

M-NCPPC



Montgomery County Department of Park and Planning  
THE MARYLAND NATIONAL CAPITAL  
PARK AND PLANNING COMMISSION

8787 Georgia Avenue  
Silver Spring, Maryland 20901

MCPB  
Item: e  
Date: June 30, 2005

**Memorandum**

TO: The Montgomery County Planning Board

VIA: Charles R. Loehr, Director, Department of Park and Planning

FROM: William Mooney, Chief, Enterprise Division

SUBJECT: Enterprise Division Policy Discussion

Handwritten signatures of Charles R. Loehr and William Mooney, written in black ink over the 'VIA' and 'FROM' lines of the memorandum.

Purpose: To review the Enterprise Division – Operations, Finance, Marketing, and Policy Issues.

**Requested Planning Board Approval Actions:**

- Receive a briefing on Enterprise activity
- Give feedback and direction for work to be continued during the summer in preparation for meeting with the PHED committee regarding policy issues that were not resolved in the FY 06 budget deliberations.

**Summary:**

During the review of the FY 06 Enterprise budget, the Planning Board supported two major policy issues that staff raised.

The first was the adoption of a mission statement for Enterprise, which states that it is our mission to provide great affordable recreation for everyone. Inherent in this idea is that growing our customer base as well as being more inclusive and customer service oriented is our primary purpose. We also believe that success in this strategy will result in financial success.

The second major issue was the request that \$569,000 be requested in the budget to support the capital costs of the ice rinks. The County Council approved this request.

However, during the County Council PHED committee review of the budget, the members indicated that they did not feel well enough informed to make a long-term commitment on providing continued supplemental funding. They requested to have a fuller briefing after the budget process was concluded. The PHED committee has no available time in July,

so the briefing is now scheduled for September. It should be noted that during the past winter/spring, staff met twice with Marlene Michaelson and were scheduled for three meetings with the PHED committee – which did not occur due to their heavy workload, partly associated with the Shady Grove Master Plan.

The purpose of today's discussion with the Planning Board is two fold. First, while the Board had been briefed in the budget process on the information we were to discuss with the PHED during the winter, the data that we will discuss with the PHED committee in the fall is more current and we want to brief the board again at a general level. Second, we seek questions, comments, and guidance as we begin work this summer to develop documents for the PHED committee discussions this fall.

Our discussion today will include an overview, brief reviews of operations and financial issues, a marketing discussion, and policy issues.

### **Overview**

While we do not intend to look at all of the charts that have been provided, there are a few observations that should be made.

- The Enterprise facilities – as we said in the budget review – are unique in the recreation arena in Montgomery County in that the policy was established to have them cover their capital improvements, capital outlay, and debt service. If this requirement is set aside and you view the facilities by the same fiscal measure as the County aquatic centers or ball field complexes (revenues vs. operating expenditures) , the Enterprise division has done well. In fact, since 1991, the enterprise facilities have generated revenue of more than \$31 million over the operating expenditures for the facilities and programs.
- The trend of enterprise operations is consistent for the combined program – revenues have always exceeded operating costs – if capital costs are excluded.
- Attendance at enterprise facilities is relatively flat over the 15 years even though new facilities have been added.
- The capital investments to build a geographically balanced program have been good investments but have taxed the fund.
- Golf courses are very challenged – declining rounds and competition are taking their toll.
- Tennis is doing very well.

Finally, as you will see in this report, we are looking ahead. We believe that marketing is critical to our future and that it will pay off – you will see that there is great opportunity for our facilities. We have an intern this summer who is working on a photo gallery in support of the marketing plan.

We have two interns who are working for the division this summer to help with our strategic plan. One is researching the potential to expand the Cabin John tennis facility and the second is looking at the opportunities to build a pavilion at Woodlawn. These

projects are forward-looking and we are pleased to have the support of these talented people.

**Major Policy Issues for PHED discussion.**

- The mission statement
- The need and potential for ongoing financial support
- Reserves policy
- Marketing
  - Time to be effective
  - A major line item in the Enterprise budget
- Continuing training for managers and staff
  - Customer service
  - Business skills
- Golf
  - New initiatives
  - REOI for partnerships
- Reductions in personnel costs
  - Impacts on staff and operations
- Needed capital improvements

We can summarize all of this by recasting our mission statement –

**We are Creating Affordable Recreation for Everyone  
We CARE!**