




The Maryland-National Capital Park & Planning Commission

March 14, 2019

TO: Montgomery County Planning Board

FROM: Joseph C. Zimmerman, Secretary-Treasurer 

SUBJECT: Operating Funds FY 2019 Seven Month Financial Report
Including Projections to June 30, 2019 – Montgomery County

The Commission has committed to participate in Montgomery County’s FY19 savings plan totaling \$1,719,032. The impact to the Operating Funds is as follows:

| | <u>Reduction</u> |
|---------------------|------------------|
| Planning Department | \$372,708 |
| Parks Department | 1,271,742 |
| CAS | 74,582 |

The seven-month financial report for the period ending January 31, 2019 and projections to June 30, 2019 are attached. The reasons for the variances are highlighted below.

PROPERTY TAX

As of January 31, we have collected \$114,459,094 as compared to \$118,922,083 for last fiscal year or 94.89% of our Operating Fund tax revenues budget of \$120,617,497. The collection percentage compared to budget is down 2.13% from last year at a corresponding period of time. We are projecting property tax collections at 97.50 % of budgeted level for all funds.

INTEREST REVENUE

Interest revenues are projected to be higher than budgeted by \$538,137, net of banking fees. This is as a result of higher than expected return on our investments.

ADMINISTRATION FUND

Revenues – Under Budget \$525,509

1. Property tax collections are projected to be \$685,469 under budget.
2. Fees and Charges are projected to be over budget by \$6,534.
3. Interest is projected to be \$275,537 higher than budgeted. This forecast is based on year to date performance.
4. Grant revenue is not expected to be realized, which will result in a shortfall of \$150,000.
5. Miscellaneous Revenue is projected to be \$2,093 higher than budgeted.
6. Intergovernmental revenues are projected to be \$25,796 higher than budgeted

Expenditures – Under Budget \$1,265,906

1. The Planning Department will participate in the County's FY19 savings plan by reducing the Debt Service payment to the Capital Equipment Internal Service Fund by \$95,000. There will additional funding reductions for MRO facility repairs by \$51,107, department-wide training/conferences by \$10,000, and \$1,380 of Flexible Spending account Administrative charges.
2. The Planning Department is estimating \$883,235 of additional savings in personnel due to delays in filling vacant positions, several retirements and promotions from within. With the Board's approval, staff will look into areas where the FY19 savings could best be utilized to better position the department regarding the upcoming FY20 budget year and to continue to meet their commitment to the County residents to provide the best services possible. Non-departmental expenditures will have an additional reduction of \$166,677 from Reclash Marker based on current projected timing of completion, and \$47,805 from Insurance Premium Holiday Savings.
3. Central Administrative Services Departments are projecting savings of \$74,582 due to participation in the County's FY19 savings plan.
4. 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 \$2,761,935 and total \$2,926,153 consisting of \$987,700 Designated for Contingencies, \$893,812 Proposed for Subsequent Years, and \$1,044,641 of Undesignated Fund Balance at June 30, 2019.

PARK FUND

Revenues – Under Budget by \$2,533,250

1. Property tax collections are projected \$2,329,968 under budget.
2. The projected shortfall of \$8,682 in Recreation/User fees is primarily due to summer camp revenue for Locust Grove Nature Center being realized in FY18 instead of the current fiscal year.
3. Property Management is expecting revenue to be under budget in Concessions and Rentals by \$66,224, due to longer turnovers on park rental houses in need of repair and a longer than expected vacancy at the Tilden Lane property. The reduced revenue is offset by expenditure savings.
4. Interest Income is forecast to be over budget by \$262,600. 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 \$398,600. This shortfall will be offset by a corresponding savings in grant expenditures.
6. Miscellaneous Revenue is projected to be over budget by \$7,624.

Expenditures – Under Budget \$1,930,637

1. The Park Fund is projecting Personnel savings of \$1,074,953 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 in order to meet the FY19 savings plan target.
2. Supplies and Materials are projected to be over budget by \$75,114 due to the cost of fleet supplies and water testing.
3. Other Services and Charges are projected to be overspent by \$300,122 due to unbudgeted legal fees, mold remediation, and contracted services.
4. Capital Outlay is projected to be at budget.

5. Other Classifications is expected be over budget by \$3,702 due to CIP chargebacks, which will not occur due to staff vacancies.
6. Grant expenditures are expected to be under budget by \$398,600 and offset the grant revenue shortfall.
7. Debt Service is projected to reflect a savings of \$447,294 due to the delay in bond issuance.
8. Non-departmental expenditures are projecting to be under budget by \$351,234 due to reclassification savings and cancellation of prior year encumbrances.

Fund Balance

Based on these projections, the Park Fund balance will decrease by \$4,360,433 and total \$3,689,111, consisting of \$3,066,800 Designated for Contingencies, and \$622,311 of Undesignated Fund Balance at June 30, 2019.



MEMO

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

TO: Commissioners
 FROM: Joseph Zimmerman, Secretary-Treasurer
 VIA: Tanya Hankton, Investment & Treasury Operations Manager
 SUBJECT: Montgomery County Property Tax Revenue Report - January 31, 2019

Sam Z
JH

February 28, 2019

The following is the latest data with respect to collections of property taxes for Fiscal Year 2019. The tabulations compare actual collections for the past three years, and the current year through January 31, 2019.

FUND ALLOCATION FOR FY 2019

| FUND | ADOPTED BUDGET | | ACTUAL | | | | ESTIMATE - FY2019 | | |
|-----------------|------------------|-------------|--------------------|--------------------|--------------|------------------|--------------------|--------------|--------------------|
| | TAX RATE (CENTS) | | AMOUNT | AMOUNT | % OF BUDGET | REMAINING MONTHS | FOR YEAR | % OF BUDGET | VARIANCE |
| | PERSONAL | REAL | | | | | | | |
| Administration | 3.90 | 1.56 | 27,418,775 | 26,019,520 | 94.90 | 713,786 | 26,733,306 | 97.50 | (685,469) |
| Park General | 13.25 | 5.30 | 93,198,722 | 88,439,574 | 94.89 | 2,429,180 | 90,868,754 | 97.50 | (2,329,968) |
| Total-Operating | 17.15 | 6.86 | 120,617,497 | 114,459,094 | 94.89 | 3,142,966 | 117,602,060 | 97.50 | (3,015,437) |
| Advance Land | 0.25 | 0.10 | 2,024,928 | 1,930,839 | 95.35 | 43,466 | 1,974,305 | 97.50 | (50,623) |
| TOTAL | 17.40 | 6.96 | 122,642,425 | 116,389,933 | 94.90 | 3,186,432 | 119,576,365 | 97.50 | (3,066,060) |

HISTORICAL INFORMATION

| FISCAL YEAR | | COUNTY-WIDE ASSESSABLE BASE (BILLIONS) | | TAX RATE (CENTS) | TOTAL ADOPTED BUDGET | ACTUAL THRU 1/19 | | | TOTAL FOR YEAR | | |
|-------------|----------|--|----------|------------------|----------------------|------------------|-------------|-------------|------------------|-------------|-------------|
| | | BUDGET | ACTUAL | | | AMOUNT | % OF BUDGET | % OF ACTUAL | REMAINING MONTHS | AMOUNT | % OF BUDGET |
| | | 2016 | Personal | | | 3.59 | 3.59 | 18.55 | | | |
| | Real | 171.47 | 171.47 | 7.42 | 115,220,179 | 110,743,615 | 96.11 | 96.02 | 4,592,824 | 115,336,439 | 100.10 |
| | Personal | 3.80 | 3.80 | 18.20 | | | | | | | |
| 2017 | Real | 179.26 | 179.26 | 7.28 | 118,436,073 | 114,794,762 | 96.93 | 97.92 | 2,441,849 | 117,236,611 | 98.99 |
| | Personal | 3.86 | 3.86 | 18.40 | | | | | | | |
| 2018 | Real | 185.67 | 185.67 | 7.36 | 124,515,554 | 120,816,929 | 97.03 | 98.19 | 2,222,923 | 123,039,852 | 98.81 |
| | Personal | 4.24 | | 17.40 | | | | | | | |
| 2019 | Real | 192.60 | | 6.96 | 122,642,425 | 116,389,933 | 94.90 | 97.34 | 3,186,432 | 119,576,365 | 97.50 |

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE SEVEN MONTHS ENDING JANUARY 31, 2019 AND
AND ESTIMATIONS TO JUNE 30, 2019
MONTGOMERY COUNTY
ADMINISTRATION FUND

| REVENUES | BUDGET FY2019 | ACTUAL 01/31/19 | PROJECTION FY2019 | VARIANCE FAVORABLE (UNFAVORABLE) |
|---|--------------------------|----------------------------|------------------------------|---|
| Property Taxes | \$ 27,418,775 | \$ 26,019,520 | \$ 26,733,306 | \$ (685,469) |
| Fees & Charges | 204,200 | 140,787 | 210,734 | 6,534 |
| Interest | 100,000 | 160,730 | 375,537 | 275,537 |
| Grants | 150,000 | - | - | (150,000) |
| Intergovernmental | 391,700 | 417,496 | 417,496 | 25,796 |
| Miscellaneous Revenue | - | 2,093 | 2,093 | 2,093 |
| TOTAL REVENUES (A) | 28,264,675 | \$ 26,740,626 | \$ 27,739,166 | \$ (525,509) |
| Fund Balance - Designated for Contingencies | 953,000 | | | |
| Fund Balance - Designated for Current Year | 3,502,332 | | | |
| TOTAL | \$ 32,720,007 | | | |
| Real Property Tax Rates - (cents) | 1.56 | | | |
| Personal Property Tax Rates (cents) | 3.90 | | | |
| Real Assessable Base (Billions) | 167.323 | | | |
| Personal Property Assess. Base (billions) | 3.426 | | | |
| EXPENDITURES | | | | |
| Commissioners' & Admin. Support Office | \$ 1,247,346 | \$ 706,778 | \$ 1,247,346 | \$ - |
| Planning Services: | | | | |
| Programs and Management | 17,827,666 | 7,841,848 | 17,045,475 | 782,191 |
| Support Services | 2,202,600 | 879,854 | 1,943,467 | 259,133 |
| Grants | 150,000 | - | - | 150,000 |
| Total Planning Services | 20,180,266 | 8,721,702 | 18,988,942 | 1,191,324 |
| Subtotal | 21,427,612 | 9,428,480 | 20,236,288 | 1,191,324 |
| Central Administrative Services (CAS): | | | | |
| Dept. of Hum. Res. & Mgmt. | 2,313,987 | 1,166,231 | 2,294,214 | 19,773 |
| Department of Finance | 1,946,530 | 1,010,751 | 1,934,477 | 12,053 |
| Inspector General Division | 271,736 | 157,665 | 269,563 | 2,173 |
| Legal Department | 1,425,142 | 631,580 | 1,408,787 | 16,355 |
| Support Services | 626,964 | 447,369 | 617,463 | 9,501 |
| Corporate IT | 1,551,290 | 1,436,683 | 1,537,404 | 13,886 |
| Merit System Board | 81,853 | 34,749 | 81,012 | 841 |
| | 8,217,502 | 4,885,028 | 8,142,920 | 74,582 |
| Non-Departmental | 2,121,893 | 1,749,024 | 2,121,893 | - |
| TOTAL OPERATING EXPENDITURES | 31,767,007 | 16,062,532 | 30,501,101 | 1,265,906 |
| Transfers, Net | - | - | - | - |
| TOTAL EXPENDITURES AND TRANSFERS (B) | 31,767,007 | 16,062,532 | 30,501,101 | 1,265,906 |
| Reserve | 953,000 | | | |
| TOTAL FUNDS REQUIRED | \$ 32,720,007 | | | |
| Revenues over (under) Expenditures (A-B) | \$ (3,502,332) | \$ 10,678,094 | \$ (2,761,935) | \$ 740,397 |
| Beginning Fund Balance | 4,475,584 | | 5,688,088 | |
| Ending Fund Balance | <u>\$ 973,252</u> | | <u>\$ 2,926,153</u> | |
| ELEMENTS OF FUND BALANCE: | | | | |
| Designated for Contingencies | \$ 953,000 | | \$ 987,700 | |
| Proposed for Subsequent Years | - | | 893,812 | |
| Undesignated | 20,252 | | 1,044,641 | |
| Total Fund Balance | <u>\$ 973,252</u> | | <u>\$ 2,926,153</u> | |

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION
Schedule of Expenditures and Encumbrances
FOR THE SEVEN MONTHS ENDING JANUARY 31, 2019 AND
AND ESTIMATIONS TO JUNE 30, 2019
MONTGOMERY COUNTY
ADMINISTRATION FUND

| EXPENDITURES | BUDGET FY2019 | ACTUAL 01/31/19 | PROJECTION FY2019 | VARIANCE FAVORABLE (UNFAVORABLE) |
|---|----------------------|---------------------|----------------------|--|
| Planning | | | | |
| Director of Planning | \$ 1,111,440 | \$ 571,885 | \$ 1,096,159 | \$ 15,281 |
| Management Services | 2,447,034 | 1,306,770 | 2,372,528 | 74,506 |
| Functional Planning and Policy | 2,970,709 | 1,453,047 | 2,886,554 | 84,155 |
| Area 1 | 1,842,473 | 614,614 | 1,573,875 | 268,598 |
| Area 2 | 1,899,490 | 819,212 | 2,009,890 | (110,400) |
| Area 3 | 1,796,390 | 603,318 | 1,667,226 | 129,164 |
| Dev. App & Reg. Coordination | 1,020,584 | 30,945 | 849,349 | 171,235 |
| Information Technology & Innovation | 3,571,541 | 1,887,140 | 3,475,216 | 96,325 |
| Research and Special Projects | 1,168,005 | 554,917 | 1,114,678 | 53,327 |
| Grants | 150,000 | - | - | 150,000 |
| Support Services | 2,202,600 | 879,854 | 1,943,467 | 259,133 |
| Total Planning Programs and Management | \$ 20,180,266 | \$ 8,721,702 | \$ 18,988,942 | \$ 1,191,324 |

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE SEVEN MONTHS ENDING JANUARY 31, 2019 AND
AND ESTIMATIONS TO JUNE 30, 2019
MONTGOMERY COUNTY
PARK FUND SUMMARY

| REVENUES | BUDGET FY2019 | ACTUAL 01/31/19 | PROJECTION FY2019 | VARIANCE FAVORABLE (UNFAVORABLE) |
|---|--------------------------|----------------------------|------------------------------|---|
| Property Taxes | \$ 93,198,722 | \$ 88,439,574 | \$ 90,868,754 | \$ (2,329,968) |
| Fees & Charges | 2,193,825 | 1,076,466 | 2,185,143 | (8,682) |
| Concessions & Rentals | 2,178,075 | 1,218,515 | 2,111,851 | (66,224) |
| Interest - Operations | 73,000 | 135,690 | 305,600 | 232,600 |
| Interest - CIP | 25,000 | 20,885 | 55,000 | 30,000 |
| Grants | 400,000 | - | 1,400 | (398,600) |
| Intergovernmental Revenue | 3,444,909 | 3,344,909 | 3,444,909 | - |
| Miscellaneous Revenue | 117,100 | 388,743 | 124,724 | 7,624 |
| TOTAL REVENUES (A) | <u>101,630,631</u> | <u>94,624,782</u> | <u>99,097,381</u> | <u>(2,533,250)</u> |
| Fund Balance - Designated for Contingencies | 2,911,500 | | | |
| Fund Balance - Designated for Current Year | 3,662,380 | | | |
| TOTAL | <u>\$108,204,511</u> | | | |
| Real Property Tax Rates - (cents) | 5.30 | | | |
| Personal Property Tax Rates (cents) | 13.25 | | | |
| Real Assessable Base (billions) | 167.323 | | | |
| Personal Property Assess. Base (billions) | 3.426 | | | |
| EXPENDITURES | | | | |
| Operating Divisions | \$ 81,727,949 | \$ 45,902,821 | \$ 80,825,280 | \$ 902,669 |
| Support Services | 9,881,870 | 7,334,922 | 10,081,120 | (199,250) |
| Grants | 400,000 | - | 1,400 | 398,600 |
| Non-Departmental | 6,567,347 | 6,216,023 | 6,216,023 | 351,324 |
| TOTAL OPERATING EXPENDITURES | <u>98,577,166</u> | <u>59,453,766</u> | <u>97,123,823</u> | <u>1,453,343</u> |
| Debt Service | 6,461,285 | 4,920,959 | 5,983,991 | 477,294 |
| Transfers, Net | 350,000 | 350,000 | 350,000 | - |
| TOTAL EXPENDITURES (B) | <u>105,388,451</u> | <u>64,724,725</u> | <u>103,457,814</u> | <u>1,930,637</u> |
| Reserve | 2,911,500 | | | |
| TOTAL FUNDS REQUIRED | <u>108,299,951</u> | | | |
| Revenues over (under) | | | | |
| Expenditures (A-B) | \$ (3,757,820) | <u>\$ 29,900,057</u> | \$ (4,360,433) | <u>\$ (602,613)</u> |
| Beginning Fund Balance | 7,170,999 | | 8,049,544 | |
| Ending Fund Balance | <u>\$ 3,413,179</u> | | <u>\$ 3,689,111</u> | |
| Elements of Fund Balance: | | | | |
| Designated for Contingencies | \$ 2,911,500 | | \$ 3,066,800 | |
| Proposed for Subsequent Years | - | | - | |
| Undesignated | 501,679 | | 622,311 | |
| Total Fund Balance | <u>\$ 3,413,179</u> | | <u>\$ 3,689,111</u> | |

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION
Schedule of Expenditures and Encumbrances
FOR THE SEVEN MONTHS ENDING JANUARY 31, 2019 AND
AND ESTIMATIONS TO JUNE 30, 2019
MONTGOMERY COUNTY
PARK FUND SUMMARY

| | BUDGET FY2019 | ACTUAL 01/31/19 | PROJECTION FY2019 | VARIANCE FAVORABLE (UNFAVORABLE) |
|---|----------------------|----------------------|----------------------|--|
| EXPENDITURES: | | | | |
| Director of Parks | \$ 1,853,951 | \$ 950,847 | \$ 1,656,783 | \$ 197,168 |
| Management Services | 2,044,563 | 1,133,419 | 1,949,817 | 94,746 |
| Public Affairs and Community Partnerships | 3,057,499 | 1,644,786 | 2,986,525 | 70,974 |
| Information Technology & Innovation | 2,521,752 | 1,607,181 | 2,506,926 | 14,826 |
| Park Development | 3,627,857 | 2,441,913 | 3,811,699 | (183,842) |
| Park Planning and Stewardship | 5,436,132 | 2,927,733 | 5,354,590 | 81,542 |
| Park Police | 14,257,923 | 8,533,275 | 14,189,731 | 68,192 |
| Horticultural Resources | 10,564,222 | 5,591,318 | 10,405,710 | 158,512 |
| Facilities Management | 12,310,057 | 6,544,506 | 12,125,406 | 184,651 |
| Northern Region | 10,446,393 | 5,470,139 | 10,374,533 | 71,860 |
| Southern Region | 14,079,360 | 8,309,637 | 13,935,320 | 144,040 |
| Property Management | 1,528,240 | 748,067 | 1,528,240 | - |
| Total Operating Divisions | <u>\$ 81,727,949</u> | <u>\$ 45,902,821</u> | <u>\$ 80,825,280</u> | <u>\$ 902,669</u> |

RECONCILIATION OF BUDGETED TRANSFERS:

| | | | | |
|-----------------------------------|---------------------|---------------------|---------------------|-------------|
| Transfer from Administration Fund | \$ - | \$ - | \$ - | - |
| Transfer to CIP | \$ (350,000) | \$ (350,000) | \$ (350,000) | - |
| Total Transfers | <u>\$ (350,000)</u> | <u>\$ (350,000)</u> | <u>\$ (350,000)</u> | <u>\$ -</u> |