




# The Maryland-National Capital Park & Planning Commission

May 16, 2019

TO: Montgomery County Planning Board

FROM: Joseph C. Zimmerman, Secretary-Treasurer 

SUBJECT: Operating Funds FY 2019 Nine 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 nine-month financial report for the period ending March 31, 2019 and projections to June 30, 2019 are attached. The reasons for the variances are highlighted below.

## **PROPERTY TAX**

As of March 31, we have collected \$115,990,241 as compared to \$119,737,278 for last fiscal year or 96.16% of our Operating Fund tax revenues budget of \$120,617,497. We are projecting property tax collections at 97.15 % of budgeted level for all funds.

## **INTEREST REVENUE**

Interest revenues are projected to exceed budget by \$255,333, net of banking fees. This is as a result of higher than expected return on our investments.

## **ADMINISTRATION FUND**

### **Revenues – Under Budget \$627,415**

1. Property tax collections are projected to be \$781,435 under budget.
2. Fees and Charges are projected to be over budget by \$50,309.
3. Interest is projected to be \$228,000 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 \$1,711 higher than budgeted.
6. Intergovernmental revenues are projected to be \$24,000 higher than budgeted.

### **Expenditures – Under Budget \$1,291,482**

1. The Planning department will participate in Montgomery County's FY19 savings plan by using cost reductions from Insurance Premium Holidays, OPEB rebate, and Reclass Markers based on current projected timing of completion.
2. The Planning Department is estimating total savings of \$1,066,900 due to delays in filling vacant positions, and several retirements and promotions from within. With the board's approval, they will utilize \$610,000 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.
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 \$2,838,265 and total \$2,849,823 consisting of \$987,700 Designated for Contingencies, \$893,812 Proposed for Subsequent Years, and \$968,311 of Undesignated Fund Balance at June 30, 2019.

## **PARK FUND**

### **Revenues – Under Budget by \$2,527,612**

1. Property tax collections are projected \$2,656,164 less than budget.
2. Recreation/User fees are projected to be over budget by \$2,824.
3. Concessions and Rentals are projected to be under budget by \$75,859 mainly for Property Management due to longer turnovers on park rental houses in need of repair and a longer than expected vacancy at the Tilden Lane property.
4. Interest Income is forecasted to be over budget by \$294,000. 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 \$306,187 due to receipt of a legal settlement reimbursement.

### **Expenditures – Under Budget \$1,659,175**

1. The Park Fund is projecting Personnel savings of \$1,837,623 due to delays in filling vacant positions, filling positions at less than budgeted salaries, internal promotions 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 \$48,531 due to the cost of fleet supplies, water testing, and software upgrades.
3. Other Services and Charges are projected to be overspent by \$1,084,835 due to unbudgeted legal fees, mold remediation, and facility repairs.
4. Capital Outlay is projected to be over budget by \$209,320. This is due to increased cost of additional security cameras for Facilities Management and unbudgeted equipment replacements.
5. Other Classifications is expected to be over budget by \$4,356 due to CIP chargebacks.
6. Grant expenditures are expected to be under budget by \$398,600 and will 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 \$230,500 due to savings from changes in timing for the reclassification study and cancellation of prior year encumbrances.

### **Fund Balance**

Based on these projections, the Park Fund balance will decrease by \$4,626,257 and total \$3,423,287, consisting of \$3,066,800 Designated for Contingencies, and \$356,487 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 April 12, 2019  
 FROM: Joseph Zimmerman, Secretary-Treasurer *JZ*  
 VIA: Tanya Hankton, Investment & Treasury Operations Manager *TH*  
 SUBJECT: Montgomery County Property Tax Revenue Report - March 31, 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 March 31, 2019.

### FUND ALLOCATION FOR FY 2019

FUND	ADOPTED BUDGET			ACTUAL			ESTIMATE - FY 2019		
	TAX RATE (CENTS)			AMOUNT	% OF BUDGET	REMAINING MONTHS	FOR YEAR	% OF BUDGET	VARIANCE
	PERSONAL	REAL	AMOUNT						
Administration	3.90	1.56	27,418,775	26,367,916	96.17	269,424	26,637,340	97.15	(781,435)
Park General	13.25	5.30	93,198,722	89,622,325	96.16	920,233	90,542,558	97.15	(2,656,164)
Total-Operating	17.15	6.86	120,617,497	115,990,241	96.16	1,189,657	117,179,898	97.15	(3,437,599)
Advance Land	0.25	0.10	2,024,928	1,954,863	96.54	12,355	1,967,218	97.15	(57,710)
<b>TOTAL</b>	<b>17.40</b>	<b>6.96</b>	<b>122,642,425</b>	<b>117,945,104</b>	<b>96.17</b>	<b>1,202,012</b>	<b>119,147,116</b>	<b>97.15</b>	<b>(3,495,309)</b>

### HISTORICAL INFORMATION

FISCAL YEAR		COUNTY-WIDE ASSESSABLE BASE (BILLIONS)			TOTAL ADOPTED BUDGET	ACTUAL THRU 3/19			TOTAL FOR YEAR		
		BUDGET	ACTUAL	TAX RATE (CENTS)		AMOUNT	% OF BUDGET	% OF ACTUAL	REMAINING MONTHS	AMOUNT	% OF BUDGET
2016	Personal	3.59	3.59	18.55	115,220,179	114,018,032	98.96	98.86	1,318,407	115,336,439	100.10
	Real	171.47	171.47	7.42							
2017	Personal	3.80	3.80	18.20	118,436,073	116,036,105	97.97	98.98	1,200,506	117,236,611	98.99
	Real	179.26	179.26	7.28							
2018	Personal	3.86	3.86	18.40	124,515,554	121,644,751	97.69	98.87	1,395,101	123,039,852	98.81
	Real	185.67	185.67	7.36							
2019	Personal	4.24		17.40	122,642,425	117,945,104	96.17	98.99	1,202,012	119,147,116	97.15
	Real	192.60		6.96							



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

REVENUES	BUDGET FY2019	ACTUAL 03/31/19	PROJECTION FY2019	VARIANCE FAVORABLE (UNFAVORABLE)
Property Taxes	\$ 27,418,775	\$ 26,367,916	\$ 26,637,340	\$ (781,435)
Fees & Charges	204,200	190,881	254,509	50,309
Interest	100,000	246,239	328,000	228,000
Grants	150,000	-	-	(150,000)
Intergovernmental	391,700	415,700	415,700	24,000
Miscellaneous Revenue	-	2,288	1,711	1,711
<b>TOTAL REVENUES (A)</b>	<b>28,264,675</b>	<b>\$ 27,223,024</b>	<b>\$ 27,637,260</b>	<b>\$ (627,415)</b>
Fund Balance - Designated for Contingencies	953,000			
Fund Balance - Designated for Current Year	3,502,332			
<b>TOTAL</b>	<b>\$ 32,720,007</b>			
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			
<b>EXPENDITURES</b>				
Commissioners' & Admin. Support Office	\$ 1,247,346	\$ 879,836	\$ 1,247,346	\$ -
Planning Services:				
Programs and Management	17,827,666	10,466,968	16,957,232	870,434
Support Services	2,202,600	985,960	2,006,134	196,466
Grants	150,000	-	-	150,000
Total Planning Services	20,180,266	11,452,928	18,963,366	1,216,900
Subtotal	21,427,612	12,332,764	20,210,712	1,216,900
Central Administrative Services (CAS):				
Dept. of Hum. Res. & Mgmt.	2,313,987	1,408,949	2,294,214	19,773
Department of Finance	1,946,530	1,211,014	1,934,477	12,053
Inspector General Division	271,736	194,378	269,563	2,173
Legal Department	1,425,142	754,113	1,408,787	16,355
Support Services	626,964	455,609	617,463	9,501
Corporate IT	1,551,290	1,282,598	1,537,404	13,886
Merit System Board	81,853	43,267	81,012	841
	8,217,502	5,349,928	8,142,920	74,582
Non-Departmental	2,121,893	1,748,896	2,121,893	-
<b>TOTAL OPERATING EXPENDITURES</b>	<b>31,767,007</b>	<b>19,431,588</b>	<b>30,475,525</b>	<b>1,291,482</b>
Transfers, Net	-	-	-	-
<b>TOTAL EXPENDITURES AND TRANSFERS (B)</b>	<b>31,767,007</b>	<b>19,431,588</b>	<b>30,475,525</b>	<b>1,291,482</b>
Reserve	953,000			
<b>TOTAL FUNDS REQUIRED</b>	<b>\$ 32,720,007</b>			
Revenues over (under)				
<b>Expenditures (A-B)</b>	<b>\$ (3,502,332)</b>	<b>\$ 7,791,436</b>	<b>\$ (2,838,265)</b>	<b>\$ 664,067</b>
Beginning Fund Balance	4,475,584		5,688,088	
Ending Fund Balance	\$ 973,252		\$ 2,849,823	
<b>ELEMENTS OF FUND BALANCE:</b>				
Designated for Contingencies	\$ 953,000		\$ 987,700	
Proposed for Subsequent Years	-		893,812	
Undesignated	20,252		968,311	
<b>Total Fund Balance</b>	<b>\$ 973,252</b>		<b>\$ 2,849,823</b>	

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

EXPENDITURES	BUDGET FY2019	ACTUAL 03/31/19	PROJECTION FY2019	VARIANCE FAVORABLE (UNFAVORABLE)
Planning				
Director of Planning	\$ 1,111,440	\$ 723,641	\$ 1,104,610	\$ 6,830
Management Services	2,447,034	1,666,094	2,511,619	(64,585)
Functional Planning and Policy	2,970,709	1,782,805	2,899,110	71,599
Area 1	1,842,473	878,560	1,686,411	156,062
Area 2	1,899,490	1,200,573	1,799,845	99,645
Area 3	1,796,390	939,467	1,666,389	130,001
Dev. App & Reg. Coordination	1,020,584	272,300	786,414	234,170
Information Technology & Innovation	3,571,541	2,278,348	3,404,129	167,412
Research and Special Projects	1,168,005	725,180	1,098,705	69,300
Grants	150,000	-	-	150,000
Support Services	2,202,600	985,960	2,006,134	196,466
<b>Total Planning Programs and Management</b>	<b>\$ 20,180,266</b>	<b>\$ 11,452,928</b>	<b>\$ 18,963,366</b>	<b>\$ 1,216,900</b>

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

<b>REVENUES</b>	<b>BUDGET FY2019</b>	<b>ACTUAL 03/31/19</b>	<b>PROJECTION FY2019</b>	<b>VARIANCE FAVORABLE (UNFAVORABLE)</b>
Property Taxes	\$ 93,198,722	\$ 89,622,325	\$ 90,542,558	\$ (2,656,164)
Fees & Charges	2,193,825	1,166,650	2,196,649	2,824
Concessions & Rentals	2,178,075	1,531,040	2,102,216	(75,859)
Interest - Operations	73,000	246,064	301,000	228,000
Interest - CIP	25,000	68,325	91,000	66,000
Grants	400,000	1,400	1,400	(398,600)
Intergovernmental Revenue	3,444,909	3,344,909	3,444,909	-
Miscellaneous Revenue	117,100	395,557	423,287	306,187
<b>TOTAL REVENUES (A)</b>	<b>101,630,631</b>	<b>96,376,270</b>	<b>99,103,019</b>	<b>(2,527,612)</b>
Fund Balance - Designated for Contingencies	2,911,500			
Fund Balance - Designated for Current Year	3,662,380			
<b>TOTAL</b>	<b><u>\$108,204,511</u></b>			
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			
 <b>EXPENDITURES</b>				
Operating Divisions	\$ 81,727,949	\$ 56,614,550	\$ 80,675,168	\$ 1,052,781
Support Services	9,881,870	8,080,752	10,381,870	(500,000)
Grants	400,000	-	1,400	398,600
Non-Departmental	6,567,347	6,086,909	6,336,847	230,500
<b>TOTAL OPERATING EXPENDITURES</b>	<b>98,577,166</b>	<b>70,782,211</b>	<b>97,395,285</b>	<b>1,181,881</b>
Debt Service	6,461,285	4,920,959	5,983,991	477,294
Transfers, Net	350,000	350,000	350,000	-
<b>TOTAL EXPENDITURES (B)</b>	<b>105,388,451</b>	<b>76,053,170</b>	<b>103,729,276</b>	<b>1,659,175</b>
Reserve	2,911,500			
<b>TOTAL FUNDS REQUIRED</b>	<b><u>108,299,951</u></b>			
<b>Revenues over (under)</b>				
<b>Expenditures (A-B)</b>	<b>\$ (3,757,820)</b>	<b>\$ 20,323,100</b>	<b>\$ (4,626,257)</b>	<b>\$ (868,437)</b>
Beginning Fund Balance	7,170,999		8,049,544	
Ending Fund Balance	<b><u>\$ 3,413,179</u></b>		<b><u>\$ 3,423,287</u></b>	
 <b>Elements of Fund Balance:</b>				
Designated for Contingencies	\$ 2,911,500		\$ 3,066,800	
Proposed for Subsequent Years	-		-	
Undesignated	501,679		356,487	
<b>Total Fund Balance</b>	<b><u>\$ 3,413,179</u></b>		<b><u>\$ 3,423,287</u></b>	



**THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION**  
**Schedule of Expenditures and Encumbrances**  
**FOR THE NINE MONTHS ENDING MARCH 31, 2019 AND**  
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**MONTGOMERY COUNTY**  
**PARK FUND SUMMARY**

	BUDGET FY2019	ACTUAL 03/31/19	PROJECTION FY2019	VARIANCE FAVORABLE (UNFAVORABLE)
<b>EXPENDITURES:</b>				
Director of Parks	\$ 1,853,951	\$ 1,146,079	\$ 1,637,362	\$ 216,589
Management Services	2,044,563	1,364,410	2,002,372	42,191
Public Affairs and Community Partnerships	3,019,299	2,031,596	2,909,992	109,307
Information Technology & Innovation	2,521,752	1,847,641	2,506,926	14,826
Park Development	3,666,057	2,897,322	3,846,887	(180,830)
Park Planning and Stewardship	5,436,132	3,618,879	5,291,256	144,876
Park Police	14,257,923	10,354,082	14,304,186	(46,263)
Horticultural Resources	10,564,222	7,031,858	10,404,834	159,388
Facilities Management	12,310,057	8,210,594	12,108,347	201,710
Northern Region	10,446,393	6,928,101	10,288,867	157,526
Southern Region	14,079,360	10,284,272	13,899,387	179,973
Property Management	1,528,240	899,716	1,474,752	53,488
<b>Total Operating Divisions</b>	<u>\$ 81,727,949</u>	<u>\$ 56,614,550</u>	<u>\$ 80,675,168</u>	<u>\$ 1,052,781</u>

**RECONCILIATION OF BUDGETED TRANSFERS:**

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