




# The Maryland-National Capital Park & Planning Commission

May 17, 2018

TO: Montgomery County Planning Board

FROM: Joseph C. Zimmerman, Secretary-Treasurer 

SUBJECT: Operating Funds FY 2018 Nine Month Financial Report  
Including Projections to June 30, 2018 – Montgomery County

The Commission has committed to participate in Montgomery County's FY18 savings plan totaling \$3,569,991 (\$2,389,958 from Operating Funds and \$1,180,033 from CIP). The impact to the Operating Funds is as follows:

	<u>Reduction</u>
Planning Department	\$460,910
Parks Department	1,803,285
CAS	125,763

The nine-month financial report for the period ending March 31, 2018 and projections to June 30, 2018 are attached. The reasons for the variances are highlighted below.

## **PROPERTY TAX**

As of March 31, we have collected \$119,737,278 as compared to \$114,195,347 for last fiscal year or 97.69% of our Operating Fund tax revenues budget of \$122,573,814. The collection percentage compared to budget is down 0.3% from last year at a corresponding period of time. We are projecting property tax collections at 98.67% of budgeted level for all funds.

## **INTEREST REVENUE**

Interest revenues are projected to be higher than budgeted by \$300,500 as a result of higher than expected return on our investments. Banking fees are netted against the interest revenue and have historically been allocated equally between the two Park Funds. This results in less overall interest revenue than normally would be anticipated in the Park Fund.

## **ADMINISTRATION FUND**

### **Revenues – Under Budget \$290,849**

1. Property tax collections are projected to be \$388,973 under budget.
2. Fees and Charges are projected to be over budget by \$150,457. Two large forest conservation applications (\$69K) are included in the actual revenue received through March 31. Also included is \$40,000 which was budgeted to Intergovernmental (under budget) that will actually be received as Fees and Charges.
3. Interest is projected to be \$130,000 higher than budgeted.
4. Grant revenue is not expected to be realized, which will result in a shortfall of \$150,000. This shortfall will be offset by a corresponding savings in grant expenditures.
5. Miscellaneous Revenue is projected to be \$7,667 higher than budgeted.

### **Expenditures – Under Budget \$1,822,907**

1. The Planning Department will participate in the County's FY18 savings plan by reducing the transfer from the Administration Fund to the Development Review Special Revenue Fund that was approved in the FY18 budget by \$45,000.
2. Non-Departmental expenditures will have a reduction of \$220,380 which is attributable to the proposed OPEB rebate and the marker savings of \$38,635. Planning will apply their portion of OPEB rebate in the amount of \$125,902 toward the FY18 savings plan.
3. The Planning Department is estimating \$1,281,764 of savings in personnel due to delays in filling vacant positions, several retirements and promotions from within. \$251,373 will be used toward the savings plan. With the Board's approval, they will use \$1,012,000 to payoff layer payments for the equipment Internal Service Fund (ISF), consulting, and other departmental needs to better position the department regarding the upcoming FY19 budget year and to continue to meet their commitment to the County residents to provide the best services possible.
4. Central Administrative Services Departments are projecting savings of \$125,763 due to participation in the County's FY18 savings plan.
5. Grant expenditures are expected to be under budget by \$150,000 and offset the grant revenue shortfall.

## **Fund Balance**

Based on these fund projections, the Fund Balance in the Administration Fund will decrease by \$348,223 and total \$5,460,611 consisting of \$982,300 Designated for Contingences, \$2,079,789 Designated for Subsequent Years, and \$2,398,522 of Undesignated Fund Balance at June 30, 2018.

## **PARK FUND**

### **Revenues – Under Budget by \$1,509,748**

1. Property tax collections are projected \$1,238,095 under budget.
2. Fees and Charges are projected to be over budget by \$5,396.
3. Concessions and Rentals are projected to be lower than budget by \$63,837 due to the loss of parking lot leases, longer turnovers for park house rentals, and fewer rentals at the nature centers than anticipated.
4. Interest Income is forecast to be over budget by \$170,500. This forecast is based on year-to-date performance.
5. Grant revenue is not expected to be realized, which will result in a shortfall of \$382,500. This shortfall will be offset by a corresponding savings in grant expenditures.
6. The Montgomery County Reimbursement for Water Quality Protection Services budgeted amount of \$3,184,641 was received in April.
7. Miscellaneous Revenue is projected to be under budget by \$1,212.

### **Expenditures – Under Budget \$2,154,005**

1. The Park Fund is projecting Personnel savings of \$2,217,377 due to delays in filling vacant positions, filling positions at less than budgeted salaries, and hiring contract employees for some vacancies. Some deferrals in hiring are intentional so that we are able to meet the FY18 savings plan target.
2. Supplies and Materials are projected to be over budget by \$189,146. This is due to increased costs for vehicle and equipment repairs as well as minor equipment replacement.
3. Other Services and Charges are projected to be over budget by \$565,813 as part of the proposed OPEB savings which will be used payoff layer payments for the equipment Internal Service Fund (ISF).

4. Capital Outlay is expected to be overspent by \$127,914, which will be offset by Other Services and Charges savings.
5. Other Classifications is expected by be over budget by \$405,785 due to CIP chargebacks, which will not take place due to staff vacancies.
6. Grant expenditures are expected to be under budget by \$382,500 and offset the grant revenue shortfall.
7. Debt Service expenditures are projected to be \$40,000 under budget.
8. Non-departmental expenditures are projecting to be under budget by \$802,786 due to reclassification savings, OPEB rebate, and cancellation of prior year encumbrances.

### **Fund Balance**

Based on these projections, the Park Fund balance will decrease by \$163,285 and total \$7,717,225, consisting of \$3,039,800 Designated for Contingencies, \$89,546 Designated for Subsequent Years, and \$4,587,879 Undesignated Fund Balance at June 30, 2018.



# MEMO

THE MARYLAND-NATIONAL CAPITAL PARK & PLANNING COMMISSION  
Department of Finance, Office of Secretary-Treasurer

TO: Commissioners  
FROM: Joseph Zimmerman, Secretary-Treasurer  
VIA: Abbey Rodman, Investment & Treasury Operations Manager  
SUBJECT: Montgomery County Property Tax Revenue Report - March 31, 2018

April 18, 2018

The following is the latest data with respect to collections of property taxes for Fiscal Year 2018. The tabulations compare actual collections for the past three years, and the current year through March 31, 2018.

### FUND ALLOCATION FOR FY 2018

FUND	ADOPTED BUDGET			ACTUAL			ESTIMATE - FY 2018		
	TAX RATE (CENTS)		AMOUNT	AMOUNT	% OF BUDGET	REMAINING MONTHS	FOR YEAR	% OF BUDGET	VARIANCE
	PERSONAL	REAL							
Administration	4.30	1.72	29,044,760	28,369,229	97.67	286,558	28,655,787	98.66	(388,973)
Park General	13.85	5.54	93,529,054	91,368,049	97.69	922,910	92,290,959	98.68	(1,238,095)
Total-Operating	18.15	7.26	122,573,814	119,737,278	97.69	1,209,467	120,946,745	98.67	(1,627,069)
Advance Land	0.25	0.10	1,941,740	1,907,473	98.24	19,267	1,926,740	99.23	(15,000)
<b>TOTAL</b>	<b>18.40</b>	<b>7.36</b>	<b>124,515,554</b>	<b>121,644,751</b>	<b>97.69</b>	<b>1,228,735</b>	<b>122,873,486</b>	<b>98.68</b>	<b>(1,642,068)</b>

### HISTORICAL INFORMATION

FISCAL YEAR		COUNTY-WIDE ASSESSABLE BASE			ACTUAL THRU 3/18				TOTAL FOR YEAR		
		BASE (BILLIONS)		TAX RATE (CENTS)	TOTAL ADOPTED BUDGET	AMOUNT	% OF BUDGET	% OF ACTUAL	REMAINING MONTHS	AMOUNT	% OF BUDGET
		BUDGET	ACTUAL								
2015	Personal	3.47	3.47	18.50							
	Real	165.67	165.67	7.40	111,176,379	108,106,710	97.24	97.59	2,673,251	110,779,961	99.64
2016	Personal	3.59	3.59	18.55							
	Real	171.47	171.47	7.42	115,220,179	114,018,032	98.96	98.86	1,318,407	115,336,439	100.10
2017	Personal	3.80	3.80	18.20							
	Real	179.26	179.26	7.28	118,436,073	116,036,105	97.97	98.98	1,200,506	117,236,611	98.99
2018	Personal	3.86		18.40							
	Real	185.67		7.36	124,515,554	121,644,751	97.69	99.00	1,228,735	122,873,486	98.68

**THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**FOR THE SEVEN MONTHS ENDING MARCH 31, 2018 AND**  
**AND ESTIMATIONS TO JUNE 30, 2018**  
**MONTGOMERY COUNTY**  
**ADMINISTRATION FUND**

<b>REVENUES</b>	<b>BUDGET FY2018</b>	<b>ACTUAL 03/31/18</b>	<b>PROJECTION FY2018</b>	<b>VARIANCE FAVORABLE (UNFAVORABLE)</b>
Property Taxes	\$ 29,044,760	\$ 28,369,229	\$ 28,655,787	\$ (388,973)
Fees & Charges	163,400	235,393	313,857	150,457
Interest	70,000	154,218	200,000	130,000
Grants	150,000	-	-	(150,000)
Intergovernmental	420,300	380,300	380,300	(40,000)
Miscellaneous Revenue	-	7,667	7,667	7,667
<b>TOTAL REVENUES (A)</b>	<b>29,848,460</b>	<b>\$ 29,146,807</b>	<b>\$ 29,557,611</b>	<b>\$ (290,849)</b>
Fund Balance - Designated for Contingencies	927,900			
Fund Balance - Designated for Current Year	1,880,281			
<b>TOTAL</b>	<b>\$ 32,656,641</b>			
Real Property Tax Rates - (cents)	1.72			
Personal Property Tax Rates (cents)	4.30			
Real Assessable Base (Billions)	161.431			
Personal Property Assess. Base (billions)	3.136			
<b>EXPENDITURES</b>				
Commissioners' & Admin. Support Office	\$ 1,204,588	\$ 838,143	\$ 1,204,588	\$ -
Planning Services:				
Programs and Management	17,691,857	10,068,999	16,435,069	1,256,788
Support Services	2,217,290	1,101,971	2,192,314	24,976
Grants	150,000	-	-	150,000
Total Planning Services	20,059,147	11,170,970	18,627,383	1,431,764
Subtotal	21,263,735	12,009,113	19,831,971	1,431,764
Central Administrative Services (CAS):				
Dept. of Hum. Res. & Mgmt.	2,252,021	1,380,389	2,208,981	43,040
Department of Finance	3,375,656	2,420,790	3,339,993	35,663
Inspector General Division	261,337	160,922	244,000	17,337
Legal Department	1,400,844	779,704	1,372,827	28,017
Support Services	653,181	509,849	653,181	-
Merit System Board	85,307	42,478	83,601	1,706
	8,028,346	5,294,132	7,902,583	125,763
Non-Departmental	1,636,660	1,421,487	1,416,280	220,380
<b>TOTAL OPERATING EXPENDITURES</b>	<b>30,928,741</b>	<b>18,724,732</b>	<b>29,150,834</b>	<b>1,777,907</b>
Transfers, Net	800,000	500,000	755,000	45,000
<b>TOTAL EXPENDITURES AND TRANSFERS (B)</b>	<b>31,728,741</b>	<b>19,224,732</b>	<b>29,905,834</b>	<b>1,822,907</b>
Reserve	927,900			
<b>TOTAL FUNDS REQUIRED</b>	<b>\$ 32,656,641</b>			
Revenues over (under) Expenditures (A-B)	\$ (1,880,281)	\$ 9,922,075	\$ (348,223)	\$ 1,532,058
Beginning Fund Balance	3,310,332		5,808,834	
Ending Fund Balance	<u>\$ 1,430,051</u>		<u>\$ 5,460,611</u>	
<b>ELEMENTS OF FUND BALANCE:</b>				
Designated for Contingencies	\$ 927,900		\$ 982,300	
Designated for Subsequent Years	-		2,079,789	
Undesignated	502,151		2,398,522	
<b>Total Fund Balance</b>	<b>\$ 1,430,051</b>		<b>\$ 5,460,611</b>	

**THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION**  
**Schedule of Expenditures and Encumbrances**  
**FOR THE SEVEN MONTHS ENDING MARCH 31, 2018 AND**  
**AND ESTIMATIONS TO JUNE 30, 2018**  
**MONTGOMERY COUNTY**  
**ADMINISTRATION FUND**

<b>EXPENDITURES</b>	<b>BUDGET FY2018</b>	<b>ACTUAL 03/31/18</b>	<b>PROJECTION FY2018</b>	<b>VARIANCE FAVORABLE (UNFAVORABLE)</b>
Planning				
Director of Planning	\$ 1,135,684	\$ 809,295	\$ 1,212,919	\$ (77,235)
Management Services	2,344,513	1,604,946	2,363,290	(18,777)
Functional Planning and Policy	3,039,495	1,704,499	2,761,928	277,567
Area 1	1,257,458	655,545	1,229,400	28,058
Area 2	2,183,745	1,194,040	1,837,238	346,507
Area 3	1,795,526	819,650	1,431,464	364,062
Dev. App & Reg. Coordination	972,157	393,027	931,648	40,509
Information Technology & Innovation	3,524,796	2,106,635	3,381,781	143,015
Research and Special Projects	1,438,483	781,362	1,285,401	153,082
Grants	150,000	-	-	150,000
Support Services	2,217,290	1,101,971	2,192,314	24,976
<b>Total Planning Programs and Management</b>	<b>\$ 20,059,147</b>	<b>\$ 11,170,970</b>	<b>\$ 18,627,383</b>	<b>\$ 1,431,764</b>

**THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**FOR THE SEVEN MONTHS ENDING MARCH 31, 2018 AND**  
**AND ESTIMATIONS TO JUNE 30, 2018**  
**MONTGOMERY COUNTY**  
**PARK FUND SUMMARY**

<b>REVENUES</b>	<b>BUDGET FY2018</b>	<b>ACTUAL 03/31/18</b>	<b>PROJECTION FY2018</b>	<b>VARIANCE FAVORABLE (UNFAVORABLE)</b>
Property Taxes	\$ 93,529,054	\$ 91,368,049	\$ 92,290,959	\$ (1,238,095)
Fees & Charges	2,047,368	1,243,289	2,052,764	5,396
Concessions & Rentals	2,059,875	1,452,929	1,996,038	(63,837)
Interest - Operations	9,500	127,251	160,000	150,500
Interest - CIP	15,000	-	35,000	20,000
Grants	400,000	17,500	17,500	(382,500)
Intergovernmental Revenue	3,184,641	3,184,641	3,184,641	-
Miscellaneous Revenue	120,900	101,271	119,688	(1,212)
<b>TOTAL REVENUES (A)</b>	<b>101,366,338</b>	<b>97,494,930</b>	<b>99,856,590</b>	<b>(1,509,748)</b>
Fund Balance - Designated for Contingencies	2,865,000			
Fund Balance - Designated for Current Year	807,542			
<b>TOTAL</b>	<b>\$105,038,880</b>			
Real Property Tax Rates - (cents)	5.54			
Personal Property Tax Rates (cents)	13.85			
Real Assessable Base (billions)	161.431			
Personal Property Assess. Base (billions)	3.136			
 <b>EXPENDITURES</b>				
Operating Divisions	\$ 80,743,406	\$ 56,285,405	\$ 79,324,687	\$ 1,418,719
Support Services	10,503,128	8,281,877	10,993,128	(490,000)
Grants	400,000	17,500	17,500	382,500
Non-Departmental	5,166,136	4,812,196	4,363,350	802,786
<b>TOTAL OPERATING EXPENDITURES</b>	<b>96,812,670</b>	<b>69,396,978</b>	<b>94,698,665</b>	<b>2,114,005</b>
Debt Service	5,511,210	4,574,873	5,471,210	40,000
Transfers, Net	(150,000)	(150,000)	(150,000)	-
<b>TOTAL EXPENDITURES (B)</b>	<b>102,173,880</b>	<b>73,821,851</b>	<b>100,019,875</b>	<b>2,154,005</b>
Reserve	2,865,000			
<b>TOTAL FUNDS REQUIRED</b>	<b>105,038,880</b>			
<b>Revenues over (under)</b>				
<b>Expenditures (A-B)</b>	<b>\$ (807,542)</b>	<b>\$ 23,673,078</b>	<b>\$ (163,285)</b>	<b>\$ 644,257</b>
Beginning Fund Balance	6,775,347		7,880,510	
Ending Fund Balance	<u>\$ 5,967,805</u>		<u>\$ 7,717,225</u>	
<b>Elements of Fund Balance:</b>				
Designated for Contingencies	\$ 2,865,000		\$ 3,039,800	
Designated for Subsequent Years	-		89,546	
Undesignated	3,102,805		4,587,879	
<b>Total Fund Balance</b>	<b>\$ 5,967,805</b>		<b>\$ 7,717,225</b>	



**THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION**  
**Schedule of Expenditures and Encumbrances**  
**FOR THE SEVEN MONTHS ENDING MARCH 31, 2018 AND**  
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**MONTGOMERY COUNTY**  
**PARK FUND SUMMARY**

	BUDGET FY2018	ACTUAL 03/31/18	PROJECTION FY2018	VARIANCE FAVORABLE (UNFAVORABLE)
<b>EXPENDITURES:</b>				
Director of Parks	\$ 1,732,085	\$ 1,234,743	\$ 1,755,670	\$ (23,585)
Management Services	2,031,693	1,374,375	1,898,592	133,101
Public Affairs and Community Partnerships	2,876,425	1,908,056	2,781,888	94,537
Information Technology & Innovation	2,437,616	1,735,732	2,387,902	49,714
Park Development	3,411,318	2,569,085	3,752,368	(341,050)
Park Planning and Stewardship	5,172,451	3,350,806	5,067,327	105,124
Park Police	14,928,991	11,042,168	14,736,456	192,535
Horticultural Resources	10,020,215	7,020,385	9,979,946	40,269
Facilities Management	12,466,323	8,435,548	11,912,533	553,790
Northern Region	10,491,085	7,152,779	10,266,619	224,466
Southern Region	13,864,104	9,475,273	13,474,286	389,818
Property Management	1,311,100	986,455	1,311,100	-
<b>Total Operating Divisions</b>	<b>\$ 80,743,406</b>	<b>\$ 56,285,405</b>	<b>\$ 79,324,687</b>	<b>\$ 1,418,719</b>

**RECONCILIATION OF BUDGETED TRANSFERS:**

Transfer from Administration Fund	\$ 500,000	\$ 500,000	\$ 500,000	-
Transfer to CIP	\$ (350,000)	\$ (350,000)	\$ (350,000)	-
<b>Total Transfers</b>	<b>\$ 150,000</b>	<b>\$ 150,000</b>	<b>\$ 150,000</b>	<b>\$ -</b>