provided by the members of the Local Finance Board for OPEB and deferred compensation. The members of this finance board are the CFO/ Director of Management and Budget, Director of Finance, Director of Human Resources, and the Executive Director of the Retirement Agency. The Plan does not issue a stand-alone financial report. Financial information about the Plan and its fiduciary net position is available in the county's annual financial report available online at:
http://www.fairfaxcounty.gov/finance/financialreporting/comprehensiveannualfinancialreport

In order to participate in the Plan, an Authority employee must meet retirement criteria for the ERS. The retiree must have the applicable benefit (s) in place as an active employee, and must maintain continuous participation in the benefit plan into retirement. Upon retirement, the county no longer contributes to the premium payments and the participant becomes responsible for 100% of applicable premiums less any applicable subsidies.

Beginning in fiscal year 2006, the amount of monthly medical subsidy provided by the County is based on years of service and ranges from $40 per month to $230 per month. Employees who retired prior to July 1, 2003 are eligible for the greater of the amount based on the current subsidy structure and an amount calculated based on the subsidy structure in place prior to July 2003. In addition, the Board has established a program to subsidize the continuation of term life insurance at reduced coverage amounts, for retirees. Retirees generally pay for 50 percent of their coverage amounts at age-banded premium rates, with the County incurring the balance of the cost. In order to receive these subsidies, retirees must be 55 or older and have a minimum of five years of service credit. If participation in any of the benefit areas is discontinued, eligibility is lost and a retiree may not re-enroll into the Plan benefit. Consequently, all inactive employees are considered to be receiving benefits.

Contributions to the plan are made by appropriation from the Board based on their commitment to fund actuarially determined amount. The employer contributions made during the measurement period of the liability was $1,105,885. The authority's contribution for fiscal year June 30, 2020 was $838,219. Plan members are not required to contribute to the OPEB Trust Fund.

Assumptions

Total OPEB Liability was determined by an actuarial valuation as of July 1, 2018, rolled forward to June 30, 2019, using the following actuarial assumptions:

Actuarial cost method	Entry age normal
Asset valuation method	Market value of assets
Investment rate of return	7.00%, net of OPEB plan investment expense, including inflation.
Retirement age	Varies by age and pension plan.
Mortality	RP-2014 Mortality table fully generational projected using scale MP-2018. Disabled mortality is assumed to be RP-2014. Disabled mortality table fully generational using scale MP-2018.
Healthcare cost trend rate	7.6% - 10.6%, decreasing to 4.3%

The actuarial assumptions used in the valuation were based on the results of an actuarial experience study for the period of July 1, 2010 to June 30, 2015.

Investments

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class and target allocations as of June 30, 2019 are as follows:

Asset Class	Long Term Expected Real Rate of Return	Target Allocation
Domestic Equity (Large Cap)	6.80%	26.00%
Domestic Equity (Small Cap)	7.30%	10.00%
International Equity	7.50%	13.00%
Emerging Markets Equity	8.10%	5.00%
Core US Fixed Income	3.10%	7.00%
Corporate Fixed Income	3.80%	14.00%
Hedge Funds	4.60%	10.00%
Real Estate	5.10%	7.00%
Private Equity	9.60%	5.00%
Commodities	4.70%	3.00%

There are no concentrations in any one organization that represent 5% or more of the fiduciary net position in the Plan.

The Plan's funds are invested in domestic and international equity and fixed income funds through the Virginia Pooled OPEB Trust Fund established as the investment vehicle for participating employers. The county is not involved in the administration of these funds. Further information about the Virginia Pooled OPEB Trust Fund sponsored by VML/VACo., including financial statements, can be obtained by writing to VML/VACo Finance Program, 919 East Main Street, Suite 1100, Richmond, Virginia 23219.

Discount Rate

The discount rate used to measure the total OPEB liability was 7.0%. The projection of cash flows used to determine the discount rate assumed plan member contributions will be made at the current contribution rate and that county contribution will be made at rates equal to the actuarially determined contribution rates. For this purpose, only employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included. Projected county contributions that are intended to fund the service costs of future plan members and their beneficiaries, as well as projected contributions from future plan members, are not included. Based on these assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future OPEB payments for current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

Net OPEB Liability

At June 30, 2020, the Authority reported a liability of $6,257,851 for its proportionate share of the net OPEB liability. The Actuary calculated total OPEB Liability was based on participant data collected as of July 1, 2018 and an actuarial valuation as of July 1, 2018, using the entry age actuarial cost method with a measurement date of June 30, 2019, the Authority's proportion was 4.31%.

Net OPEB liability was measured as of June 30, 2019, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date. Authority's net OPEB liability is determined by Authority's proportional share of the OPEB plan participation. The components of the net OPEB liability at June 30, 2020 are as follows:

Total OPEB liability	$ 20,258,439
Plan fiduciary net position (market value of assets)	(14,000,588)
Net OPEB liability	$ 6,257,851
Plan fiduciary net position as a percentage of the total OPEB liability	69.11%

Sensitivity Analysis

The following presents the Authority's share of the net OPEB liability using the 7% discount rate, as well as what the liability would be if the discount rate was one percentage point higher and one percentage point lower.

Sensitivity of New OPEB Liability to Changes in Discount Rate

	1% Decrease 6%	Current Rate 7%	1% Increase 8%
Total OPEB Liability	$ 23,639,171	$ 20,258,439	$ 17,587,016
Plan Fiduciary Net Position	(14,000,588)	(14,000,588)	(14,000,588)
Net OPEB Liability	$ 9,638,583	$ 6,257,851	$ 3,586,428

The following presents the Authority's share of the net OPEB liability calculated using the healthcare trend rates (7.6%- 10.6% decreasing to 4.3%), as well as the impacts of calculating the rates at one percentage point lower (6.6%-9.6% decreasing to 3.3%) or one percentage point higher (8.6%-11.6% decreasing to 5.3%):

Sensitivity of Net OPEB Liability to Changes in Healthcare Cost Trend Rates

	1% Decrease (Varied decreasing to 3.3%)	Trend Rate (Varied decreasing to 4.3%)	1% Increase (Varied decreasing to 5.3%)
Total OPEB Liability	$ 17,022,185	$ 20,258,439	$ 24,503,694
Plan Fiduciary Net Position	(14,000,588)	(14,000,588)	(14,000,588)
Net OPEB Liability	$ 3,021,597	$ 6,257,851	$ 10,503,106

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2020, the Authority recognized OPEB expense of $1,336,378. At June 30, 2020, the Authority reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following resources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between actual and expected experience	$ 762,980	$ 332,248
Changes of assumptions	3,697,628	591,914
Net difference between expected and actual earnings on OPEB plan investments	-	131,713
Change in proportion applicable to the Authority	297,130	-
Authority's contributions subsequent to the measurement date	838,219	-
Total	$ 5,595,957	$ 1,055,875

Authority contributions of $838,219 subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ending June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended June 30		
2021	$	483,830
2022		483,830
2023		610,933
2024		671,866
2025		644,724
Thereafter		806,680
	$	3,701,863

4. On-behalf Payments

On-behalf payments for salaries and fringe benefits are direct payments made by one entity (the county) to a third-party recipient for the employees of another, legally separate entity (the Authority). On-behalf payments include salaries, pension plan contributions, employee health and life insurance premiums, and salary supplements. The county expended $29,686,374 in on-behalf payments for the Authority for fiscal year 2020. This amount consisted of $19,255,960 in salaries; $3,345,638 in health, life, catastrophic loss and unemployment insurance premiums; $1,336,285 in Federal Insurance Contributions Act (FICA); $5,123,650 in pension plan contributions; and $624,841 in liability insurance premium payments. The Authority is not required to reimburse the county for these payments; therefore, the Authority recognized revenues and expenditures for the amounts paid on behalf of the Authority by the County General Fund for fiscal year 2020.

5. Related Parties

The Park Foundation (the Foundation) is related to the Authority through common support. For the fiscal year 2020, the Authority made in-kind donations of salaries and benefits, and office rent expense to the Foundation totaling $425,279. The Foundation's fundraising efforts are directed towards granting funding to support the parks and open spaces under the management of the Authority. For fiscal year 2020, the Foundation made payments totaling to $455,618 to the Authority.

During fiscal year 2020, the Authority purchased, the ordinary course of business, services from the county under a Memorandum of Understanding. These included office services, transportation and communications. Also, a county-owned building serves as the Authority's administrative headquarters. No rent is charged to the Authority by the county.

I. Uncertainty

In March 2020, the World Health Organization declared COVID-19 a global pandemic. Due to the pandemic, the Authority undertook steps to limit non-essential spending, while continuing to provide safe recreational opportunities to county residents. As there is still a significant level of uncertainty associated with pandemic, the Authority continues to actively monitor developments and will take steps to respond accordingly to the situation.

J. Implementation of New Accounting Pronouncements

In Fiscal Year 2020 the Authority implemented the following GASB Standards:

No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*

This statement allows a one-year postponement of the effective dates *for Statement Nos. 83, 84, 88, 89, 90, 91, 92, 93*, as well as provisions included in *Implementation Guides 2017-3, 2018-1, 2019-1, 2019-2*. A postponement of 18 months is allowed for *Statement 87* and *Implementation Guide 2019-3*.

Earlier application of the provisions of those statements is permitted and encouraged. The Authority is reporting in accordance with *Statement 83, 88, 89* and *90*, as well as associated implementation guide materials. These Statements were implemented by the Authority in periods prior to the issuance of *Statement No. 95*.

The implementation of this standard did not have a material impact on the Authority's financial statements.

Required Supplementary Information

The Required Supplementary Information subsection is presented to supplement the basic statements of the Authority. It includes the budgetary comparison schedules for the Authority's General Fund (Financed from County General Fund) and Park Revenue and Operating Fund, schedule of proportionate share of the net pension and OPEB liability, schedule of contributions ERS Pension Plan and OPEB, and related notes.

Fairfax County Park Authority **RSI - 1**
A Component Unit of the County of Fairfax, Virginia
Budgetary Comparison Schedule - General Fund (Financed from County General Fund) (Budget Basis)
For the Fiscal Year Ended June 30, 2020 (Unaudited)

	Budgeted Amounts Original	Budgeted Amounts Final	Actual Amounts (Budget Basis)	Variance from Final Budget Positive (Negative)
REVENUES				
Charges for services	$ 616,707	$ 682,635	$ 186,896	$ (495,739)
Revenue from use of money and property	-	-	9,504	9,504
Intergovernmental	27,136,623	27,156,521	24,689,842	(2,466,679)
Total revenues	27,753,330	27,839,156	24,886,242	(2,952,914)
EXPENDITURES				
Administration	6,891,040	8,711,831	7,504,741	1,207,090
Maintenance/Renovation	10,528,142	8,987,692	7,994,880	992,812
Other leisure services	4,541,683	4,557,102	4,328,672	228,430
Cultural enrichment	5,792,465	5,582,531	5,057,949	524,582
Total expenditures	27,753,330	27,839,156	24,886,242	2,952,914
Net change in fund balance	$ -	$ -	$ -	$ -

See accompanying notes to the required supplementary information

"Unaudited" - See accompanying independent auditor's report.

Fairfax County Park Authority **RSI - 2**
A Component Unit of the County of Fairfax, Virginia
Budgetary Comparison Schedule - Park Revenue and Operating Fund (Budget Basis)
For the Fiscal Year Ended June 30, 2020 *(Unaudited)*

	Budgeted Amounts			
	Original	Final	Actual Amounts (Budget Basis)	Variance from Final Budget Positive (Negative)
REVENUES				
Charges for services	$ 46,884,429	$ 46,884,429	$ 26,852,051	$ (20,032,378)
Revenue from the use of money and property	2,652,931	2,652,931	2,817,370	164,439
Gifts, donations, and contributions	898,729	898,729	571,527	(327,202)
Other	32,459	32,459	91,464	59,005
Total revenues	50,468,548	50,468,548	30,332,412	(20,136,136)
EXPENDITURES				
Administration	2,943,838	2,943,838	2,818,974	124,864
Golf courses	10,285,637	10,286,388	9,188,060	1,098,328
Recreation centers	33,431,592	33,434,352	23,111,812	10,322,540
Cultural enrichment	2,347,784	2,347,784	1,418,182	929,602
Laurel Hill debt	919,485	919,485	919,485	-
Total expenditures	49,928,336	49,931,847	37,456,513	12,475,334
Excess (deficiency) of revenues over (under) expenditures	540,212	536,701	(7,124,101)	(7,660,802)
OTHER FINANCING SOURCES (USES)				
Transfer In	-	957,403	957,403	-
Transfer Out	-	(4,465,000)	(4,465,000)	-
Total other financing sources (uses), net	-	(3,507,597)	(3,507,597)	-
Net change in fund balance	$ 540,212	$ (2,970,896)	$ (10,631,698)	$ (7,660,802)

See accompanying notes to the required supplementary information

"Unaudited" - See accompanying independent auditor's report.

Fairfax County Park Authority **RSI - 3**
A Component Unit of the County of Fairfax, Virginia
Schedule of Proportionate Share of the Net Pension Liability
ERS Pension Plan - Last 10 Fiscal Years*
For the Fiscal Year Ended June 30, 2020 *(Unaudited)*

	2020	2019	2018	2017	2016	2015
Authority's proportion of the net pension liability	3.3805%	3.4279%	3.5037%	3.4122%	3.4914%	3.7218%
Authority's proportionate share of the net pension liability	$ 57,131,593	$ 56,569,917	$ 56,701,964	$ 52,081,396	$ 44,910,210	$ 38,774,320
Authority's covered payroll	$ 26,277,130	$ 25,560,336	$ 25,598,651	$ 24,172,428	$ 23,996,881	$ 24,995,514
Authority's proportionate share of the net pension liability as a percentage of its covered payroll	217.42%	221.3%	221.5%	215.5%	187.2%	155.1%
Plan fiduciary net position as a percentage of the total pension liability	70.80%	70.5%	69.9%	70.2%	74.2%	78.3%

*The schedule is intended to show information for 10 years. As 2015 is the first year implemented, additional years will be displayed as they become available. (The amounts presented for each fiscal year were determined as of June 30 of the previous year as the year shown is the Fiscal Year of presentation)

"Unaudited" - See accompanying independent auditor's report.

Fairfax County Park Authority **RSI - 4**
A Component Unit of the County of Fairfax, Virginia
Schedule of Contributions
ERS Pension Plan - Last 10 Fiscal Years*
For the Fiscal Ended Year June 30, 2020 (*Unaudited)*

	Actuarially Determined Contribution	Contribution in Relation to the Actuarially Determined Contribution	Contribution Deficiency (Excess)	Authority's Covered Payroll	Contributions as a Percentage of Covered Payroll
2020	$ 7,552,369	$ 7,552,369	$ -	$ 26,639,750	28.35 %
2019	7,131,613	7,131,613	-	26,277,130	27.1 %
2018	6,464,209	6,464,209	-	25,560,336	25.3 %
2017	5,862,091	5,862,091	-	25,598,651	22.9 %
2016	5,315,517	5,315,517	-	24,172,428	22.0 %
2015	4,835,372	4,835,372	-	23,996,881	20.2 %
2014	4,824,145	4,824,145	-	24,995,514	19.3 %

*The schedule is intended to show information for 10 years. 2014 is first year implemented, additional years will be displayed as they become available.

"Unaudited" - See accompanying independent auditor's report.

Fairfax County Park Authority **RSI - 5**
A Component Unit of the County of Fairfax, Virginia
Schedule of Contributions—OPEB Plan
Last Ten Fiscal Years*
For the Fiscal Year Ended June 30, 2020 (Unaudited)

(Dollar amounts in thousands)

	2020	2019	2018	2017
Actuarially determined contribution	$ 691	$ 983	$ 824	$ 791
Contribution made in relation to the actuarially determined contribution	838	1,106	927	1,092
Contribution excess	(147)	(123)	(103)	(301)
Covered-employee payroll	40,962	40,202	34,691	35,418
Contributions as a percentage of covered-employee payroll	2.05%	2.75%	2.67%	3.08%

*These schedules are intended to show information for 10 years. 2017 is the first year the information is prepared. Under GAAP requirements, 2018 is the first year for component units to report. Additional years will be displayed as they become available.

"Unaudited" - See accompanying independent auditor's report.

Fairfax County Park Authority **RSI - 6**
A Component Unit of the County of Fairfax, Virginia
Schedule of Proportionate Share of the Net OPEB Liability
Last Ten Fiscal Years*
For the Fiscal Year Ended June 30, 2020 (Unaudited)

	2020	2019	2018
Authority's proportion of the net OPEB liability	4.31%	4.40%	3.90%
Authority's proportionate share of the net OPEB liability	6,257,851	4,059,895	1,668,459
Authority's covered-employee payroll	40,202,128	34,691,484	35,418,330
Authority's proportionate share of the net OPEB liability as a percentage of covered-employee payroll	15.57%	11.70%	4.71%
Plan fiduciary net position as a percentage of the total OPEB liability	69.11%	76.97%	86.73%

*These schedules are intended to show information for 10 years. 2018 is the first year the information is prepared. Under GAAP requirements, 2018 is the first year for component units to report. Additional years will be displayed as they become available.
(The amounts presented for each fiscal year were determined as of June 30 of the previous year as the year shown is the Fiscal Year of presentation)

"Unaudited" - See accompanying independent auditor's report.

Fairfax County Park Authority
A Component Unit of the County of Fairfax, Virginia
Notes to the Required Supplementary Information *(unaudited)*
For the Fiscal Year Ended June 30, 2020

A. Budget Data

The Authority's budgets are formulated using the following procedures:

The Authority submits to the county Board proposed Parks Revenue and Operating fund and Park Capital Improvement fund budgets that have been approved by the Authority's Board for the forth-coming fiscal year.

The budgets are legally enacted through passage of an ordinance by the Board, as part of the county's budget adoption process. The legal level of budgetary control is exercised at the fund level and the administrative controls are exercised at the cost categories level.

The budget for any fund or project can be increased or decreased by formal county Board action (budget and appropriation resolution). According to the *Code of Virginia,* any budget amendment which involves a dollar amount exceeding one percent of total expenditures from that which was originally approved may not be enacted without the county first advertising the amendment and without conducting a public hearing. The advertisement must be published at least once in a newspaper with general county circulation at least 7 days prior to the public hearing. Any amendment greater than one percent of expenditures requires that the Board advertise a synopsis of the proposed changes.

Annual operating budgets are adopted for all appropriated governmental funds, except for the capital projects funds in which budgetary control is achieved on a project-by-project basis. The budgets are on a basis consistent with GAAP for all governmental funds with the following exceptions:

- Certain offsetting on-behalf payments made by the County General Fund are excluded from revenues and expenditures for budgetary purposes in the Financed from County General Fund.
- Debt service and capital outlays in the Financed from County General Fund and Park Revenue and Operating Fund are budgeted as functional expenditures.
- The revenue for summer camps and recreational classes fees are budgeted and collected on cash basis, but have not met the criterial for recognition under GAAP and therefore are reported as unearned revenue.

All unexpended appropriations lapse at the end of the fiscal year unless the Board approves carrying it forward to the next fiscal year.

The Authority's administration, lake parks, maintenance, and cultural enrichment functions are budgeted and financed from County General Fund. Recreation and golf functions are budgeted in the Park Revenue and Operating Fund.

The schedule below reconciles the amounts on the Budgetary Comparison Schedule - General Fund (Financed from the County General Fund) and Park Revenue and Operating Fund to the amounts on the Statement of Revenues, Expenditures and Changes in Fund Balances.

	General Fund (Financed from County General Fund)	Park Revenue and Operating Fund
Actual Revenues (Budget Basis)	$ 24,886,242	$ 30,332,412
Perspective differences:		
Certain on-behalf payments made by County are not budgeted, as they are an expenditure of the County, but must be recorded as a revenue and an expenditure by the Authority under GAAP	10,430,414	-
Recovery from Care Fund 100-C10087	196,442	-
The revenue for certain fees are budgted and collected on a cash basis, but have not met the criteria for recognition under GAAP and, therefore, are reported as unearned	-	5,782,485
Actual Revenues (GAAP Basis)	35,513,098	36,114,897
Actual Expenditures (Budget Basis)	24,886,242	37,456,513
Perspective differences:		
Recovery from Care Fund 100-C10087	196,442	-
Certain on-behalf payments made by County are not budgeted, as they are an expenditure of the County, but must be recorded as a revenue and an expenditure by the Authority under GAAP	10,430,414	-
Actual Expenditures (GAAP Basis)	35,513,098	37,456,513
Other Financing Sources (Uses) (Budget Basis)	-	(3,507,597)
Loan paid to County governemnt	-	2,000,000
Other Financing Sources (Uses), net (GAAP Basis)	$ -	$ (1,507,597)

B. Pension Trend Data

Analysis of the dollar amounts of plan fiduciary net position, total pension liability, and net pension liability in isolation can be misleading. Expressing plan net position as a percentage of the total pension liability provides one indication of the system's funding status. Analysis of this percentage over time indicates whether the system is becoming financially stronger or weaker. Generally, the greater this percentage is, the stronger the system. Trends in the net pension liability and covered employee payroll are both affected by inflation. Expressing the net pension liability as a percentage of covered employee payroll approximately adjusts for the effects of inflation and aids in the analysis of the system's progress made in accumulating sufficient assets to pay benefits when due. Generally, the smaller the percentage is, the stronger the system.

The Schedule of Changes in Net Pension Liability and Related Ratios illustrates whether the plan's net position is increasing or decreasing over time relative to the total pension liability, and the net pension liability as it relates to covered employee payroll.

The Schedule of Employer Contributions provides historical context for the amount of contributions in the current period. The actuarially determined contribution rates are calculated as of June 30, one year prior to the beginning of the fiscal year in which contributions are reported. Significant methods and assumptions used to determine the contributions for county administered systems include salary increases plus 2.75% in inflation, and discount rate, net of plan investment expenses of 7.25%.

Ten-year historical trend information of the retirement systems administered by the county is presented as required supplementary information. Currently, the Pension Schedules (RSI-3 and RSI-4) do not present ten years. Prior to the implementation of GASB 68 in fiscal year 2015, the Authority information was not extrapolated from the county data; therefore, no information prior to that period is presented. This information is intended to help users assess the system's funding status on a going concern basis, assess progress made in accumulating assets to pay benefits when due, and make comparisons with other public employee retirement systems.

For the year ended June 30, 2020, the Authority recognized pension expense of $10,080,795.

Information pertaining to the retirement system administered by the county can be found in Note H to the financial statements.

C. OPEB Trend Data

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and healthcare trends. Amounts determined regarding the funded status of the plan and the annual required contribution of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

Ten-year historical trend information of the retirement systems administered by the county is presented as required supplementary information. Currently, the OPEB Schedules (RSI-5 and RSI-6) do not present ten years. Prior to the implementation of GASB 75 in fiscal year 2018, the Authority information was not extrapolated from the county data; therefore, no information prior to that period is presented. This information is intended to help users assess the system's funding status on a going concern basis, assess progress made in accumulating assets to pay benefits when due, and make comparisons with other public employee retirement systems.

For the year ended June 30, 2020, the Authority recognized OPEB expense credit of $1,336,378.

Information pertaining to the OPEB administered by the county can be found in Note H to the financial statements.

Statistical Section

The Statistical Section provides information on financial trends, revenue capacity, debt capacity, demographic and economic information, and operating information. This historical view will assist in understanding and assessing the Authority's financial and economic conditions.

LIST OF TABLES

The Statistical Section presents detailed information to enhance the understanding of the Authority's overall financial health. Ten years of data is shown for all tables *(unaudited)*.

Financial Trends

These schedules contain comparisons of financial statement information to assess the financial performance of the Authority.

Revenue Capacity

This schedule represents the Authority's primary own-source revenue.

Debt Capacity

This schedule provides information on the type of debt as well as outstanding debt ratios.

Demographic and Economic Information

These schedules provided additional insight into the environment in which the Authority operates.

Operating Information

These schedules are specific to the Authority and provide additional information about its operations.

Fairfax County Park Authority
Table 1 – Net Position by Component
Fiscal Years 2011 to 2020 *(Unaudited)*
(accrual basis of accounting)

	Fiscal Year				
	2020	**2019**	**2018*** **	**2017** **	**2016**
Governmental activities:					
Net investment in capital assets	$ 652,557,110	641,972,953	628,777,252	610,270,380	596,765,661
Restricted	33,507,020	25,504,038	20,185,667	17,601,697	15,516,101
Unrestricted (deficit)	(51,708,949)	(41,635,108)	(42,767,736)	(35,097,354)	(32,004,867)
Total governmental activities net position	$ 634,355,181	625,841,883	606,195,183	592,774,723	580,276,895

Source: Fairfax County Park Authority, Financial Management Branch

* Fiscal year 2014 total net position has been revised due to the implementation of GASB Statement No. 68 - *Accounting and Financial Reporting for Pensions*.

**Fiscal Year 2017 amounts restated due to the implementation of the Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benfits Other Than Pension.*

***Fiscal Year 2018 amounts restated due to recognition of unearned revenues related to classes paid in FY2018, but rendered FY2019.

" Unaudited" - See accompanying independent auditor's report.

	Fiscal Year				
	2015	2014*	2013	2012	2011
Governmental activities:					
Net investment in capital assets	594,047,486	573,420,490	556,761,316	549,502,057	536,126,640
Restricted	11,577,600	14,282,422	9,615,008	8,763,485	5,952,792
Unrestricted (deficit)	(34,801,619)	(31,697,058)	26,965,438	21,692,892	21,079,786
Total governmental activities net position	570,823,467	556,005,854	593,341,762	579,958,434	563,159,218

Fairfax County Park Authority
Table 2 – Changes in Net Position
Fiscal Years 2011 to 2020 *(Unaudited)*
(accrual basis of accounting)

	Fiscal Year				
	2020	**2019**	**2018*****	**2017****	**2016**
Expenses					
Governmental activities:					
Administration	$ 33,150,473	26,202,287	27,229,506	25,361,554	17,414,501
Maintenance/Renovation	19,821,531	18,291,319	19,429,720	18,784,000	21,038,576
Golf courses	9,584,128	9,897,649	10,085,648	10,066,692	9,666,636
Recreation centers	22,220,355	28,504,359	27,798,579	27,132,051	27,010,588
Lake parks	3,434,921	4,461,687	4,299,321	4,140,460	3,958,340
Other leisure services	7,355,455	8,394,414	7,850,894	11,448,431	12,274,226
Cultural enrichment	10,315,590	11,761,677	11,933,654	7,332,175	6,974,721
Interest on long-term debt	480,802	515,202	543,959	572,823	595,040
Total governmental activities expenses	106,363,255	108,028,594	109,171,281	104,838,186	98,932,628
Program Revenues					
Governmental activities:					
Charges for services:					
Administration	1,605,950	1,662,646	1,365,572	1,659,068	1,740,543
Golf courses	9,276,144	9,336,919	9,364,863	9,765,942	9,850,453
Recreation centers	19,968,804	28,057,942	25,110,990	28,359,833	27,874,085
Lake parks	2,688,027	3,916,684	3,570,168	3,927,638	3,499,536
Other leisure services	196,400	690,614	664,705	705,800	814,879
Cultural enrichment	2,016,461	3,033,894	2,204,754	2,721,950	2,588,485
Capital grants and contributions	27,613,776	23,444,103	24,136,936	19,228,339	18,281,842
Total revenues	63,365,562	70,142,802	66,417,988	66,368,570	64,649,823
Net (expense) - governmental activities	(42,997,693)	($37,885,792)	($42,753,293)	($38,469,616)	(34,282,805)
General revenues and other changes in net position					
Governmental activities:					
Intergovernmental	49,486,823	50,521,420	48,701,098	46,077,722	41,467,246
Investment earnings	359,722	382,908	247,225	97,228	79,134
Operating grants not restricted to specific programs	641,985	738,021	867,319	627,106	608,017
Capital contributions not restricted to specific programs	1,022,461	5,890,143	6,358,111	6,585,334	1,581,836
Total governmental general revenues and other changes	51,510,991	57,532,492	56,173,753	53,387,390	43,736,233
Change in net position					
Change in net position - governmental activities	8,513,298	19,646,700	13,420,460	14,917,774	9,453,428
Total change in net position	$ 8,513,298	19,646,700	13,420,460	14,917,774	9,453,428

Source: Fairfax County Park Authority, Financial Management Branch

Notes:
* Change in net position - governmental activities, adjusted for change in accounting principle in FY2014.
** Changes in net position - to facilitate the impletion of changes in accounting principle in FY2017.
*** Change in net position - to facilitate the implementation of unearned revenue correction of error in F2018.

"Unaudited" - See accompanying independent auditor's report

Fiscal Year					
2015	2014*	2013	2012	2011	
					Expenses
					Governmental activities:
17,414,644	17,362,236	15,052,999	17,143,757	10,640,173	Administration
20,851,415	24,084,272	20,574,333	18,097,262	20,216,277	Maintenance/Renovation
9,418,648	9,405,205	9,421,670	9,108,477	10,275,083	Golf courses
25,629,281	25,327,192	23,404,559	26,373,145	26,077,168	Recreation centers
4,389,120	3,984,548	4,032,800	2,731,407	5,897,252	Lake parks
16,687,299	7,347,617	6,255,821	4,899,174	5,272,258	Other leisure services
7,015,854	10,764,788	10,181,094	9,192,733	8,901,308	Cultural enrichment
617,618	659,215	873,935	1,063,810	1,149,364	Interest on long-term debt
102,023,879	98,935,073	89,797,211	88,609,765	88,428,883	**Total governmental activities expenses**
					Program Revenues
					Governmental activities:
					Charges for services:
1,496,663	1,204,404	1,104,938	1,117,465	1,161,779	Administration
9,609,835	9,755,040	9,915,912	10,321,192	9,663,300	Golf courses
26,948,141	25,831,086	26,023,313	25,170,664	23,642,808	Recreation centers
2,945,257	2,798,220	2,586,099	2,799,689	2,787,336	Lake parks
1,013,164	1,314,874	1,467,166	1,671,093	1,733,561	Other leisure services
2,741,743	2,598,193	2,380,278	2,244,886	2,004,871	Cultural enrichment
19,911,841	14,151,467	13,504,787	13,811,586	13,182,612	Capital grants and contributions
64,666,644	57,653,284	56,982,493	57,136,575	54,176,267	**Total revenues**
(37,357,235)	(41,281,789)	(32,814,718)	(31,473,190)	(34,252,616)	**Net (expense) - governmental activities**
					General revenues and other changes in net position
					Governmental activities:
42,714,813	40,881,155	39,498,643	41,388,498	36,385,759	Intergovernmental
30,194	30,515	119,592	105,060	170,585	Investment earnings
746,244	678,644	720,682	593,169	500,040	Operating grants not restricted to specific programs
8,683,597	4,279,090	5,859,129	6,185,679	2,512,676	Capital contributions not restricted to specific programs
52,174,848	45,869,404	46,198,046	48,272,406	39,569,060	**Total governmental general revenues and other changes**
					Change in net position
14,817,613	4,587,615	13,383,328	16,799,216	5,316,444	Change in net position - governmental activities
14,817,613	4,587,615	13,383,328	16,799,216	5,316,444	**Total change in net position**

Fairfax County Park Authority
Table 3 – Fund Balances, Governmental Funds
Fiscal Years 2011 to 2020 *(Unaudited)*
(modified accrual basis of accounting)

	Fiscal Year				
	2020	**2019**	**2018*** **	**2017**	**2016**
Nonspendable, reported in:					
Financed from County General Fund	146,057	85,999	-	-	-
Park Revenue and Operating Fund	167,742	212,898	328,782	310,169	-
Capital projects funds	1,569,526	1,546,677	1,507,926	1,507,926	1,507,926
Restricted, reported in:					
Park Revenue and Operating fund	600,759	578,519	-	-	-
Capital projects funds	31,999,094	23,996,112	18,677,741	16,093,772	13,374,921
Committed, reported in:					
Park Revenue and Operating fund	-	2,532,462	4,088,961	4,107,968	4,042,461
Capital projects funds	4,170,857	7,866,317	7,196,596	7,936,121	8,807,600
Assigned, reported in:					
Park Revenue and Operating fund	-	-	-	-	-
Unassigned reported in:					
Financed from County General Fund	(146,057)	(85,999)	-	-	-
Park Revenue and Operating Fund	(4,093,899)	(3,771,724)	(5,399,067)	(310,169)	-
Capital projects funds	(57,475)	(38,751)	-	-	-
Total Governmental Funds	$ 34,356,604	32,922,510	26,400,939	29,645,787	27,732,908

Source: Fairfax County Park Authority, Financial Management Branch

Notes:
** Fiscal year 2011 fund balance classifications have been revised due to the implementation of the Governmental Accounting Standard No.54, *Fund Balance Reporting and Governmental Fund Type Definitions.*

***Fiscal Year 2018 amounts restated due to recognition of unearned revenue related to classes paid in FY2018, but rendered FY2019.

"Unaudited" - See accompanying independent auditor's report.

Fiscal Year					
2015	**2014**	**2013**	**2012**	**2011****	
					Non-spendable, reported in:
-	-	-	-	-	Financed from County General Fund
-	-	-	-	-	Park Revenue and Operating Fund
-	-	-	-	-	Capital projects funds
					Restricted, reported in:
-	-	61,115	1,972,833	1,944,916	Park Revenue and Operating Fund
11,269,952	13,481,359	21,862,061	17,367,971	14,163,670	Capital projects funds
					Committed, reported in:
3,902,340	3,812,237	3,264,773	3,204,470	-	Park Revenue and Operating Fund
8,981,293	12,035,451	13,912,719	12,096,172	14,079,770	Capital projects funds
					Assigned, reported in:
712,916	302,936	2,155,022	2,508,083	3,227,970	Park Revenue and Operating Fund
					Unassigned reported in:
-	-	-	-	-	Financed from County General Fund
-	-	-	-	-	Park Revenue and Operating Fund
(2,800,759)	-	-	-	-	Capital projects funds
22,065,742	29,631,983	41,255,690	37,149,529	33,416,326	Total Governmental Funds

Fairfax County Park Authority
Table 4 – Changes in Fund Balances, Governmental Funds
Fiscal Years 2011 to 2020 *(Unaudited)*
(modified accrual basis of accounting)

	Fiscal Year				
	2020	**2019**	**2018***	**2017**	**2016**
Revenues					
Intergovernmental	$ 74,486,823	70,521,420	68,986,515	63,921,421	58,470,746
Charges for services	32,821,432	43,822,227	39,727,386	44,559,737	43,901,750
Revenue from the use of money and property	3,401,385	3,726,651	3,853,356	3,663,832	3,492,695
Gifts, donations, and contributions	3,138,840	4,581,442	4,874,368	2,940,467	1,881,095
Other	312,728	822,370	249,605	251,450	209,614
Total revenues	114,161,208	123,474,110	117,691,230	115,336,906	107,955,900
Expenditures					
Administration	14,482,243	12,867,216	12,191,691	12,487,902	11,389,563
Maintenance/Renovation	19,356,592	18,055,172	19,212,228	18,561,625	16,913,220
Golf courses	9,262,423	9,559,434	9,932,150	10,076,218	9,430,079
Recreation centers	21,359,900	27,450,044	26,921,597	26,353,658	26,136,719
Lake parks	2,574,496	3,598,081	3,438,874	3,262,062	3,309,548
Other leisure services	6,275,908	7,391,034	7,297,004	7,491,838	7,245,413
Cultural enrichment	9,736,234	11,144,446	11,182,844	10,247,965	9,372,402
Intergovernmental	820,000	820,000	820,000	820,000	2,320,000
Capital outlay	27,113,287	24,249,800	28,295,658	22,798,746	14,566,708
Debt service:					
Principal retirement	1,266,100	1,176,400	1,102,300	1,027,600	957,900
Interest and other charges	451,591	508,213	560,344	606,583	647,182
Total expenditures	112,698,774	116,819,840	120,954,690	113,734,196	102,288,734
(Deficiency)/Excess of revenues over (under) expenditures	1,462,434	6,654,270	(3,263,460)	1,602,710	5,667,166
Other financing sources (uses)					
Refunding bonds issued		-	-	-	-
Premium on refunding revenue bonds		-	-	-	-
Payments to escrow agent		-	-	-	-
Transfers in	3,422,403	160,000	350,000	580,000	1,170,349
Transfers out	(3,422,403)	(160,000)	(350,000)	(580,000)	(1,170,349)
Total other financing uses, net	-	-	-	-	-
Net change in fund balances	$ 1,462,434	6,654,270	(3,263,460)	1,602,710	5,667,166
Debt service as a percentage of noncapital expenditures	2.01%	1.82%	1.79%	1.80%	1.83%

Source: Fairfax County Park Authority, Financial Management Branch

*Fiscal Year 2018 amounts restated due to recognition of unearned revenue related to classes paid in FY2018, but rendered FY2019.

"Unaudited" - See accompanying independent auditor's report.

Fiscal Year					
2015	2014	2013	2012	2011	
					Revenues
62,085,627	54,039,922	52,498,642	54,765,904	47,589,052	Intergovernmental
42,347,540	41,056,459	41,207,304	40,915,997	38,540,752	Charges for services
3,232,850	3,238,489	4,802,604	3,766,395	3,549,584	Revenue from the use of money and property
1,439,712	1,974,296	3,057,876	1,717,321	2,384,049	Gifts, donations, and contributions
247,235	252,711	543,170	209,216	195,998	Other
109,352,964	100,561,877	102,109,596	101,374,833	92,259,435	**Total revenues**
					Expenditures
9,797,277	8,751,358	8,298,840	10,178,562	9,600,475	Administration
18,004,301	20,740,313	19,121,612	18,193,672	18,218,165	Maintenance/Renovation
9,226,050	9,170,210	9,324,522	8,836,994	9,083,552	Golf courses
24,896,636	24,570,799	23,130,248	24,954,829	23,275,013	Recreation centers
3,687,413	3,288,472	3,307,668	2,269,336	5,231,393	Lake parks
6,540,166	6,142,834	6,682,515	4,652,938	2,526,452	Other leisure services
9,685,703	9,541,711	8,603,837	8,550,171	8,230,365	Cultural enrichment
7,216,692	2,060,000	-	-	-	Intergovernmental
26,285,077	26,996,547	15,957,766	16,578,119	26,572,982	Capital outlay
					Debt service:
898,100	243,700	935,000	2,652,800	820,000	Principal retirement
681,790	679,640	967,217	774,209	1,072,104	Interest and other charges
116,919,205	112,185,584	96,329,225	97,641,630	104,630,501	**Total expenditures**
(7,566,241)	(11,623,707)	5,780,371	3,733,203	(12,371,066)	**(Deficiency)/excess of revenues over (under) expenditures**
					Other financing sources (uses)
-	-	4,800,000	-	-	Refunding bonds issued
-	-	701,735	-	-	Premium on refunding revenue bonds
-	-	(7,175,945)	-	-	Payments to escrow agent
-	1,500,000	1,849,882	-	800,000	Transfers in
-	(1,500,000)	(1,849,882)	-	(800,000)	Transfers out
-	-	(1,674,210)	-	-	**Total other financing uses, net**
(7,566,241)	(11,623,707)	4,106,161	3,733,203	(12,371,066)	Net change in fund balances
1.74%	1.08%	2.37%	4.23%	2.42%	Debt service as a percentage of noncapital expenditures

Fairfax County Park Authority
Table 5 - User Fee Revenue by Source
Fiscal Years 2011 to 2020 *(Unaudited)*
(accrual basis of accounting)

Fiscal Year		Admissions	Classes/Lessons	Golf Fees	Sales	Rentals	Total
2020	$	12,473,324	12,562,448	5,861,931	1,149,183	3,704,900	35,751,786
2019		16,659,357	18,660,076	5,634,175	1,446,743	4,298,348	46,698,699
2018	*	15,976,983	14,855,366	5,644,155	1,521,823	4,282,725	42,281,052
2017		16,349,576	18,789,298	5,906,132	1,607,788	4,407,779	47,060,573
2016		15,357,431	18,901,342	6,220,269	1,544,761	4,184,518	46,208,321
2015		14,395,771	18,519,606	6,106,081	1,509,667	3,667,820	44,198,945
2014		14,019,745	17,401,421	6,351,098	1,545,384	4,065,640	43,383,288
2013		14,207,886	17,246,671	6,529,863	1,638,286	3,817,056	43,439,762
2012		14,177,947	16,457,496	6,964,454	1,690,986	3,896,499	43,187,382
2011		13,625,076	15,099,789	6,639,157	1,687,540	3,552,361	40,603,923

Source: Fairfax County Park Authority, Financial Management Branch

*Fiscal Year 2018 amounts restated due to recognition of unearned revenue related to classes paid in FY2018, but rendered FY2019.

"Unaudited" - See accompanying independent auditor's report.

Fairfax County Park Authority
Table 6 - Outstanding Debt by Type
Fiscal Years 2011 to 2020 *(Unaudited)*

Fiscal Year End		Revenue Bonds(1)	Notes Payable County/EDA(1)	Total	Percentage of Personal Income (2)	Debt Per Capita (2)
2020	$	788,503	10,185,100	10,973,603	1.21 %	15
2019		1,568,406	10,711,200	12,279,606	0.02	13
2018		2,336,984	11,182,600	13,519,584	0.02	14
2017		3,103,198	11,604,900	14,708,098	0.02	14
2016		3,864,369	11,977,500	15,841,869	0.02	14
2015		4,618,033	12,305,400	16,923,433	0.02	15
2014		5,371,480	12,588,500	17,959,980	0.02	16
2013		5,501,735	12,832,200	18,333,935	0.02	16
2012		7,305,315	13,042,200	20,347,515	0.03	18
2011		8,440,000	15,000,000	23,440,000	0.03	22

Source: Fairfax County Park Authority, Financial Management Branch

Notes:

1) After fiscal year 2013, amounts for bonds are reported gross, excluding discounts and deferred amounts on refundings. See Note F in Notes to the Financial Statements for additional information regarding the Authority's outstanding debt.

2) Per capita personal income for Fairfax County was used to calculate Percentage of Personal Income ratio and the Population of Fairfax County was used to calculate Debt Per Capita ratio. See Table 7.

"Unaudited" - See accompanying independent auditor's report.

Fairfax County Park Authority
Table 7 - Demographic and Economic Statistics
Calendar Years 2010 to 2019

Calendar Year	Estimated Population(1)	Personal Income (2) (000s)	Per Capita Personal Income(2)	Median Age(3)	Bachelor's or Higher Degree and 25 Years of Age or Older % (3)	School Enrollment(4)	Unemployment Rates % (5)
2019	1,166,965	$ 96,205,762	$ 82,441	38.4	61.1 %	187,474	2.3 %
2018	1,152,873	90,357,574	78,376	37.9	60.7	188,403	2.4
2017	1,142,888	86,834,344	75,978	38.1	60.3	187,484	3.0
2016	1,138,652	85,311,224	74,923	38.0	59.9	185,979	3.2
2015	1,142,234	85,675,546	75,007	37.7	59.2	185,914	3.1
2014	1,137,538	81,620,627	71,752	37.6	58.6	183,895	3.5
2013	1,130,924	80,982,075	71,607	37.3	58.2	181,259	3.7
2012	1,118,602	77,012,392	68,847	37.6	59.3	177,918	4.4
2011	1,100,692	71,145,429	64,637	37.6	58.0	174,933	4.7
2010	1,081,726	72,577,324	67,094	37.5	56.1	172,391	5.1

Notes:

1) Population data is obtained from Fairfax County Department and Budget.

2) Personal income data is obtained from the Bureau of Economic Analysis, U.S. Department of Commerce and includes the Cities of Fairfax and Falls Church. Data for only Fairfax County is not available, however, it is believed that the inclusion of these Cities does not significantly affect the county's data. Fairfax County data for 2019 is estimated using percent change in per capita personal income from 2018.

3) Median age and educational attainment information are obtained from the U.S. Census Bureau's American Fact Finder.

4) Public school enrollment is obtained from Fairfax County Public Schools.

5) Unemployment rates are obtained from the Virginia Employment Commission, Annual Unemployment Statistics for the calendar year, not seasonally adjusted.

"Unaudited" - See accompanying independent auditor's report.

Fairfax County Park Authority
Table 8 - Principal Employers
Current Year and Nine Years Ago *(Unaudited)*

	Fiscal Year 2020 (1)				Fiscal Year 2011 (1)		
Rank	Employer	Number of Employees (2)	Pct. of Total County Employment (3)	Rank	Employer	Number of Employees (2)	Pct. of Total County Employment (3)
1	Fairfax County Public Schools	25,041	3.90 %	1	Fairfax County Public Schools	22,939	3.98 %
2	Federal Government	24,304	3.78	2	Federal Government	22,648	3.93
3	Fairfax County Government	12,224	1.90	3	Fairfax County Government	11,871	2.06
4	Inova Health System	10,000-11,000	1.63	5	Inova Health System	7,000-10,000	1.47
5	George Mason University	5,000-9,999	1.17	8	George Mason University	4,000-6,999	0.95
6	Booz-Allen Hamilton	5,000-9,999	1.17	4	Booz-Allen Hamilton	7,000-10,000	1.47
7	Amazon	5,000-9,999	1.17				
8	Federal Home Loan Mortgage	5,000-9,999	1.17	7	Federal Home Loan Mortgage	4,000-6,999	0.95
9	Science Applications International Corporation (4)	5,000-9,999	1.17	6	Science Application International Corporation	4,000-6,999	0.95
10	Capital One	5,000-9,999	1.17				
	Northrop Grumman			9	Northrop Grumman	4,000-6,999	0.95
	Mitre			10	Mitre	1,000-3,999	0.43
	Totals		18.23 %				17.14 %

Source: Fairfax County Economic Development Authority (using Virginia Employment Commission data), Fairfax County Public Schools, Fairfax County Department of Management and Budget

Notes:

1) Employment information for fiscal year 2020, excluding data for Fairfax County Government and Fairfax County Public Schools, is from the 1st quarter of calendar year 2019 VEC. And Fairfax County's Economic Development Authority. Employment information for fiscal year 2010 is as was presented in 2010 Fairfax County CAFR.

2) Employment estimates for separate facilities of the same firm have been combined to create company totals. Employment ranges for the private sector are given to ensure confidentiality.

3) Percentages are based on the midpoint of the employment range. Average total County employment for fiscal year 2020 is estimated at 642,672 based on Virginia Employment Commission. Average total county employment for fiscal year 2011 was estimated at 576,746.

4) Science Applications International Corporation employment reported prior to the September 2013 split into two independent companies (SAIC and Leidos).

"Unaudited" - See accompanying independent auditor's report.

Fairfax County Park Authority
Table 9 - Full-Time Equivalent Employees, by Division
Fiscal Years 2011 to 2020 *(Unaudited)*

Fiscal Year	Administration	Resource Management	Park Operations	Park Services	Planning and Development	Total
2020	66	82	157	235	36	576
2019	58	84	158	238	36	574
2018	58	84	158	238	36	574
2017	57	90	164	239	32	582
2016	58	97	166	240	33	594
2015	58	100	163	240	34	595
2014	60	102	166	238	34	600
2013	59	101	163	240	35	598
2012	61	102	167	241	34	605
2011	60	103	168	240	34	605

Source: Fairfax County Department of Management and Budget.

"Unaudited" - See accompanying independent auditor's report.

Fairfax County Park Authority
Table 10 - Park Amenities
Fiscal Years 2011 to 2020 *(Unaudited)*

Function	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Parks, Recreation and Cultural										
Park Acreage	23,595	23,550	23,512	23,418	23,372	23,346	23,310	23,265	23,196	22,894
Parks, Recreation and Cultural	428	427	427	427	426	426	425	421	420	418
Athletic Fields	266	266	269	263	268	268	275	272	274	273
Aquatic & Fitness Center	9	9	9	9	9	9	9	9	9	9
Dog Parks	11	11	9	9	9	8	8	8	8	7
Historic Sites	83	68	68	68	68	68	68	68	68	68
Hiking & Fitness Trails (in miles)	334	332	327	326	324	324	324	320	320	317
Indoor Gymnasiums	3	3	3	3	3	3	2	2	2	2
Indoor Ice Rinks	1	1	1	1	1	1	1	1	1	1
Marinas	3	3	3	3	3	3	3	3	3	3
Miniature Golf Course	4	4	4	4	4	4	4	5	5	5
Multi-Use Courts	128	124	131	120	124	124	124	124	132	132
Nature Areas	7	7	7	7	7	7	7	7	7	7
Outdoor Swimming Pools	1	1	1	1	1	1	1	1	1	1
Outdoor Volleyball Courts	17	17	17	17	17	17	17	17	16	13
Picnic Shelters	57	59	44	62	54	54	41	41	40	40
Playgrounds	238	206	209	210	212	210	205	205	205	204
Regulation Golf Courses	9	9	9	9	9	9	9	9	9	9
BMX/Skateparks	2	2	2	2	2	2	2	2	1	1
Tennis & Raquetball Courts	258	257	254	254	254	254	252	252	227	229
Waterparks	2	2	2	2	2	2	2	2	1	1

Source: Fairfax County Park Authority, Financial Management Branch

Notes:

* Reduction in FY 2010 acreage is due to Outsale of Vulcan (115 acres). Partially offset with the acquisition of 39 Acres for a net reduction of 76 Acres.

"Unaudited" - See accompanying independent auditor's report.

Fairfax County Park Authority
Table 11 - Additional Facts
Fiscal Years 2011 to 2020 *(Unaudited)*

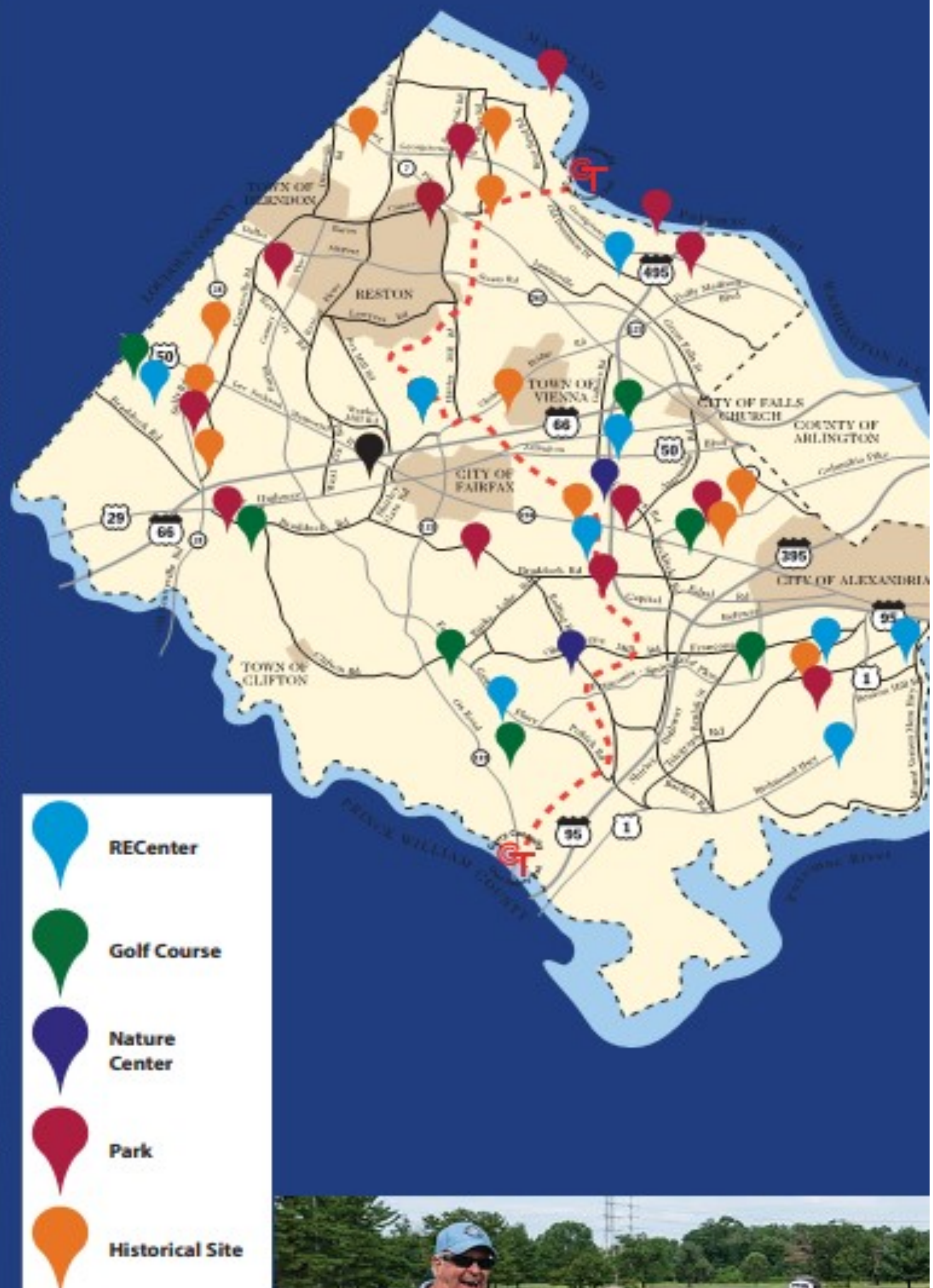
Fiscal Year	Acres of Park Land Acquired, Dedicated, Transferred or Proffered During the Year	Cumulative Acres of Park Land Acquired, Dedicated, or Proffered	Recreation Center Attendance	Golf Course Rounds	Visits to Natural, Cultural, Historic, and Interpretive Sites	Maintainable Linear Feet of Trail	Number of Park Athletic Fields Maintained
2020	46	23,596	1,307,811	231,054	1,125,462	1,765,051	266
2019	37	23,550	1,646,581	226,602	1,609,067	1,755,347	266
2018	84	23,512	1,756,187	235,287	1,798,157	1,755,072	262
2017	46	23,418	1,837,807	259,094	1,997,855	1,718,746	263
2016	26	23,372	1,851,595	268,801	1,813,942	1,712,357	268
2015	36	23,346	1,817,882	259,313	1,601,690	1,711,829	268
2014	45	23,310	1,796,905	268,151	1,324,432	1,710,192	272
2013	69	23,265	1,919,684	276,759	791,038	1,691,342	272
2012	302	23,196	2,006,294	294,828	881,510	1,690,128	274
2011	370	22,894	1,988,830	281,930	723,351	1,673,971	273

Source: Fairfax County Park Authority, Financial Management Branch

*Reduction is due to outsale of Vulcan (115 acres). Partially offset with the acquisition of 39 Acres for a net reduction of 76 Acres

"Unaudited" - See accompanying independent auditor's report.

FAIRFAX COUNTY PARK AUTHORITY SITES



A publication of Fairfax County, Va.

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