

PRINCE WILLIAM COUNTY PARK AUTHORITY



A Component Unit of
Prince William County, Virginia

COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2007



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E. Jay Ellington
Executive Director

Board Members:
Stewart Christiano
Brenda Gardziel
Jane Beyer
Richard Berry
Jean Smith
R. B. Thomas, Jr.
Brant Wickham
Duane H. York

November 1, 2007

To the Board of Directors
Prince William County Park Authority

Members of the Board:

The Comprehensive Annual Financial Report of the Prince William County Park Authority (“the Park Authority”) for the fiscal year ended June 30, 2007 is herewith submitted. Responsibility for the completeness and reliability of the data presented in this report is that of the Park Authority management. As such, this report has been prepared in conformance with accounting principles generally accepted in the United States of America (GAAP) and is designed to meet the requirements of the Government Finance Officers Association of the United States and Canada’s (GFOA) Certificate of Achievement for Excellence in Financial Reporting Program to which this report will be submitted. Accordingly, we believe the information presented is accurate in all material respects and is presented in a manner which fairly reflects the financial position and changes in financial position of the Park Authority; and that all required disclosures that are necessary to enable the reader to gain an understanding of the Park Authority’s financial activities have been included.

To provide a reasonable basis for making these representations, management of the Park Authority established an internal control structure designed to ensure that the assets of the Park Authority are protected from loss, theft, and misuse as well as to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with GAAP. Internal control is designed to provide reasonable, but not absolute assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived, and (2) the valuation of costs and benefits requires estimates and judgments by management. Certain of the Park Authority’s internal controls are reviewed annually as part of the independent audit. The Park Authority’s management believes that its internal controls adequately meet internal control objectives.

The Park Authority’s financial statements have been audited by PBGH LLP, an independent licensed certified public accounting firm. The goal of the independent audit was to provide reasonable, not absolute, assurance that the financial statements of the Park Authority for the fiscal year ended June 30, 2007, are free of material misstatements. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation.

Park Authority Administration Complex

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The independent auditors concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the Park Authority's financial statements for the fiscal year ended June 30, 2007, are fairly presented in conformity with accounting principles generally accepted in the United States. The independent auditors' report is presented as the first component of the financial section of this Comprehensive Annual Financial Report (CAFR).

PROFILE OF THE PARK AUTHORITY

The Park Authority was established in October 1977 by the Prince William County (County) Board of Supervisors as a separate legal entity, under the Code of Virginia, Section 15.2 et. seq. Park Authorities Act. The Board of County Supervisors appoints an eight-member Park Authority Board who serves a four-year term. The Park Authority Board, in turn, appoints an Executive Director to manage the operations of the Park Authority.

The Park Authority operates through an agreement with Prince William County. The operating agreement delineates the authority and responsibilities of the Park Authority and County with regard to the provision of park and recreation services within Prince William County.

Prince William County is located approximately thirty-five miles southwest of Washington, D.C. in northeastern Virginia, and is included as part of the Washington-Baltimore Consolidated Metropolitan Statistical Area. Prince William County remains one of the more rapidly growing jurisdictions in the Washington Metropolitan area. The population of Prince William County in June 2007 was estimated at 381,221, an increase of 2.7 percent from 371,178 in June 2006.

The Park Authority owns and leases 63 park sites totaling 3,238 acres. Approximately one-third of the total acreage owned is developed and maintained for active recreational and leisure use. Major recreational facilities owned and managed by the Park Authority include the Pfitzner Stadium, the Ben Lomond and Veterans' Park Community Centers, three outdoor community pools, Veterans' Park and Community Center, the Chinn Aquatics and Fitness Center, Dale City Recreation Center, Waterworks Waterpark, Lake Ridge Park Golf Course, Forest Greens Golf Course, General's Ridge Golf Course, Prince William Golf Course, and Splash Down Waterpark. In addition, the Park Authority offers racquet sport, miniature golf, driving range, batting cage, marina, picnic, and other sports field facilities at various parks throughout the County.

Recreational and leisure programming includes instructional, fitness, aquatics, day camps and nature programs, concessions, facility rentals, sports events, and special events. These programs are designed to provide quality recreational and leisure experiences for all participants ranging from toddlers through seniors, and special interest groups. Through an agreement with the Prince William County Schools, the Park Authority schedules and maintains various school recreational facilities throughout the County for programs and events sponsored by the Park Authority and community organizations.

The Park Authority is continually evaluating existing and planning future recreational and leisure programs and facilities through an annual comprehensive facility and strategic planning process to assure the provision of quality services to participants. Based on demographic trends that suggest continued County growth and development, the Park Authority will remain challenged to meet the demand for quality park and recreation services. Based on the comprehensive plan for parks and recreation, the Park Authority will continue to develop basic level of service facilities such as community parks, ball fields, playgrounds, and trails, in addition to maintaining existing facilities such as indoor recreation centers, aquatics, golf and other special use facilities.

The Park Authority participates in the County's annual budget process, which determines the County's support to the Park Authority. The Park Authority Board of Directors adopts a fiscal year budget each May for the subsequent fiscal year after determination of the County support. The budget is prepared by operating cost center within division of the Park Authority organization. Budget to actual results are reviewed on a monthly basis by Park Authority management to ensure budgetary control throughout the year.

LOCAL ECONOMY

The local economic performance of Prince William County is directly linked to that of the regional Washington, D.C. metropolitan area, and the area's economy has performed quite well over the last year despite the increasing impact of a declining housing market. The impact of the regional economic performance, including Prince William County centers on the housing market, population growth, and employment growth. These factors, except for the housing market, have shown steady growth during 2007. The County's steady fiscal management through its Principles of Sound Financial Management, along with the strength of employment and a growing population, continue to allow the County to provide the services its citizens require and to maintain a substantial fund balance.

As a result of the County's economic performance, the Park Authority has benefited from an increased number of participants desiring to utilize local recreation and leisure programs and facilities, and they are taking advantage of the recreation and leisure opportunities provided by the Park Authority. This is evident by the favorable acceptance of the Park Authority's facilities and continued demand for program activities and facilities. As such, the Park Authority continues to be a major recreation and leisure provider within the County.

LONG-TERM FINANCIAL PLANNING

The Park Authority's financial condition remains positive as a result of its relatively stable revenue sources, which include facility and program fees and charges (operating revenue), and operating and capital support from the County. The Park Authority utilizes its Strategic Plan and Comprehensive Facility Plan to drive the development of a Business Operations Plan, which drives the annual financial plan and budget. In addition, the Park Authority participates in the County's long-term financial and capital planning efforts.

More information regarding the Park Authority's financial outlook is provided in the Management's Discussion and Analysis section of the CAFR.

RELEVANT FINANCIAL POLICIES

The Park Authority, in agreement with the County, follows the County's Principles of Sound Financial Management which dictates that current expenditures will be funded with current revenues and budgets will be adjusted as conditions require to balance within current revenues. Fund balance will not be used to fund current expenditures except in an emergency.

MAJOR INITIATIVES

During FY 2007 the Park Authority continued the planning and design of the next round of major capital improvements funded through a \$27,000,000 General Obligation Bond of Prince William County approved in November 2006. These projects include construction of several new ball field complexes, acquisition of land for future active and passive use, major renovations and additions to existing recreation center facilities, and infrastructure improvements to various parks. The projects funded through this effort were derived from a citizen needs assessment survey conducted in recent prior years.

CERTIFICATE OF ACHIEVEMENT

The GFOA awarded a Certificate of Achievement for Excellent in Financial Reporting to the Park Authority for its CAFR for the fiscal year ended June 30, 2006. The Certificate of Achievement is a prestigious national award, recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government unit must publish and easily readable and efficiently organized CAFR whose contents conform to program standards. Such a CAFR must satisfy both accounting principles generally accepted in the United States of America and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. The Park Authority has received a Certificate of Achievement for the last sixteen consecutive years. We believe our current report continues to confirm to the Certificate of Achievement program requirements and we are submitting it to the GFOA.

ACKNOWLEDGEMENTS

The financial position of the Park Authority as a whole, evidenced by this CAFR, could not have been accomplished without the dedicated professional interest and support of the Park Authority staff. We express our appreciation to the Park Authority staff for their contributions to the successful fulfillment of the Park Authority mission in a financially responsible manner and to the Park Authority Board, County Executive and Board of County Supervisors for their recognition of the benefits of recreation and leisure on the quality of life in Prince William County.

Respectfully submitted,



E. Jay Ellington
Executive Director



Michael A. Liedel
Finance Director

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Prince William County
Park Authority,
Virginia

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2006

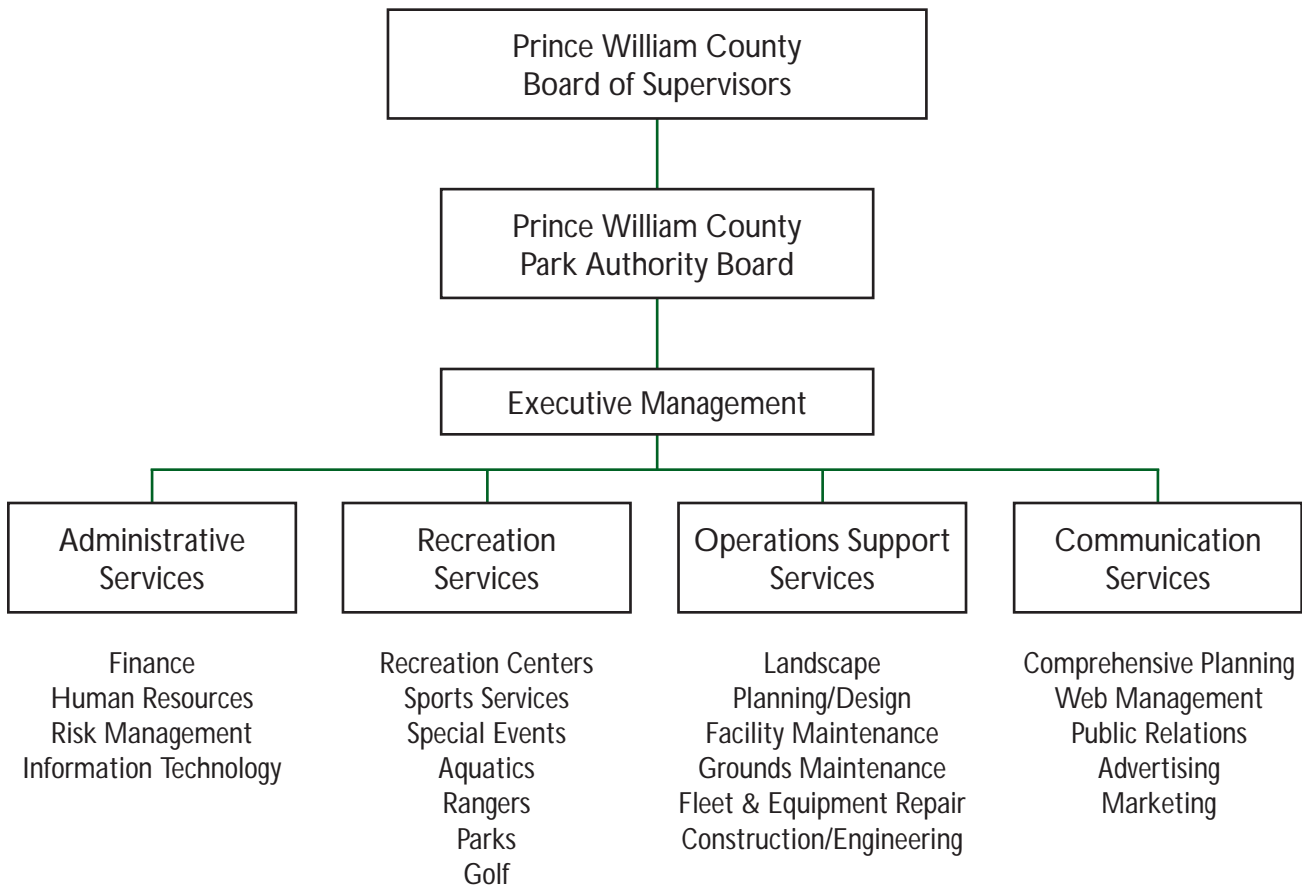
A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



President

Executive Director

Prince William County Park Authority
Organizational Chart
June 30, 2007



Schedule of Appointed and Elected Officials

PARK AUTHORITY BOARD*

Brenda Gardziel, Chairman

Brant Wickham, Vice Chairman

Richard Berry

Jane Byer

Stewart Christiano

Jean Smith

R.B. Thomas, Jr.

Duane York

Dianne Cabot, Board Secretary

E. Jay Ellington, Executive Director

BOARD OF COUNTY SUPERVISORS**

Corey A. Stewart, Chairman

Martin E. Nohe, Vice Chairman

Hilda M. Barg

Wally Covington

John D. Jenkins

Maureen S. Caddigan

Michael C. May

John T. Stirrup, Jr.

* Appointed by the Board of County Supervisors

** Elected





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INDEPENDENT AUDITORS' REPORT

To the Honorable Board of Directors
Prince William County Park Authority
Manassas, Virginia

We have audited the accompanying financial statements of the governmental activities, the business-type activities, and each major fund of the Prince William County Park Authority (Authority), as of and for the year ended June 30, 2007, which collectively comprise the Authority's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Authority's management. 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; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and *Specifications for Audits of Authorities, Boards, and Commissions*, issued by the Auditor of Public Accounts of the Commonwealth of Virginia. Those standards and specifications require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, and each major fund of the Prince William County Park Authority as of June 30, 2007, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued a report dated November 14, 2007 on our consideration of the Prince William County Park Authority's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The management's discussion and analysis (pages 11 to 20) and the required supplementary information (pages 51 to 53) are not a required part of the basic financial statements but are supplementary information required by the accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of **inquiries of management regarding the methods of measurement and presentation of the required supplementary information**. However, we did not audit the information and express no opinion on it.

The accompanying introductory section 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 financial statements**. This information has not been subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

PBGH, LLP

Harrisonburg, Virginia
November 14, 2007

Management's Discussion and Analysis

June 30, 2007

This section of the Prince William County Park Authority's (Park Authority) annual financial report presents our discussion and analysis of the Park Authority's financial performance during the fiscal year ended June 30, 2007. Please read it in conjunction with the transmittal letter at the front of this report and the Park Authority's financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

- The assets of the Park Authority exceeded its liabilities at June 30, 2007 by \$32,990,097 (net assets).
- The Park Authority's net assets increased by \$1,700,184 during fiscal year 2007, primarily as a result of additional County support for capital projects during the year.
- As of June 30, 2007, the Park Authority's governmental funds reported combined fund balances of \$5,223,241 an increase of \$2,972,073 during the year.
- The liabilities of the enterprise funds exceeded assets by \$7,801,780, an increase of \$977,795 during the year.

OVERVIEW OF THE FINANCIAL STATEMENTS

The financial section of this annual report consists of three parts – management's discussion and analysis, the basic financial statements, and required supplementary information. The basic financial statements include two kinds of statements that present different views of the Park Authority:

- **The first two statements** are entity-wide financial statements that provide both short-term and long-term information about the Park Authority's overall financial status.
- **The remaining statements** are fund financial statements that focus on individual parts of the Park Authority, reporting the Park Authority's operations in more detail than the entity-wide statements.

The governmental fund statements tell how general government services, such as parks, recreation and cultural activities, were supported in the short-term as well as what is available for future spending.

The proprietary fund statements provide short-term and long-term financial information about the activities the government operates similar to business activities, such as golf courses and water parks.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the information in the financial statements.

Figure A-1 summarizes the major features of the Park Authority’s financial statements, including the finances of the Park Authority they present and the types of information they contain. The remainder of this overview section of management’s discussion and analysis explains the structure and contents of each of the statements.

FIGURE A-1
Major Features of the Park Authority’s Entity-wide and Fund Financial Statements

	Entity – wide Statements	Fund Statements	
		Governmental Funds	Proprietary Funds
Scope	Entire Park Authority	The activities of the Park Authority that are not proprietary, such as parks, recreation and cultural activities	Activities the Park Authority operates similar to private businesses: golf courses, waterparks
Required financial statements	<ul style="list-style-type: none"> • Statement of net assets • Statement of activities 	<ul style="list-style-type: none"> • Balance sheet • Statement of revenues, expenditures and changes in fund balances 	<ul style="list-style-type: none"> • Statement of net assets • Statement of revenues, expenses and changes in net assets • Statement of cash flows
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, and short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter, no capital assets included	All assets and liabilities, both financial and capital, and short-term and long-term
Type of inflow/outflow information	All revenues and expenses during the year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payment is due during the year or soon thereafter	All revenues and expenses during the year, regardless of when cash is received or paid

ENTITY-WIDE STATEMENTS

The entity-wide statements report information about the Park Authority as a whole using accounting methods similar to those used by private-sector companies. The statement of net assets includes all of the government’s assets and liabilities. All of the current year’s revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two entity-wide statements report the Park Authority’s net assets and how they have changed. Net assets – the difference between the Park Authority’s assets and liabilities – is one way to measure the Park Authority’s financial health, or position.

- Over time, increases or decreases in the Park Authority’s net assets are an indicator of whether its financial health is improving or declining, respectively. The total financial reporting entity information more accurately reflects the financial operations of the Park Authority.

To assess the overall health of the Park Authority, one need consider other factors, such as changes in the Park Authority’s paid participant activity. During the fiscal year, approximately 3.7 million participant visits were recorded, which is an increase from 3.5 million participant visits in fiscal year 2006.

The entity-wide financial statements of the Park Authority are divided into two categories:

- Governmental activities—Most of the Park Authority’s basic recreation services are included here, such as parks, recreation centers, and sports fields. Operational support from Prince William County and fees and charges are the primary funding sources of these activities.
- Business-type activities—The Park Authority charges fees to participants to cover the costs of certain facilities and services provided. The Park Authority’s golf courses and waterparks are included here.

FUND FINANCIAL STATEMENTS

The fund financial statements provide more detailed information about the Park Authority’s most significant funds—not the Park Authority as a whole. Funds are accounting devices that are established to control and manage money for particular purposes (i.e., Capital Projects Fund) or to show that it is properly using certain general revenues (i.e., General Fund).

The Park Authority has two types of funds:

- Governmental funds—Most of the Park Authority’s basic services are included in governmental funds, which focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide detailed short-term view that helps one determine whether there are more or fewer financial resources that can be spent in the near future to finance the Park Authority’s programs. Because this information does not encompass the additional long-term focus of the government-wide statements, a detailed reconciliation provides additional information that explains the relationship (or differences) between the statements.
- Proprietary funds—Services for which the Park Authority charges participants a fee are generally reported in proprietary funds. The Park Authority’s enterprise funds are the same as its business-type activities, but provide more detail and additional information.

Financial Analysis of the Park Authority as a Whole

Table A-1 and Table A-2 summarize the Park Authority's net assets and changes in net assets, respectively.

NET ASSETS

TABLE A-1
Park Authority Net Assets

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2007	2006	2007	2006	2007	2006
Other assets	\$ 7,416,236	4,255,532	1,371,109	1,496,328	8,787,345	5,735,860
Capital assets, net	38,816,457	39,630,686	10,086,690	11,173,265	48,903,147	50,803,951
Total assets	46,232,693	43,886,218	11,457,799	12,671,593	57,690,492	56,557,811
Other liabilities	2,874,021	2,671,643	1,445,227	1,261,755	4,319,248	3,933,398
Long-term liabilities	2,566,795	3,100,647	17,814,352	18,233,853	20,381,147	21,334,500
Total liabilities	5,440,816	5,772,290	19,259,579	19,495,608	24,700,395	25,267,898
Net assets:						
Invested in capital assets, net of related debt	36,490,092	36,757,729	(8,049,621)	(7,441,748)	28,440,471	29,315,961
Restricted	-	-	2,236,200	2,205,551	2,236,200	2,205,551
Unrestricted	4,301,785	1,356,199	(1,988,359)	(1,587,818)	2,313,426	(231,619)
Total net assets	\$ 40,791,877	38,113,928	(7,801,780)	(6,824,015)	32,990,097	31,289,913

By far the largest portion of the Park Authority's total net assets (\$28,440,471) reflects investment in capital assets (e.g., land, buildings, machinery, and equipment); less accumulated depreciation and any related debt used to acquire those assets that is still outstanding. The Park Authority uses these capital assets to provide services to participants; consequently, these assets are not available for future spending. Although the Park 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 used to liquidate these liabilities.

A portion of the Park Authority's total net assets (\$2,236,200) represents resources that are subject to external restrictions on how they may be used. These assets are those restricted under the Trust Indenture related to the Series 1999 Revenue Bonds accounted for in the Park Authority's Enterprise Funds.

The portion of the Park Authority's total net assets that is unrestricted (\$2,313,426) represents resources available for future spending.

The Park Authority restated its beginning net assets for both governmental and business-type activities as a result of charging depreciation expense to the land improvements classification of capital assets and as a result of a change in the capitalization threshold for the buildings, land improvements, and recreation structures capital asset classifications. The effect of this restatement decreased the net assets of the governmental and business-type activities by \$18,402,192 and \$7,515,420, respectively. More detail of this restatement is provided in Note 9 to the financial statements.

CHANGES IN NET ASSETS

The total reporting entity net assets increased by \$1,700,184 in 2007 as total revenues of \$31,100,947 exceeded total expenses of \$29,400,763.

Approximately 56 percent of the Park Authority's total revenue is support from Prince William County. The remaining 44 percent is derived from fees charged for services, recovered costs, and investment earnings.

The total cost of all programs and services was \$29,400,763. The Park Authority's expenses cover a range of services and supplies, with 75 percent related to general park and recreational activities and 25 percent related to golf and waterpark activities.

Table A-2, and the narrative that follows, consider the operations of governmental and business-type activities separately. See Figure A-2 for the revenue by source percentages for governmental and business activities.

TABLE A-2
Park Authority Changes in Net Assets

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2007	2006	2007	2006	2007	2006
Revenues:						
Program revenues:						
Charges for services	\$ 6,919,266	6,796,441	6,074,744	5,849,656	12,994,010	12,646,097
Capital grants and contributions	-	637,735	-	-	-	637,735
General revenues:						
Payment from Prince William County	17,570,827	15,247,495	-	-	17,570,827	15,247,495
Payment from Prince William County Schools	81,429	-	-	-	81,429	-
Unrestricted Investment Earnings	332,637	210,254	122,044	113,742	454,681	323,996
Transfers	(180,265)	(1,048,130)	180,265	1,048,130	-	-
Total revenues	24,723,894	21,843,795	6,377,053	7,011,528	31,100,947	28,855,323
Expenses:						
Parks, recreation and cultural	21,946,031	20,635,572	6,168,375	5,840,452	28,114,406	26,476,024
Interest on long-term debt	99,914	115,102	1,186,443	1,214,585	1,286,357	1,329,687
Total Expenses	22,045,945	20,750,674	7,354,818	7,055,037	29,400,763	27,805,711
Change in net assets	2,677,949	1,093,121	(977,765)	(43,509)	1,700,184	1,049,612
Net assets (deficit) - beginning, as restated	38,113,928	37,020,807	(6,824,015)	(6,780,506)	31,289,913	30,240,301
Net assets (deficit) - ending	\$ 40,791,877	38,113,928	(7,801,780)	(6,824,015)	32,990,097	31,289,913

GOVERNMENTAL ACTIVITIES

The largest revenue source of the Park Authority is the support received from Prince William County. The County appropriates funds through its annual fiscal year budget process to meet various operating and capital requirements of the Park Authority. The County support of \$17,570,827 during 2007 constituted 71 percent of total governmental activity revenue.

Charges for services related to general recreational activities were \$6,919,266 during 2007, which is 28 percent of total revenue.

Governmental activity expenses during 2007 totaled \$22,045,945, all of which were related to parks, recreation and cultural programs.

The net cost (total cost less fees generated by the activities and the support from Prince William County) of each of the Park Authority's functions reflects the financial burden that was placed on the Park Authority's general revenue sources by each function.

- Some of the costs were paid by:
 - Those who directly benefited from the programs through fees and charges for services, or 31 percent of the total governmental activity costs.
 - The remaining costs (69 percent) were paid by other revenues such as support from Prince William County, recovered costs, and investment earnings.
- Total revenues exceeded total expenses by \$2,677,949 for 2007.

BUSINESS-TYPE ACTIVITIES

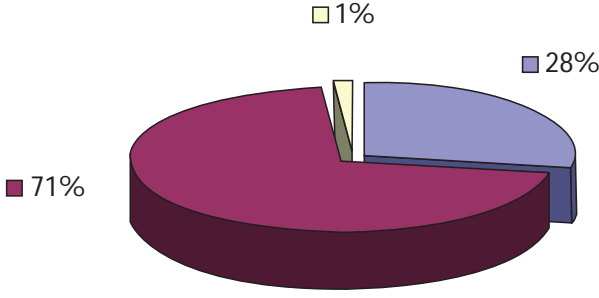
Revenues of the Park Authority's business-type activities were \$6,377,053, while expenses were \$7,354,818. Contributing to these results were:

- Fees and charges for services totaled \$6,074,744 (\$3,385,889 from golf courses and \$2,688,855 from waterparks).
- Investment earnings were \$122,044 (\$90,313 for golf courses and \$31,731 for waterparks).
- Transfers from governmental activities were \$180,265 (\$167,616 for golf courses and \$12,649 for waterparks). These transfers represent capital investment through governmental activities on behalf of the business-type activities.
- Expenses were \$4,983,205 for golf courses and \$2,371,613, for waterparks, including total interest expense of \$1,186,443 charged to golf and waterparks (\$879,359 and \$307,084, respectively) and depreciation expense of \$1,266,840 charged to golf and waterparks (\$932,560 and \$334,280, respectively).
- Business-type activities expenses (including depreciation expense) were more than total revenues by \$977,765.

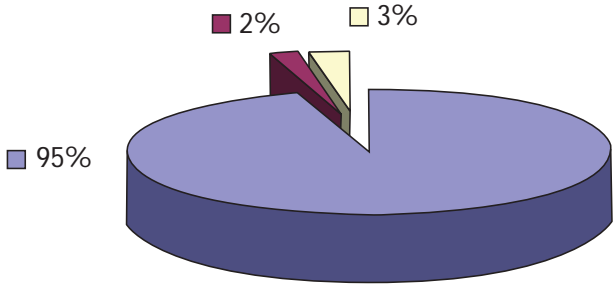
Figure A-2 presents the Revenues by Source for both the governmental and business-type activities exclusively. Support from Prince William County is the largest source of revenue for governmental activities (71 percent), while charges for services are the largest source of revenue for business-type activities (95 percent).

FIGURE A-2
Revenues by Source

GOVERNMENTAL ACTIVITIES



BUSINESS-TYPE ACTIVITIES



Financial Analysis of the Park Authority's Funds

GOVERNMENTAL FUNDS

The focus of the Park Authority's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Park Authority's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

- As of the end of 2007, the Park Authority's governmental funds reported combined fund balances of \$5,223,241, an increase of \$2,972,073 from 2006. This increase is primarily attributable to capital project funding received from Prince William County for future expenditure. The General Fund is the primary operating fund of the Park Authority. At the end of 2007, the unreserved fund balance of the General Fund was \$1,275,133 and unreserved but designated for construction projects fund balance of the Capital Projects Fund was \$3,924,454. The total unreserved and undesignated fund balance represents 18 percent of the total Governmental Funds expenditures.
- The Park Authority expended \$2,366,523 for the purchase or construction of various park equipment, facilities, and major improvements during 2007.

PROPRIETARY FUNDS

The Park Authority's proprietary funds provide the same type of information found in the entity-wide financial statements but in more detail.

Unrestricted net assets (deficit) of the golf courses at the end of the year amounted to \$(3,046,839) and \$1,058,480 for the waterparks. Other factors concerning the finances of these two funds are noted in the analysis of the Park Authority's business-type activities.

GENERAL FUND BUDGETARY HIGHLIGHTS

The Park Authority submits an annual fiscal year (July – June) operating budget to Prince William County for purposes of determining the County's general fund support to the Park Authority. The budget is submitted in accordance with an operating agreement between the Park Authority and the County, which details that the Park Authority will receive payment of the County support in quarterly installments as determined by cash flow requirements throughout the fiscal year.

Budgetary control for operating activities is maintained at the governmental fund level. Encumbrance accounting is utilized to maintain detailed budgetary control over individual expenditures.

The Park Authority's General Fund revenue was \$283,803 more than the adopted budget, primarily a result of additional fees and charges revenue realized during the year. Expenditures during 2007 compared to budget were \$853,240 less, primarily due to reduced operating expenditures for programs and facilities. Overall, the Park Authority's excess of revenues over expenditures was \$1,137,043 which increased the Park Authority's General Fund balance by the same amount.

Capital Asset and Debt Administration

CAPITAL ASSETS

As of June 30, 2007, the total reporting entity had invested, net of accumulated depreciation, \$48,903,147 in a broad range of capital assets, including land, buildings, improvements, equipment, and construction in progress (Table A-3). This amount represents a net decrease (including additions, transfer, disposals, and depreciation) of \$1,900,804.

TABLE A-3
Park Authority Capital Assets

	2007	2006
Land and Construction in Progress	\$ 17,052,934	16,799,096
Buildings and other capital assets, net of depreciation	31,850,213	34,004,855
Total	\$ 48,903,147	50,803,951

During 2007 the Park Authority completed and transferred from construction in process to capital assets a number of projects including various sports field improvements, various playground replacements, Dale City Recreation Center renovations, Pfitzner Stadium renovations, Prince William Golf Course irrigation improvements, various paving projects, and various other capital maintenance projects at multiple park locations. More detailed information regarding the Park Authority's capital assets is presented in Note 5 to the financial statements.

LONG-TERM LIABILITIES AND OTHER OBLIGATIONS

At year-end the Park Authority had total debt and other obligations of \$21,464,445 of which bonded debt outstanding represented \$18,102,161. The Park Authority's bonded debt represents bonds secured solely by specified revenue sources (i.e., revenue bonds). Table A-4 presents the Park Authority's long-term liabilities and other obligations.

TABLE A-4
Park Authority Long-term Liabilities and Other Obligations

	Governmental Activities		Business-type Activities		Total Primary Government	
	2007	2006	2007	2006	2007	2006
Revenue bonds	\$ -	-	18,102,161	18,458,871	18,102,161	18,458,871
Total bonded debt	-	-	18,102,161	18,458,871	18,102,161	18,458,871
Capital leases	1,675,855	2,093,326	34,150	156,142	1,710,005	2,249,468
Notes payable	650,510	779,631	-	-	650,510	779,631
Compensated absences	902,504	872,234	99,265	109,882	1,001,769	982,116
Total long-term debt and other obligations	\$ 3,228,869	3,745,191	18,235,576	18,724,895	21,464,445	22,470,086

The Park Authority's total debt and obligations decreased by \$1,005,641 during the current year. The significant factor for this decrease was the scheduled repayment of existing debt. More detailed information about the Park Authority's long-term debt is presented in Note 6 to the financial statements.

BOND RATINGS

The Park Authority maintains an "A3" rating from Moody's Investor's Services for its revenue bond debt.

LIMITATIONS ON DEBT

The Park Authority has no legal limitations on the amount of debt it can issue. The Park Authority, however, has adopted a debt policy, which establishes a maximum debt to asset ratio of 50 percent, including current liabilities. The calculated debt ratio at June 30, 2007 is 42.8 percent. Additional detail on outstanding debt is included in the notes to the financial statements.

In connection with the Series 1999 Revenue Bonds issued for the construction of Splashdown Waterpark, Forest Greens Golf Course, and General's Ridge Golf Course, the Park Authority is required to achieve a debt coverage ratio of 1.10. The calculated revenue bond debt coverage ratio for 2007 is .92, which is less than the required debt coverage ratio of 1.10. Further information regarding the debt coverage ratio in connection with the Series 1999 Revenue Bonds is included in Note 6 to the financial statements.

Economic Factors

The key economic factors of Prince William County affecting the Park Authority included the following:

- The County's real estate tax base has increased from \$57.6 billion in 2007 to \$60.5 billion for 2008, which is a 5 percent increase.
- The County's fiscal year 2008 general fund budget, including support to the Park Authority, is \$860.6 million, which is a slight increase from \$857.3 million over fiscal year 2007.
- The population in the County has grown at an average annual rate of 5.2 percent since 2000 and the vast majority of those residents are employed.
- The Virginia Employment Commission estimated the County's at-place employment (jobs located in the County) was 105,228 during the fourth quarter of 2006.
- The Census Bureau's 2006 American Community Survey indicates that the County's Median Household Income was \$80,763 in 2006.

These factors were considered in preparing the Park Authority's budget for the fiscal year. The Park Authority will use the increases in revenues and County support through the budget process to fund programs currently offered and the expected impact of inflation on program costs.

Contacting the Park Authority

This financial report is designed to provide citizens, customers, investors, and creditors with a general overview of the Park Authority's finances and to demonstrate the Park Authority's accountability for its resources.

Any questions regarding this report or for additional financial information, contact the Finance Director, Prince William County Park Authority, 14420 Bristow Road, Manassas, Virginia 20112-3932.

BASIC FINANCIAL STATEMENTS

The Basic Financial Statements include all funds and notes to provide an overview of the financial position and changes in financial position for the Park Authority as a whole.



Prince William County Park Authority

Statement of Net Assets

As of June 30, 2007

Exhibit 1

	Governmental Activities	Business-type Activities	Totals
ASSETS			
Cash and pooled investments	\$ 4,345,094	1,431,812	5,776,906
Inventories	8,093	86,645	94,738
Accounts receivable, net	248,817	4,095	252,912
Due from Prince William County	143,000	-	143,000
Interest receivable	-	20,163	20,163
Internal balances	2,647,578	(2,647,578)	-
Deferred charge	-	227,722	227,722
Prepaid items	23,654	12,050	35,704
Restricted cash	-	675,200	675,200
Retricted Investments	-	1,561,000	1,561,000
Capital assets:			
Land and construction in progress	15,580,279	1,472,655	17,052,934
Land improvements and other capital assets, net of depreciation	23,236,178	8,,614,035	31,850,213
Total assets	46,232,693	11,457,799	57,690,492
LIABILITIES			
Accounts payable	667,953	341,822	1,009,775
Wages and benefits payable	780,639	269,897	1,050,536
Accrued interest	18,952	229,668	248,620
Unearned revenue	744,403	132,016	876,419
Deposits	-	50,600	50,600
Compensated Absences:			
Due within one year	94,221	10,364	104,585
Due in more than one year	808,283	88,901	897,184
Capital Leases:			
Due within one year	433,384	34,150	467,534
Due in more than one year	1,242,471	-	1,242,471
Bonds and Notes Payable:			
Due within one year	134,469	376,710	511,179
Due in more than one year	516,041	17,725,451	18,241,492
Total liabilities	5,440,816	19,259,579	24,700,395
NET ASSETS			
Invested in Capital Assets, net of related debt	36,490,092	(8,049,621)	28,440,471
Restricted	-	2,236,200	2,236,200
Unrestricted	4,301,785	(1,988,359)	2,313,426
Total net assets (deficit)	\$ 40,791,877	(7,801,780)	32,990,097

The accompanying notes are an integral part of these financial statements.

Prince William County Park Authority

Statement of Activities

For the Year Ended June 30, 2007

Exhibit 2

Functions/Programs	Expenses	Program Revenues		Net (Expenses) Revenues and Changes in Net Assets		Totals
		Charges for Services	Capital Grants and Contributions	Governmental Activities	Business-type Activities	
Government:						
Governmental activities:						
Parks, recreations and cultural	\$ 21,946,031	6,919,266	-	(15,026,765)	-	(15,026,765)
Interest on long-term debt	99,914	-	-	(99,914)	-	(99,914)
Total governmental activities	22,045,945	6,919,266	-	(15,126,679)	-	(15,126,679)
Business-type activities:						
Golf courses	4,983,205	3,385,889	-	-	(1,597,316)	(1,597,316)
Water Parks	2,371,613	2,688,855	-	-	317,242	317,242
Total business-type activities	7,354,818	6,074,744	-	-	(1,280,074)	(1,280,074)
Total government	\$ 29,400,763	12,994,010	-	(15,126,679)	(1,280,074)	(16,406,753)

General revenues:

Payment from Prince William County	17,570,827	-	17,570,827
Recovered costs from Prince William County Schools	81,429	-	81,429
Unrestricted investment earnings	332,637	122,044	454,681
Transfers	(180,265)	180,265	-
Total general revenues	17,804,628	302,309	18,106,937
Change in net assets	2,677,949	(977,765)	1,700,184
Net assets (deficit) - beginning, as restated	38,113,928	(6,824,015)	31,289,913
Net assets (deficit) - ending	\$ 40,791,877	(7,801,780)	32,990,097

The accompanying notes are an integral part of these financial statements.

Prince William County Park Authority
Governmental Funds

Balance Sheet

As of June 30, 2007

Exhibit 3

	Governmental Funds		
	General Fund	Capital Projects Fund	Totals
ASSETS			
Cash and pooled investments	\$ 3,109,512	1,235,582	4,345,094
Inventories	8,093	-	8,093
Accounts receivable, net	248,817	-	248,817
Due from Golf Courses Fund	-	2,647,578	2,647,578
Due from Prince William County	-	143,000	143,000
Prepaid items	23,654	-	23,654
Total assets	\$ 3,390,076	4,026,160	7,416,236
LIABILITIES AND FUND BALANCES:			
LIABILITIES			
Accounts payable	\$ 566,247	101,706	667,953
Wages and benefits payable	780,639	-	780,639
Deferred revenue	744,403	-	744,403
Total liabilities	2,091,289	101,706	2,192,995
FUND BALANCES:			
Reserved for:			
Prepaid costs	23,654	-	23,654
Unreserved:			
Designated for construction projects	-	3,924,454	3,924,454
Designated for encumbrances	145,303	-	145,303
Undesignated:			
General Fund	1,129,830	-	1,129,830
Total fund balances	1,298,787	3,924,454	5,223,241
Total liabilities and fund balances	\$ 3,390,076	4,026,160	7,416,236

The accompanying notes are an integral part of these financial statements.

Prince William County Park Authority

Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Assets

As of June 30, 2007

Exhibit 4

Fund balances—total governmental funds	\$	5,223,241
<p>Amounts reported for governmental activities in the Statement of Net Assets (Exhibit 3) are different because:</p>		
<p>Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds</p>		38,816,457
<p>Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expense when due.</p>		(18,952)
<p>Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds.</p>		
<p> Notes payable</p>	\$	(650,510)
<p> Capital lease obligations</p>		(1,675,855)
<p> Compensated absences</p>		(902,504)
		<u>(3,228,869)</u>
Net assets of governmental activities	\$	<u>40,791,877</u>

The accompanying notes are an integral part of these financial statements.

Prince William County Park Authority
Governmental Funds

For the Year Ended June 30, 2007

Exhibit 5

	Governmental Funds		
	General Fund	Capital Projects Fund	Totals
REVENUES:			
Charges for services	\$ 6,919,266	-	6,919,266
From use of money and property	332,637	-	332,637
Intergovernmental revenue:			
Support from Prince William County	13,619,533	3,951,294	17,570,827
Recovered costs from Prince William County Schools	-	81,429	81,429
Total revenues	20,871,436	4,032,723	24,904,159
EXPENDITURES			
Current:			
Parks, recreation and cultural:			
Compensation and benefits	12,949,292	-	12,949,292
Contractual services	3,096,519	-	3,096,519
Materials, supplies, and utilities	2,888,544	-	2,888,544
Debt service:			
Principal retirement	546,592	-	546,592
Interest	103,697	-	103,697
Capital outlays	149,749	2,216,774	2,366,523
Total expenditures	19,734,393	2,216,774	21,951,167
Excess of revenues over expenditures	1,137,043	1,815,949	2,952,992
OTHER FINANCING SOURCES:			
Sale of capital assets	19,081	-	19,081
Total other financing sources (uses), net	19,081	(717,807)	19,081
Net change in fund balances	1,156,124	1,815,949	2,972,073
FUND BALANCES, (deficit) beginning of year, as stated	142,663	2,108,505	2,251,168
FUND BALANCES, end of year	\$ 1,298,787	3,924,454	5,223,241

The accompanying notes are an integral part of these financial statements.

Prince William County Park Authority

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities

For the Year Ended June 30, 2007

Exhibit 6

Net change in fund balances—total governmental funds	\$	2,972,073
Amounts reported for governmental activities in the Statement of Activities are different because:		
<p style="margin-left: 40px;">Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets.</p>		
Add capital acquisitions	\$ 1,510,184	
Subtract depreciation	<u>(2,292,432)</u>	(782,248)
<p style="margin-left: 40px;">Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets</p>		
Add debt principal repayment		546,592
<p style="margin-left: 40px;">Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.</p>		
Add prior year's compensated absences liability	872,234	
Subtract current year's compensated absences liability	<u>(902,504)</u>	(30,270)
Add prior year's accrued interest liability	22,735	
Subtract current year's accrued interest liability	<u>(18,952)</u>	3,783
<p style="margin-left: 40px;">The net effect of various transactions involving capital assets which decreases net assets.</p>		
Loss on disposals		<u>(31,981)</u>
Change in net assets of governmental activities	\$	<u>2,677,949</u>

The accompanying notes are an integral part of these financial statements.

Prince William County Park Authority
Proprietary Funds
Statement of Net Assets

As of June 30, 2007

Exhibit 7

	Enterprise Funds		
	Golf Courses	Water Parks	Totals
ASSETS			
Current assets:			
Cash and pooled investments	\$ -	1,431,812	1,431,812
Inventories	86,645	-	86,645
Accounts Receivable	-	4,095	4,095
Interest Receivable	14,921	5,242	20,163
Deferred charge	168,514	59,208	227,722
Prepaid Items	9,050	3,000	12,050
Restricted cash	499,648	175,552	675,200
Total Current Assets	778,778	1,678,909	2,457,687
Noncurrent assets:			
Restricted investments	1,155,140	405,860	1,561,000
Capital assets:			
Land	751,700	720,955	1,472,655
Land improvements and other capital assets, net of depreciation	6,999,221	1,614,814	8,614,035
Total Noncurrent Assets	8,906,061	2,741,629	11,647,690
Total Assets	9,684,839	4,420,538	14,105,377
LIABILITIES:			
Current liabilities:			
Accounts payable	215,171	126,651	341,822
Due to Capital Projects Fund	2,647,578	-	2,647,578
Wages and benefits payable	124,737	144,160	269,897
Accrued interest	170,001	59,667	229,668
Unearned revenue	87,275	44,741	132,016
Deposits	-	50,600	50,600
Compensated Absences	8,374	1,990	10,364
Current Portion of Revenue Bonds Payable	278,765	97,945	376,710
Current Portion of Capital Leases Payable	34,150	-	34,150
Total Current Liabilities	3,567,051	525,754	4,092,805
Noncurrent liabilities			
Compensated Absences	71,833	17,068	88,901
Revenue Bonds Payable	13,116,834	4,608,617	17,725,451
Total Noncurrent Liabilities	13,188,667	4,625,685	17,814,352
Total Liabilities	16,755,718	5,151,439	21,907,157
NET ASSETS:			
Invested in Capital Assets, net of related debt	(5,678,828)	(2,370,793)	(8,049,621)
Restricted	1,654,788	581,412	2,236,200
Unrestricted (deficit)	(3,046,839)	1,058,480	(1,988,359)
Total Net Assets (deficit)	\$ (7,070,879)	(730,901)	(7,801,780)

The accompanying notes are an integral part of these financial statements.

Prince William County Park Authority
Proprietary Funds

Statement of Revenues, Expenses, and Changes in Fund Net Assets

For the Year Ended June 30, 2007

Exhibit 8

	Enterprise Funds		
	Golf Courses	Water Parks	Totals
OPERATING REVENUES:			
Charges for services	\$ 3,385,889	2,688,855	6,074,744
Total operating revenue	3,385,889	2,688,855	6,074,744
OPERATING EXPENSES:			
Compensation and benefits	1,866,100	917,911	2,784,011
Contractual services	195,720	200,261	395,981
Materials, supplies and utilities	1,109,466	612,077	1,721,543
Depreciation	932,560	334,280	1,266,840
Total operating expenses	4,103,846	2,064,529	6,168,375
Operating income (loss)	(717,957)	624,326	(93,631)
NON OPERATING REVENUES (EXPENSES):			
Interest Income	90,313	31,731	122,044
Interest Expense	(879,359)	(307,084)	(1,186,443)
Total non operating expenses, net	(789,046)	(275,353)	(1,064,399)
Income (loss) before contributions	(1,507,003)	348,973	(1,158,030)
Capital contributions	167,616	12,649	180,265
Changes in Net Assets	(1,339,387)	361,622	(977,765)
NET ASSETS (deficit), beginning of year, as restated	(5,731,492)	(1,092,523)	(6,824,015)
NET ASSETS (deficit), end of year	\$ (7,070,879)	(730,901)	(7,801,780)

The accompanying notes are an integral part of these financial statements.

Prince William County Park Authority
Proprietary Funds

Statement of Cash Flows

For the Year Ended June 30, 2007

Exhibit 9

	Enterprise Funds		
	Golf Courses	Water Parks	Totals
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received from customers	\$ 3,418,793	2,687,163	6,105,956
Payments to supplies for goods and services	(1,185,503)	(714,054)	(1,899,557)
Payments to employees for services	(1,498,983)	(764,750)	(2,263,733)
Payments on behalf of employees	(339,173)	(105,141)	(444,314)
Net cash provided by operating activities	395,134	1,103,218	1,498,352
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:			
Transfer from Capital Projects Fund	806,556	-	806,556
Net cash provided by non-capital financing activities	806,556	-	806,556
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Principal paid on bonds, leases and other debt	(440,192)	(111,800)	(551,992)
Interest paid on bonds, leases and other debt	(829,120)	(289,193)	(1,118,313)
Net cash used by capital and related financing activities	(1,269,312)	(400,993)	(1,670,305)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Interest and dividends received on investments	90,313	31,731	122,044
Net cash provided by investing activities	90,313	31,731	122,044
Net increase in cash and cash equivalents	22,691	733,956	756,647
CASH AND CASH EQUIVALENTS, beginning of year	476,957	873,408	1,350,365
CASH AND CASH EQUIVALENTS, end of year	\$ 499,648	1,607,364	2,107,012
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES:			
Operating Income (loss)	\$ (717,957)	624,326	(93,631)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:			
Depreciation	932,560	334,280	1,266,840
Amortization of Deferred Charge	7,748	2,722	10,470
Change in assets and liabilities:			
(Increase) decrease in:			
Accounts receivable	-	21,881	21,881
Inventories	(3,926)	-	(3,926)
Prepaid Items	-	48,870	48,870
Increase (decrease) in:			
Accounts payable, accrued liabilities	111,935	46,692	158,627
Wages and benefits payable	27,944	48,020	75,964
Deposits	-	(16,350)	(16,350)
Unearned revenue	36,830	(7,223)	29,607
Total adjustments	1,113,091	478,892	1,591,983
Net cash provided by operating activities	\$ 395,134	1,103,218	1,498,352
Schedule of Noncash Capital Activities:			
Donated assets from the General and Capital Projects Funds	\$ 167,616	12,649	180,265

NOTES TO FINANCIAL STATEMENTS

June 30, 2007

NOTE (1) - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Prince William County Park Authority (the Park Authority) prepares its financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP), as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the standard-setting body for governmental accounting and financial reporting. In accordance with GASB Statement No. 20, Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities that use Proprietary Fund Accounting, the Park Authority applies all applicable GASB pronouncements and has elected to apply only those Financial Accounting Standards Board (FASB) statements and interpretations, Accounting Principles Board opinions, and Accounting Research Bulletins issued on or before November 30, 1989, that do not conflict with or contradict GASB pronouncements to its proprietary funds. The GASB periodically updates its codification of the existing governmental accounting and financial reporting standards which, along with subsequent GASB pronouncements (statements and interpretations), constitutes GAAP for governmental units. The accounting and reporting framework and significant accounting principles and practices utilized by the Park Authority are discussed in subsequent sections of these notes to the financial statements. The remainder of the notes are organized to provide explanations, including required disclosures, of the Park Authority's financial activities for the year ended June 30, 2007.

A. Reporting Entity

The Park Authority's reporting entity includes general park operations reported under the entity heading of primary government.

For financial reporting purposes, the Park Authority reporting entity is considered a component unit of Prince William County, Virginia (the County) under the criteria set forth in Governmental Accounting Standards Board (GASB) Statement No. 14. Accordingly, the financial position, changes in financial position and cash flows of the Park Authority are discretely presented in the County's basic financial statements. The inclusion criteria which define the Park Authority as a component unit are:

- All of the Park Authority Board of Directors is appointed by the County.
- A financial benefit/burden relationship exists.

B. Basis of Presentation

The basic financial statements include both entity-wide financial statements, which are based on the Park Authority as a whole, and fund financial statements. The current reporting model focuses on either the Park Authority as a whole or on major individual funds (within the fund financial statements).

Entity-wide Financial Statements

The entity-wide financial statements (Statement of Net Assets and Statement of Activities) report information on all of the activities of the reporting entity. The focus of the entity-wide financial statements is more on sustainability of the Park Authority as an entity and the change in aggregate financial position resulting from activities of the reporting period. As a general rule, the effect of inter-fund activity has been eliminated from these statements. Governmental activities, which are supported by general revenue received from the County, are reported separately from business-type activities, which rely, to a significant extent, on fees and other charges for support.

In the entity-wide Statement of Net Assets, the governmental and business-type activities columns are presented on a consolidated basis by column and are presented using the economic resources measurement focus and the accrual basis of accounting, which incorporates long-term assets as well as long-term debt and obligations. Inter-fund balances between governmental funds and inter-fund balances between proprietary funds are reported as "internal balances" in the entity-wide Statement of Net Assets.

The entity-wide Statement of Activities demonstrates the degree to which the direct expenses of a given functional category (park operations) or business-type activity (golf courses and water parks) are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific functional category or business-type activity. Program revenues include 1) charges to participants who purchase, use, or directly benefit from goods, services, or privileges provided by a given functional category or business-type activity and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular functional category or business-type activity. Support payments from the County and other items that are not properly included among program revenues are reported instead as general revenues.

When both restricted and unrestricted resources are available for use, it is the Park Authority's policy to use restricted resources first, then unrestricted resources as they are needed.

Fund Financial Statements

The financial transactions of the Park Authority are recorded in individual funds. Each fund is a separate accounting entity with a self-balancing set of accounts that comprise its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses. Emphasis is on major funds in the governmental or business-type categories. GASB Statement No. 34 sets forth minimum criteria for the determination of major funds. The Park Authority has elected to present Capital Projects, Golf Courses, and Water Parks funds as major due to specific operational focus.

The governmental fund financial statements are presented using a current financial resources measurement focus and the modified accrual basis of accounting. This is the manner in which these funds are normally budgeted and is deemed most appropriate to (a) demonstrate legal and covenant compliance, (b) demonstrate the source and use of liquid financial resources, and (c) demonstrate how the Park Authority's actual experience conforms to the budget plan. As the governmental fund statements are presented on a different measurement focus and basis of accounting than the entity-wide statements' governmental activities column, reconciliations are presented which briefly explain the adjustments necessary to reconcile the governmental fund financial statements to the entity-wide financial statements.

The Park Authority's enterprise funds, presented in the proprietary fund financial statements, are presented using the economic resources measurement focus and the accrual basis of accounting.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with the proprietary fund's primary ongoing operations. The primary operating revenues of the Golf Courses Fund and the Water Parks Fund are charges to participants for services. Operating expenses of the enterprise funds include the costs of providing services such as staff, services and supplies, as well as depreciation. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

The following major funds are used by the Park Authority:

Governmental Funds:

The focus of governmental fund measurement in the fund financial statements is upon the determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the major governmental funds of the Park Authority:

General Fund – The General Fund accounts for numerous primary Park Authority recreational and leisure programs and facilities, such as open parks, recreation centers, community pools, various recreation and special events programs, and is the primary operating unit of the Park Authority. It accounts for all financial resources of the general government, except those required to be accounted for by another fund.

Capital Projects Fund – The Capital Projects Fund is used to account for the resources and expenditures related to new facility construction and major capital maintenance projects.

Proprietary Funds

The focus of proprietary fund measurement is upon the determination of operating income, changes in net assets, financial position, and cash flows, which is similar to a business enterprise. The following is a description of the major proprietary funds of the Park Authority:

Golf Courses Fund – The Golf Courses Fund accounts for the recreational golf facilities operated by the Park Authority and include Prince William Golf Course, Forest Greens Golf Course, and General's Ridge Golf Course.

Water Parks Fund – The Water Parks Fund accounts for the major aquatics facilities operated by the Park Authority and include Splashdown Waterpark and Waterworks Waterpark.

C. Basis of Accounting

The basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made, regardless of the measurement focus applied. The entity-wide financial statements and the proprietary fund financial statements are presented on an accrual basis of accounting. The governmental fund financial statements are presented on a modified accrual basis of accounting.

Accrual Basis of Accounting

Revenues are recognized when earned and expenses are recognized when incurred.

Modified Accrual Basis of Accounting

Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; both measurable and available. "Available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the Park Authority considers the availability period for all significant revenue sources to be 60 days after the end of the current fiscal period. Interest earnings are recorded as earned. The Park Authority's major revenue source susceptible to accrual is charges for services.

Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. The exception to this general rule is that principal and interest on long-term debt is recognized when due.

E. Cash and Investments

Cash and pooled investments consist of cash deposits, money market accounts, and repurchase agreements with original maturities of three months or less. Investments are recorded at amortized cost, which approximates fair value. Investment interest is recorded when earned. The Park Authority includes restricted cash and investments in its Statement of Cash Flows.

F. Compensated Absences

In governmental fund types, the cost of pooled annual leave (compensated absences) is recognized when payments are made to employees. A liability for all governmental fund type vested accrued pooled annual leave is recorded as non-current liabilities in the entity-wide Statement of Net Assets. Proprietary fund types accrue pooled annual leave benefits in the period they are earned.

G. Risk Management

The Park Authority participates in the Prince William Self-Insurance Group Casualty Pool and Workers' Compensation Association, which provides casualty insurance and workers' compensation protection for the members.

H. Operating Revenues

Charges for the use of recreation facilities are recognized as revenue when the facilities are used. Fees for recreation programs are recognized as revenue at the time the program is held. Recreation fees and charges collected in advance are recorded as unearned revenue. Accounts receivable are recorded for fees and charges earned but not yet received.

I. Support from the County

The Park Authority receives an unrestricted annual support payment from the County. This payment partially supports the Park Authority's General Fund operations and Capital Projects Fund requirements and is budgeted and appropriated in the County's annual fiscal year budget.

J. Capital Assets

The cost of capital assets acquired for general government purposes are recorded as an expenditure in the governmental funds and as an asset in the entity-wide financial statements to the extent the Park Authority's capitalization threshold has been met. Capital assets acquired by proprietary funds are recorded as assets in both the entity-wide financial statements and in the proprietary fund financial statements to the extent the Park Authority's capitalization thresholds have been met. The Park Authority's capitalization thresholds for the various asset classifications are:

Land improvements	\$ 25,000
Buildings	25,000
Recreational structures	25,000
Equipment and vehicles	5,000

Park and recreation real properties, facilities and equipment are recorded at cost. Donated capital assets are recorded at estimated fair value as of the date of donation. Recurring normal maintenance and repair costs are charged to operations, and major repairs, improvements, and replacements are capitalized. Upon sale or retirement, the cost and related accumulated depreciation/amortization of park and recreation facilities and equipment are eliminated from the respective accounts and any resulting gain or loss is shown as other income or expense, respectively. Depreciation expense is computed using the straight-line method over the following estimated useful lives of purchased and donated assets:

Land improvements	Fifteen years
Buildings	Ten to Forty years
Recreational structures	Ten to Fifteen years
Equipment and vehicles	Five to Ten years

K. Deferred Charge

In connection with the issuance of the Series 1999 Revenue Bonds, the related costs of issuance are reported as a deferred charge and are amortized over the life of the bond issue.

L. Fund Equity

Reserves represent those portions of fund equity not appropriable for expenditure or legally segregated for a specific future use. Designated fund balances represent the Park Authority’s managerial plans for future use of financial resources.

M. Leases

For capital leases in the governmental fund types, acquisition costs are recorded as expenditures with an offsetting entry to other financing sources. Proprietary fund types and the entity-wide financial statements record the assets acquired under capital lease arrangements at the lesser of the fair value of the asset or the present value of the lease payments and the assets are then amortized over the shorter of the lease period or the estimated life of the asset.

N. Deferred Loss on Debt Refundings

Losses resulting from advance or current refundings of debt in proprietary funds are deferred and amortized over the shorter of the life of the new debt or the remaining life of the old debt. The amount is deferred and reported as a reduction of the debt and is amortized and reported as a component of interest expense.

O. Unearned Revenue

Unearned revenue represents amounts for which asset recognition criteria were met, but for which revenue recognition were not met. Under the modified accrual basis of accounting, such amounts are measurable but not available.

P. Inventories and Prepaid expenses

Inventories consisting of supplies and resale merchandise and prepaid items representing maintenance contracts are accounted for using the consumption method, whereby the purchase of inventory or prepaid items is reported as an asset and recognition of the expense deferred until the period in which consumption occurs. Inventory is valued at cost using the specific identification method.

NOTE (2) - CASH AND INVESTMENTS

A. Cash Deposits

All cash of the Park Authority is maintained in accounts collateralized in accordance with the Virginia Security for Public Deposits Act, Section 2.2-4400 et. Seq. of the Code of Virginia or covered by federal depository insurance.

Investments

The Code of Virginia Sec. 2.2-4501 through 2.2-4513 authorize the Park Authority to invest in obligations of the United States or agencies thereof; obligations of the Commonwealth or political subdivisions thereof; obligations of other states not in default; obligations of the International Bank for Reconstruction and Development (World Bank); the Asian Development Bank; the African Development Bank; "prime quality" commercial paper and certain corporate notes, bankers' acceptances, repurchase agreements and the State Treasurers Local Government Investment Pool (LGIP).

The Park Authority's Investment Policy permits investment in any obligation authorized under the Code of Virginia previously referenced and establishes limitations on holdings by percentage of the investment portfolio. Investments are subject to interest rate, credit, custodial and concentration of credit risks as described below:

Interest Rate Risk – The Park Authority limits its investments to overnight repurchase agreements and money market mutual funds with a stated maturity of no more than three years from date of purchase, with the exception of the debt service reserve fund, thus limiting its interest rate risk exposure.

ILLUSTRATION 2-1

Fair Value and Investment Maturities of Investments at June 30, 2007

	Fair Value	Investment Maturities (Years)
PARK AUTHORITY		
Money Market Mutual Funds	\$ 3,078,965	Less than one year
Local Government Investment Pool	2,512,020	Less than one year
Over-night Repurchase Agreements	798,791	Less than one year
Long-term Repurchase Agreements	1,561,000	More than one year
Total Reporting Entity Investments	\$ 7,950,776	

Credit Risk – State statutes authorize the Park Authority to invest in various instruments as described above. The Park Authority will only invest in money market or mutual funds with a rating of AAA by at least two nationally recognized statistical rating organizations. During the year, the Park Authority invested its available funds in repurchase agreements and money market mutual funds, including the Commonwealth Cash Reserve Fund (CCRF) and the State Treasurer's Local Government Investment Pool (LGIP).

The Park Authority's investments' ratings as of June 30, 2007 are presented in [Illustration 2-2](#).

ILLUSTRATION 2-2

Park Authority Investment Credit Risk at June 30, 2007

	Credit Quality (Rating)	Credit Exposure as a % of Total Investments
Money Market Mutual Funds	AAAm	38.7%
Local Government Investment Pool	AAAm	31.6%
Repurchase Agreements	AAAm	29.7%
		100.0%

Custodial Credit Risk – Custodial risk is the risk that in the event of the failure of the counter party, the Park Authority will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Park Authority requires that all securities purchased be properly and clearly labeled as an asset of Prince William County Park Authority and held in safekeeping by a third party custodial bank or institution in compliance with Section 2.2-4515 of the Code of Virginia. Therefore, the Park Authority has no custodial credit risk.

Reconciliation of total cash and investments to the entity-wide financial statements at June 30, 2007 is shown in [Illustration 2-3](#).

ILLUSTRATION 2-3

Reconciliation of Cash and Investments to Entity-Wide Financial Statements at June 30, 2007

Total Park Authority			\$ 7,950,776
Add: Cash on Hand			28,511
Deposits			339,618
Less: Outstanding Checks			(305,799)
Total Cash and Investments			\$ 8,013,106
	Governmental Activities	Business Type Activities	Total Reporting Entry
Primary Government:			
Cash and Pooled Investments	\$ 4,345,094	1,431,812	5,776,906
Restricted Cash	-	675,200	675,200
Restricted Investments	-	1,561,000	1,561,000
	\$ 4,345,094	3,668,012	8,013,106

Restricted cash and investments consist of amounts required by revenue bond financing terms to be segregated in a debt service reserve account, a principal account, and an interest account required to be used for debt service. (Illustration 2-4). These accounts and investments therein are held by US Bank, as Trustee, for the Park Authority's Series 1999 Revenue Bonds.

ILLUSTRATION 2-4
Restricted Cash and Investments at June 30, 2007

	Restricted Investments
Park Authority Revenue Bond Funds	\$ 2,236,200

NOTE (3) - UNEARNED REVENUE

Illustration 3-1 details the amounts of unearned revenue at June 30, 2007.

ILLUSTRATION 3-1
Unearned Revenue at June 30, 2007

Governmental activities:	
Unearned Revenue - Prepaid recreation fees and charges	\$ 744,403
Business-type activities:	
Unearned Revenue - Prepaid recreation fees and charges	132,016
Total Reporting Entity	\$ 876,419

NOTE (4) – INTERFUND RECEIVABLES AND PAYABLES

Interfund balances are generally made for the purpose of providing operational support for the receiving fund. Illustration 4-1 details the amounts due from and due to other funds at June 30, 2007.

ILLUSTRATION 4-1
Interfund Receivables and Payables at June 30, 2007

	Due from Other Funds	Due to Other Funds
Capital Projects Fund	\$ 2,647,578	-
Golf Courses Fund	-	2,647,578
Total	\$ 2,647,578	2,647,578

NOTE (5) - CAPITAL ASSETS

Illustration 5-1 summarizes the changes in capital assets of the governmental activities for the year ended June 30, 2007.

ILLUSTRATION 5-1

Governmental Activities - Changes in Capital Assets

	June 30, 2006 (as restated)	Additions	Deletions	Transfers	June 30, 2007
Governmental Activities:					
Capital assets not being depreciated:					
Land	\$ 14,805,396	-	-	-	14,805,396
Construction in progress	521,045	1,373,084	(31,981)	(1,087,265)	774,883
Total capital assets not being depreciated	15,326,441	1,373,084	(31,981)	(1,087,265)	15,580,279
Capital assets being depreciated:					
Land improvements	20,953,120	-	-	4,359,894	25,313,014
Buildings and recreation structures	36,181,599	-	-	(3,300,286)	32,881,313
Equipment	2,926,712	110,752	(9,572)	27,657	3,055,549
Vehicles	2,057,108	26,348	(279,986)	-	1,803,470
Total capital assets being depreciated	62,118,539	137,100	(289,558)	1,087,265	63,053,346
Less accumulated depreciation for:					
Land improvements	15,103,328	706,053	-	2,026,400	17,835,781
Buildings and recreation structures	19,272,904	1,079,038	-	(2,026,400)	18,325,542
Equipment	2,113,737	275,154	(9,572)	-	2,379,319
Vehicles	1,324,325	232,187	(279,986)	-	1,276,526
Total accumulated depreciation	37,814,294	2,292,432	(289,558)	-	39,817,168
Total depreciated capital assets, net	24,304,245	(2,155,332)	-	1,087,265	23,236,178
Governmental activities capital assets (net)	\$ 39,630,686	(782,248)	(31,981)	-	38,816,457

The prior year beginning balances were restated (decrease of \$18,402,192) to adjust the balance of identifiable assets, unrecorded depreciation, and for a change in the capitalization policy. Depreciation expense was charged to parks, recreation and cultural functions of governmental activities in the amount of \$2,292,432 for the fiscal year.

Illustration 5-2 summarizes the changes in capital assets of the business-type activities for the year ended June 30, 2007.

ILLUSTRATION 5-2
Business-Type Activities - Changes in Capital Assets

	June 30, 2006 (as restated)	Additions	Deletions	Transfers	June 30, 2007
Business-type Activities:					
Capital assets not being depreciated:					
Land	\$ 1,472,655	-	-	-	1,472,655
Total capital assets not being depreciated	1,472,655	-	-	-	1,472,655
Capital assets being depreciated:					
Land improvements	13,316,249	167,616	-	-	13,483,865
Buildings and recreation structures	7,824,886	-	-	-	7,824,886
Equipment	2,672,015	12,649	-	-	2,684,664
Vehicles	49,706	-	-	-	49,706
Total capital assets being depreciated	23,862,856	180,265	-	-	24,043,121
Less accumulated depreciation for:					
Land improvements	6,749,265	611,149	-	-	7,360,414
Buildings and recreation structures	5,449,100	313,954	-	-	5,763,054
Equipment	1,914,175	341,737	-	-	2,255,912
Vehicles	49,706	-	-	-	49,706
Total accumulated depreciation	14,162,246	1,266,840	-	-	15,429,086
Total depreciated capital assets, net	9,700,610	(1,086,575)	-	-	8,614,035
Business-type activities capital assets (net)	\$ 11,173,265	(1,086,575)	-	-	10,086,690

The prior year beginning balances were restated (decrease of \$7,515,420) to adjust the balance of identifiable assets, unrecorded depreciation, and for a change in the capitalization policy. Depreciation expense was charged to the following business-type activities:

Golf courses	\$ 932,560
Water parks	<u>334,280</u>
Total	<u>\$1,266,840</u>

Illustration 5-3 summarizes the construction in progress at June 30, 2007. Sources of funding for various capital improvements include proceeds from Prince William County general obligation bonds and appropriations from the County's General Fund budget. Funds from County general obligation bonds are reimbursed to the Park Authority as project expenditures are incurred.

ILLUSTRATION 5-3
Construction in Progress at June 30, 2007

Location	Amount Authorized	Expended to Date	Project Balance
Governmental Activities			
Dale City Rec Center	\$ 60,000	37,800	22,200
Valley View Park	444,000	67,019	376,981
Chinn Center	330,000	72,144	257,856
Hellwig Park	200,000	107,978	92,022
Sudley Park	271,634	40,132	231,502
Long Park	300,000	26,065	273,935
Birchdale Park	185,000	126,481	58,519
Locust Shade Park	170,000	135,486	34,514
Lakeridge Park	30,783	9,669	21,114
Waterworks	169,561	11,649	157,912
Ben Lomond Center	40,000	34,045	5,955
Fuller Heights Park	120,000	82,872	37,128
Splashdown Waterpark	115,291	23,543	91,748
Total	\$ 2,436,269	774,883	1,661,386

NOTE (6) - LONG-TERM DEBT

A. Revenue Bonds Payable

Revenue bonds payable consist of amounts owed by the Park Authority for the construction of facilities and acquisition of related equipment. These liabilities bear interest from 5 percent to 6 percent and mature from 2008 to 2028.

All commitments under revenue bonds are the sole responsibility of the Park Authority and are not considered debt of the County. The debt service requirements for outstanding commitments are summarized below:

- On October 5, 1999 the Park Authority issued \$21,415,000 of revenue bonds at interest rates ranging from 4.10% to 6.0%, the proceeds from which were partially used with reserve funds established in connection with the Series 1994 Revenue bonds to purchase U. S. Government securities that were placed in an irrevocable trust for the purpose of generating resources for all future debt service payments of the Series 1994 bonds. The Series 1994 bonds are considered defeased. Accordingly, the liability for the Series 1994 bonds has been removed from the Park Authority's balance sheet.
- Included in the Series 1999 bonds were additional funds of \$750,000 beyond that required to defease the Series 1994 bonds and establish the required reserves. The additional funds were provided to implement improvements at the golf course and waterpark facilities originally funded by the Series 1994 bonds.

- In connection with the Series 1999 bonds the Park Authority is required to achieve a debt coverage ratio of 1.10. For 2007 the debt coverage ratio achieved was .92 compared to the debt coverage ratio of 1.36 achieved in 2006. The revenue bond covenants require that in the event the debt coverage ratio is less than 1.10 for two consecutive years the Park Authority will engage a professional consultant to review the business activity operations to provide suggestions on improving the debt coverage ratio.
- The sources of repayment for the Series 1999 bonds are the net revenues of the facilities, as well as other revenues of the Park Authority. The County has provided a debt service reserve fund reimbursement provision for the Series 1999 bonds, subject to annual appropriation, in the event the debt service reserve fund is drawn upon and the Park Authority cannot provide funds to reimburse the debt service reserve fund. The bonds are rated A3 by Moody's Investors Service.

The annual debt service requirements of all bonds outstanding in business-type activities as of June 30, 2007, including interest payments, are shown in [Illustration 6-1](#).

ILLUSTRATION 6-1

Business-type Activities - Debt Service Requirements - Revenue Bonds

Year Ending June 30:	Principal	Interest	Total
2008	\$ 450,000	1,090,057	1,540,057
2009	475,000	1,066,231	1,541,231
2010	500,000	1,040,757	1,540,757
2011	525,000	1,013,522	1,538,522
2012	555,000	984,497	1,539,497
2013 - 2017	3,265,000	4,400,180	7,665,180
2018 - 2022	4,350,000	3,288,987	7,638,987
2023 - 2027	5,845,000	1,774,350	7,619,350
2028 - 2029	2,855,000	173,850	3,028,850
Subtotal	18,820,000	\$ 14,832,431	33,652,431
Less: unamortized discount on issuance of revenue bonds	154,966		
Less: unamortized deferred loss on refunding	562,873		
Total	\$ 18,102,161		

B. Capital Leases

The Park Authority leases equipment under capital leases expiring at various dates through 2013. All leases are non-cancelable except they are contingent upon the Park Authority Board appropriating funds for each year's payments. Total lease payments under capital leases of the Park Authority for the year ended June 30, 2007 was \$618,536, including interest.

- On May 23, 2002, the Park Authority entered into a tax-exempt lease agreement in the amount of \$1,500,000 with SunTrust Bank for the acquisition of equipment. Repayment terms provide for fourteen equal semi-annual payments of \$123,947, including interest, beginning November 23, 2002.
- On June 14, 2002, the Park Authority entered into a tax-exempt lease agreement in the amount of \$184,800 with Patriot Public Finance for the acquisition of equipment. Repayment terms provide for twenty equal quarterly payments of \$10,349, including interest, beginning June 14, 2002.

- On October 20, 2002, the Park Authority entered into a tax-exempt lease agreement in the amount of \$240,000 with Patriot Public Finance for the acquisition of equipment. Repayment terms provide for twenty equal quarterly payments of \$13,697, including interest, beginning October 20, 2002.
- On March 18, 2003, the Park Authority entered into a tax-exempt lease agreement in the amount of \$184,800 with Patriot Public Finance for the acquisition of equipment. Repayment terms provide for twenty quarterly payments of \$10,547, including interest, beginning March 21, 2003.
- On October 11, 2005, the Park Authority entered into a tax-exempt lease agreement in the amount of \$1,500,000 with SunTrust Bank for the acquisition of equipment. Repayment terms provide for fourteen equal semi-annual payments of \$121,310, including interest, beginning March 1, 2006.

Illustration 6-2 presents the total assets that were acquired through capital lease obligations.

ILLUSTRATION 6-2
Minimum Lease Commitments - Capital Lease Obligations

	Primary Government	
Depreciable assets		
Machinery and Equipment	\$	3,609,600
Less: Accumulated Depreciation		2,597,960
Total assets acquired through capital lease	\$	1,011,640

Illustration 6-3 presents a summary of minimum lease commitments on all capital leases, which are subject to escalation clauses, exclusive of taxes, insurance, maintenance and repairs.

ILLUSTRATION 6-3
Minimum Lease Commitments - Capital Lease Obligations

	Primary Government	
Year Ending June 30:		
2008	\$	525,303
2009		490,514
2010		242,619
2011		242,619
2012		242,619
2013		121,310
Total minimum payments		1,864,984
Less: Interest		(154,979)
Present value of future minimum payments	\$	1,710,005

C. Notes Payable

The annual debt service requirements of notes payable in governmental funds as of June 30, 2007, including interest payments, are shown in Illustration 6-4.

- On November 19, 2001, the Park Authority entered into a tax-exempt loan agreement in the amount of \$1,300,000 with SunTrust Bank for the development of Valley View Park. Repayment terms provide for twenty equal semi-annual payments of \$79,888, including interest at 4.10%, beginning May 19, 2002.

ILLUSTRATION 6-4

Governmental Activities - Debt Service Requirements - Notes Payable

Year Ending June 30:	Principal	Interest	Total
2008	\$ 134,469	25,307	159,776
2009	140,039	19,737	159,776
2010	145,839	13,936	159,775
2011	151,880	7,895	159,775
2012	78,283	1,605	79,888
Total	\$ 650,510	68,480	718,990

D. Changes in Long-Term Liabilities:

Changes in long-term liabilities of governmental activities for the year ended June 30, 2007 are shown in Illustration 6-5.

ILLUSTRATION 6-5

Governmental Activities - Changes in Long-Term Liabilities

	Beginning Balance	Additions	Reductions	Ending Balance	Due in More Than One Year	Due Within One Year
Capital leases	\$ 2,093,326	-	(417,471)	1,675,855	1,242,471	433,384
Notes payable	779,631	-	(129,121)	650,510	516,041	134,469
Compensated absences	872,234	862,366	(832,096)	902,504	808,283	94,221
Total	\$ 3,745,191	862,366	(1,378,688)	3,228,869	2,566,795	662,074

Long-term liabilities of governmental activities are generally liquidated by the General Fund.

Changes in long-term liabilities of business-type activities for the year ended June 30, 2007 are shown in Illustration 6-6.

ILLUSTRATION 6-6

Business-Type Activities - Changes in Long-Term Liabilities

	Beginning Balance	Additions	Reductions	Ending Balance	Due in More Than One Year	Due Within One Year
Revenue bonds	\$ 19,250,000	-	(430,000)	18,820,000	18,370,000	450,000
Unamortized discount on issuance of revenue bonds	(162,036)	-	7,070	(154,966)	(147,896)	(7,070)
Unamortized deferred loss on refunding	(629,093)	-	66,220	(562,873)	(496,653)	(66,220)
Revenue bonds, net	18,458,871	-	(356,710)	18,102,161	17,725,451	376,710
Capital leases payable	156,142	-	(121,992)	34,150	-	34,150
Compensated absences	109,882	86,375	(96,992)	99,265	88,901	10,364
Total	\$ 18,724,895	86,375	(575,694)	18,235,576	17,814,352	421,224

NOTE (7) - DEFINED BENEFIT PENSION PLANS

A. Virginia Retirement System

Plan Description

The Park Authority, as a participant with the County, contributes to the Virginia Retirement System (VRS), an agent and cost-sharing multiple-employer defined benefit pension plan administered by the VRS. The Park Authority's payroll for employees covered by the VRS for the year ended June 30, 2007 was \$7,078,691 (total payroll was \$12,431,502).

All full-time, salaried permanent employees of participating employers must participate in the VRS. Benefits vest after five years of service. Employees are eligible for an unreduced retirement benefit at age 65 with 5 years of service or at age 50 with 30 years of service for participating employers payable monthly for life in an amount equal to 1.7 percent of their average final compensation (AFC) for each year of credited service. Benefits are actuarially reduced for retirees who retire prior to becoming eligible for full retirement benefits. In addition, retirees qualify for annual cost-of-living adjustment (COLA) beginning in their second year of retirement. The COLA is limited to 5 percent per year. AFC is defined as the highest consecutive 36 months of reported compensation. The VRS also provides death and disability benefits. Title 51.1 of the Code of Virginia (1950), as amended, assigns the authority to establish and amend benefit provisions to the General Assembly of Virginia.

The VRS issues a publicly available comprehensive annual financial report that includes financial statements and required supplementary information for the VRS. A copy of that report may be obtained by writing VRS at P.O. Box 2500, Richmond, Virginia 23218-2500.

Funding Policy and Annual Pension Cost

Plan members are required by Title 51.1 of the Code of Virginia (1950), as amended, to contribute 5 percent of their annual reported compensation to the VRS. The Park Authority has assumed this 5 percent member contribution. In addition, the Park Authority is required to contribute the remaining amounts necessary to fund its participation in the VRS using the actuarial basis specified by the Code of Virginia and approved by the VRS Board of Trustees. The Park Authority contribution rate for the fiscal year ended June 30, 2007 was 8.82 percent of annual covered payroll.

The required contributions for the County, including the Park Authority, were determined as part of an actuarial valuation performed as of June 30, 2005 using the entry age normal actuarial cost method. The actuarial assumptions included (a) a 7.50 percent investment rate of return, (b) projected salary increases that range between 3.75 percent and 6.00 percent depending on the member's service and classification, and (c) 2.50 percent per year cost-of-living adjustments. Both (a) and (b) included an inflation component of 2.50 percent. The actuarial value of the County's assets is equal to the modified market value of the assets. This method was determined using techniques that smooth the effects of short-term volatility in the market value of assets over a five-year period. The unfunded actuarial accrued liability is being amortized as a level percentage of payrolls on an open basis within a period of twenty-one years.

Trend Information

Illustration 7-1 summarizes the required three-year trend information for the Park Authority as a participant through the County in VRS.

ILLUSTRATION 7-1
Virginia Retirement System
Three Year Trend Information for the Park Authority (000's)

Annual Pension Cost (APC)				
Fiscal Year Ending	Employer Portion	Employee Portion Paid by Employer	Percentage of APC Contributed	Net Pension Obligation
June 30, 2005	\$ 11,340	\$ 7,560	100%	\$ -
June 30, 2006	12,290	8,193	100%	-
June 30, 2007	15,592	8,839	100%	-

B. Post-employment Benefits

The Park Authority provides limited postretirement health and dental benefits as provided for in Virginia state law to retirees who have 15 or more years of service with the Park Authority. The retirees are granted the option to participate by paying 100 percent of their monthly health insurance premium less a \$1.50 times years of service for a maximum credit of \$45 from the VRS. As of the end of the current year, there were 4 retirees who participated in the Park Authority’s group insurance plan and 19 retirees that received the VRS insurance credit. The insurance credit is financed by payments from the Park Authority to the VRS. The surplus funds are not considered advance funded because the Park Authority, its employees, and retirees have no vested rights to access the excess funds. GAAP do not require governments to report a liability in the financial statements in connection with an employer’s obligation to provide these benefits.

The Park Authority paid \$5.50 per eligible Park Authority years of service to eligible retirees during the fiscal year if they attained 15 or more years of service with the Park Authority. For the year ended June 30, 2007, the Park Authority paid \$24,387 to 19 eligible retirees.

The disparity in the number of participants between the Park Authority and VRS health insurance credit plans can be attributed to the higher rate per years of service and Park Authority’s proactive approach in encouraging participation.

NOTE (8) - RISK MANAGEMENT

The Park Authority is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; the health of and injuries to its employees; and natural disasters.

The Park Authority participates in the Prince William Self-Insurance Group Casualty Pool (the Pool) and the Prince William Self-Insurance Workers' Compensation Association (the Association) for purposes of addressing the liability and workers' compensation exposures of its operations. The Pool and the Association are operated by Prince William County for the benefit of various related governmental entities located in the County. The Park Authority paid an annual premium of \$323,309 in 2007 to the Pool and Association for this insurance coverage, which includes workers' compensation, employers' liability, comprehensive general and auto liability, and public official's liability.

The Casualty Pool has a \$750,000 per occurrence retention for all lines of coverage and it purchases commercial excess insurance with a \$10,000,000 per occurrence and a \$20,000,000 annual aggregate limit, except for automobile liability coverage, which has no annual aggregate limit, and public official's liability, which has a \$10,000,000 aggregate limit. The Workers' Compensation Association has a \$500,000 per occurrence retention, and it purchases commercial excess coverage, which provides statutory limits for workers' compensation claims and a \$2,000,000 per occurrence and annual aggregate limit for employee liability coverage.

The Park Authority purchases commercial property insurance coverage from independent third parties to protect capital assets from physical damage and loss. There have been no significant reductions in insurance coverage from the prior year. Insurance settlements have not exceeded insurance coverage over the previous three fiscal years.

NOTE (9) – RESTATEMENT OF BEGINNING NET ASSETS

The following table shows the change to beginning net assets from the amounts previously reported.

	Governmental Activities	Golf Courses Fund	Water Parks Fund
Balance at June 30, 2006 as reported	\$ 56,516,120	35,048	656,357
Adjustment to reconcile beginning capital assets	(17,292,047)	(5,756,540)	(1,737,009)
Adjustment for change in capitalization policy	(1,110,145)	(10,000)	(11,871)
Balance at June 30, 2006 as adjusted	\$ 38,113,982	(5,731,492)	(1,092,523)

The Park Authority restated its beginning net assets for both governmental and business-type activities as a result of charging depreciation to the land improvements classification of capital assets and as a result of a change in the capitalization threshold for the buildings, land improvements, and recreation structures capital asset classifications.

NOTE (10) – SUBSEQUENT EVENT

On September 4, 2007 the Board of County Supervisors approved the transfer of approximately 373 acres of County owned land to the Park Authority. The total assessed value of this land is \$2,372,700.

REQUIRED SUPPLEMENTARY
INFORMATION

(UNAUDITED)



Prince William County Park Authority
 Required Supplementary Information (Unaudited):

Virginia Retirement System Schedule of Funding Progress

Virginia Retirement System
 Schedule of Funding Progress for the County
 (including the Park Authority) 000's

Actuarial Valuation Date	Actuarial Value of Assets (AVA)	Actuarial Accrued Liability (AAL)	Unfunded Actuarial Accrued Liability (UAAL) (Asset)	Funded Ratio Assets as % of AAL	Annual Covered Payroll	UAAL (Asset) as a Percentage of Covered Payroll
June 30, 2001	\$ 391,317	\$ 335,353	\$ (55,964)	116.7%	\$ 125,261	-44.7%
June 30, 2002	409,236	379,122	(30,114)	107.9%	138,361	-21.8%
June 30, 2003	418,600	428,567	9,967	97.7%	151,303	6.6%
June 30, 2004	429,575	479,643	50,068	89.6%	163,078	30.7%
June 30, 2005	452,581	526,900	74,319	85.9%	160,806	46.2%
June 30, 2006	492,099	564,959	72,860	87.1%	173,003	42.1%

Prince William County Park Authority

General Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual

For the Year Ended June 30, 2007

	Budgeted Amounts		Actual	Variance with Final Budget Over (Under)
	Original	Final		
REVENUES:				
Park Authority Revenue	\$ 6,968,100	6,968,100	7,251,903	283,803
Intergovernmental Revenue:				
Support from Prince William County	13,457,900	13,457,900	13,619,533	161,633
Total revenues	20,426,000	20,426,000	20,871,436	445,436
EXPENDITURES:				
Current:				
Parks, recreation, and cultural	19,681,000	19,681,000	18,934,355	(747,545)
Capital and Debt Service	744,100	744,100	800,038	55,938
Total expenditures	20,426,000	20,426,000	19,734,393	(691,607)
Revenues under expenditures	-	-	1,137,043	1,137,043
OTHER FINANCING SOURCES (USES):				
Sale of capital assets	-	-	19,081	19,081
Total other financing sources	-	-	19,081	19,081
Net change in fund balance	\$ -	-	1,156,124	1,156,124

Notes to Required Supplementary Information June 30, 2007

Budgets and Budgetary Accounting

Formal budgetary integration is employed as a management control device during the year. The Park Authority submits an annual operating and capital projects budget to Prince William County for purposes of determining the County's General Fund support to the Park Authority in accordance with the operating agreement between the Park Authority and the County. Each January, the Park Authority submits to the County Executive for consideration of the Board of County Supervisors (the Board), a proposed operating and capital projects budget for the annual fiscal year (July – June) commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them.

Prior to submission of the budget to the County, the Park Authority Board holds work sessions to review the proposed budget as developed by staff and recommended by the Executive Director. Subsequent to the Board of County Supervisors adoption and appropriation of the annual County support to the Park Authority, the Park Authority Board adopts and appropriates the budget for the fiscal period beginning July 1.

Budgetary control for the General Fund is maintained at the fund level. All budgets and appropriations lapse at the end of the year.

For 2007 expenditures in the General Fund of the Park Authority were less than authorized budget limitations for the parks, recreation and cultural functions by \$909,178 and were more than authorized budget limitations for the capital and debt service functions by \$55,938. Revenues during 2007 were \$283,803 more than budget.



Statistical Section

This section of the Park Authority's Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information indicates about the Park Authority's overall financial health.

CONTENTS:

	<u>Tables</u>
Financial Trends	
These tables contain trend information to help the reader understand how the Park Authority's financial performance and well-being have changed over time.	1-4
Revenue Capacity	
These tables contain information to help the reader assess the Park Authority's most significant revenue source, fees, and charges for services and County support	5
Debt Capacity	
These tables present information to help assess the affordability of the Park Authority's current levels of outstanding debt and its ability to issue additional debt in the future.	6-8
Demographic and Economic Information	
These tables offer demographic and economic indicators to help the reader understand the environment within which the Park Authority's financial activities take place.	9
Operating Information	
These tables contain service and infrastructure data to help the reader understand how the information in the Park Authority's financial report relates to the services the Park Authority provides and the activities it performs.	10-12

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year(s).

The data reported in this Section is limited to the three fiscal year periods (July-June) the Park Authority has reported on this fiscal period basis. Prior to June 30, 2005 the Park Authority reported on a calendar year basis and therefore most prior data is not comparable.

Prince William County Park Authority

TABLE 1 - NET ASSETS BY COMPONENT

Last Three Fiscal Years

(accrual basis of accounting)

(unaudited)

	Fiscal Year		
	2005	2006	2007
Governmental activities:			
Invested in capital assets, net of related debt	\$ 54,484,545	36,757,729	36,290,092
Unrestricted	938,454	1,356,199	4,301,785
Total governmental activities net assets	\$ 55,422,999	38,113,928	40,791,877
Business-type activities:			
Invested in capital assets, net of related debt	\$ (1,277,471)	(7,441,748)	(8,049,621)
Restricted	2,183,997	2,205,551	2,236,200
Unrestricted	(171,612)	(1,587,818)	(1,988,359)
Total business-type activities net assets	\$ 734,914	(6,824,015)	(7,801,780)
Total reporting entity:			
Invested in capital assets, net of related debt	\$ 53,207,074	29,315,981	28,440,471
Restricted	2,183,997	2,205,551	2,236,200
Unrestricted	766,842	(231,619)	2,313,426
Total reporting entity net assets	\$ 56,157,913	31,289,913	32,990,097

Note: The beginning net assets for governmental and business-type activities were restated. See Note 9 to the financial statements.

Prince William County Park Authority

TABLE 2 - CHANGES IN NET ASSETS

Last Three Fiscal Years

(accrual basis of accounting)

(unaudited)

	Fiscal Year		
	2005	2006	2007
Expenses			
Governmental activities:			
Parks, recreation and cultural	\$ 19,690,881	20,635,572	21,946,031
Interest on long-term debt	83,007	115,102	99,914
Total governmental activities expenses	19,773,888	20,750,674	22,045,945
Business-type activities:			
Golf Courses	4,270,335	4,585,046	4,983,205
Waterparks	2,513,913	2,469,991	2,371,613
Total business-type activities expenses	6,784,248	7,055,037	7,354,818
Total reporting entity expenses	\$ 26,558,136	27,805,711	29,400,763
Program Revenues			
Governmental activities:			
Charges for services:			
Parks, recreation and cultural	\$ 6,697,027	6,796,441	6,919,266
Capital grants and contributions	-	637,735	-
Total governmental activities program revenues	6,697,027	7,434,176	6,919,266
Business-type activities:			
Charges for services:			
Golf Courses	\$ 3,717,583	3,555,154	3,385,889
Waterparks	2,520,532	2,294,502	2,688,855
Total business-type activities program revenues	6,238,115	5,849,656	6,074,744
Total reporting entity program revenues	\$ 12,935,142	13,283,832	12,994,010
Net Expense			
Governmental activities	\$ (13,076,861)	(13,316,498)	(15,126,679)
Business-type activities	(546,133)	(1,205,381)	(1,280,074)
Total reporting entity net (expense)/revenue	\$ (13,622,994)	(14,521,869)	(16,406,753)
General Revenues and Other Changes in Net Assets			
Governmental activities:			
Payment from Prince William County	\$ 13,884,039	15,247,495	17,570,827
Recovered costs from Prince William County Schools	-	-	81,429
Investment earnings	85,403	210,254	332,637
Transfers	-	(1,048,130)	(180,265)
Total governmental activities	13,969,442	14,409,619	17,804,628
Business-type activities:			
Investment earnings	99,697	113,742	122,044
Transfers	-	1,048,130	180,265
Miscellaneous	439,268	-	-
Total business-type activities	538,965	1,161,872	302,309
Total reporting entity	\$ 14,508,407	15,571,491	18,106,937
Change in Net Assets			
Governmental activities	\$ 892,581	1,093,121	2,677,949
Business-type activities	(7,168)	(43,509)	(977,765)
Total reporting entity	\$ 885,413	1,049,612	1,700,184

Prince William County Park Authority

TABLE 3 - FUND BALANCES OF GOVERNMENTAL FUNDS

Last Three Fiscal Years

(accrual basis of accounting)

(unaudited)

	Fiscal Year		
	2005	2006	2007
General Fund:			
Reserved	\$ 16,547	27,503	23,654
Total unreserved	(1,007,886)	115,160	1,275,133
Total General Fund	\$ (991,339)	142,663	1,298,787
Capital Projects Fund:			
Unreserved, designated	\$ 2,812,320	2,108,505	3,924,454
Total Capital Projects Fund	\$ 2,812,320	2,108,505	3,924,454

Prince William County Park Authority

TABLE 4 - CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

Last Three Fiscal Years

(modified accrual basis of accounting)

(unaudited)

	Fiscal Year		
	2005	2006	2007
Revenues:			
Charges for services	\$ 6,697,027	6,796,441	6,919,266
From use of money and property	85,403	210,254	332,637
Support from Price William County	13,884,039	15,247,495	17,570,827
Total revenues	20,666,469	22,254,190	24,904,159
Expenditures:			
Parks, recreation and cultural	17,322,475	18,307,967	18,934,355
Debt service:			
Principal retirement	480,769	601,856	546,592
Interest	93,752	95,997	103,697
Capital outlays	2,292,091	4,318,183	2,366,523
Total expenditures	20,189,087	23,324,003	21,951,167
Excess (deficiency) of revenues over (under) expenditures	477,382	(1,069,813)	2,952,992
Other Financing Sources (Uses):			
Bonds, notes and capital leases	-	1,500,000	-
Sale of capital assets	-	-	19,081
Total other financing sources	-	1,500,000	19,081
Net change in fund balances	\$ 477,382	430,187	2,972,073
Debt service as a percentage of noncapital expenditures	3.2%	3.7%	3.2%

Prince William County Park Authority

TABLE 5 - REVENUES BY SOURCE OF ALL FUNDS

Last Three Fiscal Years

(modified accrual basis of accounting)

(unaudited)

<u>Fiscal Year</u>	<u>Charges for Services</u>	<u>Investment Earnings</u>	<u>Miscellaneous</u>	<u>Payment from Prince William County</u>	<u>Total Reporting Entity</u>
2005	\$ 12,935,142	185,100	439,268	13,884,039	27,443,549
2006	12,646,097	323,996	637,735	15,247,495	28,855,323
2007	12,994,010	454,681	81,429	17,570,827	31,100,947
Change					
2005-2006	-2.2%	75.0%	45.2%	9.8%	5.1%
Change					
2006-2007	2.8%	40.3%	-87.2%	15.2%	7.8%

Prince William County Park Authority

TABLE 6 - RATIOS OF OUTSTANDING DEBT BY TYPE, TOTAL REPORTING ENTITY

Last Three Fiscal Years

(unaudited)

Fiscal Year	Governmental Activities		Business-Type Activities		Total Reporting Entity	Debt Per Capita
	Equipment Capital Lease	Note Payable	Revenue Bonds	Equipment Capital Lease		
2005	\$ 1,071,196	903,617	19,660,000	281,456	21,916,269	61.84
2006	2,093,326	779,631	19,250,000	156,142	22,279,099	60.22
2007	1,675,855	650,510	18,820,000	34,150	21,280,515	55.56

Prince William County Park Authority

TABLE 7 - PLEDGED REVENUE COVERAGE

Last Three Fiscal Years

(unaudited)

Series 1999 Revenue Bonds - Business Activities							
Fiscal Year	Operating and Other Revenue	Less: Operating Expenses	Net Available Revenue	Revenue Bond Principal	Revenue Bond Interest	Total Debt Service	Coverage Ratio
2005	\$ 6,777,080	4,789,330	1,987,750	390,000	1,221,872	1,611,872	1.23
2006	7,011,528	4,818,086	2,193,442	410,000	1,202,483	1,612,483	1.36
2007	6,377,053	4,901,535	1,475,518	430,000	1,181,093	1,611,093	0.92

Note: Operating expenses exclude depreciation expense

Prince William County Park Authority

TABLE 8 - SELF-IMPOSED DEBT MARGIN

Last Three Fiscal Years

(unaudited)

	Fiscal Year		
	2005	2006	2007
Self-imposed debt limit	\$ 38,564,207	26,312,207	26,685,622
Total liabilities subject to limit	25,616,718	25,267,898	24,700,395
Total liabilities subject to limit as a percent of debt limit	66.4%	96.0%	92.6%
Self-imposed Debt Margin Calculation			
Total Reporting Entity Assets	\$ 81,774,631	56,557,811	57,690,492
Less: Liabilities due in less than one year	4,646,218	3,933,398	4,319,248
Assets available	77,128,413	52,624,413	53,371,244
Debt limit (50% of total assets)	38,564,207	26,312,207	26,685,622
Total Reporting Entity Liabilities	25,616,718	25,267,898	24,700,395
Debt margin	12,947,489	1,044,309	1,985,227
Debt ratio	31.3%	44.7%	42.8%

Prince William County Park Authority

TABLE 9 - DEMOGRAPHIC AND ECONOMIC STATISTICS

Last Ten Fiscal Years

(unaudited)

Year	County Population	Personal Income (in thousands)	Per Capita Income	Fall School Enrollment	Average Civilian Labor Force	Average Unemployment Rate
1998	268,894	\$ 8,269,655	\$ 26,928	49,905	134,985	2.0%
1999	277,359	8,928,784	28,145	51,028	137,586	2.0%
2000	280,813	10,228,409	31,036	52,551	148,618	1.5%
2001	294,798	10,983,002	31,895	54,646	152,086	2.4%
2002	309,351	11,492,607	32,071	57,397	154,545	3.3%
2003	321,570	12,176,485	32,882	60,541	167,865	3.6%
2004	336,820	13,437,793	34,877	62,691	174,247	2.6%
2005	354,383	14,618,081	36,693	66,093	187,926	2.6%
2006	371,178	15,813,242	37,966	68,285	193,561	2.3%
2007	381,221	*	*	70,723	201,475	2.6%

* Not available

Prince William County Park Authority

TABLE 10 - FULL-TIME EQUIVALENT EMPLOYEES BY FUNCTION/PROGRAM

Last Three Fiscal Years

(unaudited)

Function	Fiscal Year		
	2005	2006	2007
Governmental Activities			
Parks, recreation and cultural	281	287	285
Business Activities			
Golf courses	56	56	56
Water parks	44	45	43
Total Reporting Entity	381	388	384

Prince William County Park Authority

TABLE 11 - OPERATING INDICATORS BY FUNCTION/PROGRAM

Last Three Fiscal Years

(unaudited)

(in 000's)

Function	Fiscal Year		
	2005	2006	2007
Governmental Activities			
Parks, recreation and cultural			
Recreation Center participant visits	1,293	1,313	1,393
Park and program participant visits	450	483	611
Sports participant visits	1,327	1,411	1,402
Business Activities			
Golf Rounds (18 hole equivalent)	107	96	78
Water park participant visits	164	199	218

Prince William County Park Authority

TABLE 12 - CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM

Last Three Fiscal Years

(unaudited)

Function	Fiscal Year		
	2005	2006	2007
Parks, Recreation and Cultural			
Park acreage	3,238	3,238	3,238
Parks	61	63	63
Athletic Fields ^a	304	304	304
Aquatics & Fitness Center	2	2	2
Baseball Stadium	1	1	1
Community Centers	3	3	3
Hiking and Fitness Trails (in miles)	10	10	10
Indoor Gymnasiums ^a	59	59	59
Indoor Ice Rinks	2	2	2
Marinas	2	2	2
Miniature Golf Courses	2	2	2
Nature Areas	3	3	3
Outdoor Basketball Courts	27	27	27
Outdoor Swimming Pools	4	4	4
Outdoor Volleyball Courts	9	9	9
Picnic Shelters	63	63	63
Playgrounds	30	30	32
Regulation Golf Courses	4	4	4
Skateboard/BMX Courses	2	2	2
Tennis & Racquetball Courts	53	47	47
Waterparks	2	2	2

^a Includes Prince William County Public School facilities programmed by the Park Authority.

LOUDOUN
COUNTY


Prince William County



FAIRFAX
COUNTY

FAUQUIER
COUNTY

STAFFORD
COUNTY

-  Neighborhood Parks
-  Community Parks
-  Regional Parks
-  Special Use

