



MONTGOMERY COUNTY DEPARTMENT OF PARKS
THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

MCPB Date: 11/17/2022
Agenda Item #4

MEMORANDUM

DATE: November 10, 2022

TO: Montgomery County Planning Board

VIA: Michael F. Riley, Director of Parks *MR*
Miti Figueredo, Deputy Director of Administration *mf*
Gary Burnett, Deputy Director of Operations *GB*
Shuchi Vera, Chief, Management Services Division *SV*

FROM: Nancy Steen, Budget Manager, Management Services Division *Nancy C. Steen*

SUBJECT: Department of Parks FY24 Proposed Operating Budget

Staff Recommendation

Approve the expenditure funding levels for the Department of Parks FY24 Proposed Budgets for 1) Park Fund, 2) Enterprise Fund, 3) Property Management Fund, and the 4) Special Revenue Fund. Additionally, approve the FY24 Estimated Revenue collected by the Department excluding the property tax collected by the County.

Background

At the September 15th Planning Board meeting, the Board provided general guidance for developing the FY24 Budget with the recognition that the Department of Parks has mandated requirements and other essential needs to operate our park system. The Planning Board asked that we request what is needed to provide the services that the Planning Board and the County Council have requested of us, being cognizant of the County's fiscal challenges and the likely impact that these challenges will have on our eventual budget.

On November 10th, the Department of Parks presented the Park Fund base budget plus program enhancements level that addressed the top priorities of the department. The budget request included program enhancements totaling just under \$1.2M.

Most totals included in the Park Fund detail presented in the November 10th session were final; however, there have been a few minor changes to chargebacks totals that were finalized after the previous memo was submitted.

Based on these updates, the revised total for the Park Fund is just under \$5.4M or 4.6% above the FY23 adopted budget. Adding in costs for the compensation markers and OPEB results in an overall total proposed Park Fund budget increase of 7.9%.

In addition to the tax supported Park Fund, the Department of Parks also manages the budgets for the Enterprise Fund, Property Management Fund, and the Special Revenue Fund. These fund summaries are presented in this memo.

The Department of Parks generates revenues from user fees, grants, and other sources including revenue from the County’s Water Quality Protection Fund and the County’s Cable Fund. The proposed revenue budget is also presented in this memo.

Proposed Budget Information

The Proposed Budget information is included in tables within this memo.

FUND SUMMARIES			
See detail on page 7	Park Fund Expenditure by Division (including OPEB)	Largely Tax Supported	\$134,266,824
See detail on page 11	Park Fund Revenue	Non-Tax Revenue	\$8,258,139
See detail on page 14	Enterprise Fund	Self Sufficient	\$10,833,205
See detail on page 16	Property Management Fund	Self Sufficient	\$1,757,600
See detail on page 20	Special Revenue Fund	Largely Self Sufficient	\$3,598,590

Summary

Staff is requesting the Board’s approval of the expenditure funding levels for the Department of Parks FY24 Proposed Budgets for the Park Fund, Enterprise Fund, Property Management Fund, Special Revenue Fund, as well as the Park Fund Revenue shown in this memo.

Next Steps

The next steps in the FY24 budget process are:

Full Commission approves the FY24 Proposed Budget Resolution	December 21, 2022
M-NCPPC submits Budget in Brief per statutory mandate to County Executive and County Council	January 15, 2023
County Executive makes recommendations	March 15, 2023
County Council holds Public Meetings on budget	April 2023
County Council Reviews M-NCPPC Budget	April & May 2023
Montgomery and Prince George's County Councils meet to review Bi-County requests	May 2023
County Councils adopt budget	May 2023

Park Fund Expenditure Summary

Background

For the FY24 Proposed Budget, the Department of Parks has included increases in the Base Budget for known commitments including Operating Budget Impact (OBI); contractually obligated increases; new debt service for additional capital equipment; and an inflationary increase for supplies and materials.

In addition, the Department also requested several program enhancements to help meet essential needs that are not being met through the current budget.

Table #1 below lists the Department’s known operating commitments excluding changes in salaries and benefits and debt service for general obligation bonds. The November 10th memo to the Planning Board provided details on the known operating commitments, and as such, they are not repeated in this memo.

Table #1

FY24 Park Fund Base Budget Known Operating Commitments	Personnel	Positions/ Workyears	Funding	% Increase from FY23 Adopted Operating
Operating Budget Impact (OBI) (Excluding WQPF)	Career/ Seasonal	3 positions/ 3 wkys	\$461,407	0.4%
Contractual Increases	N/A	N/A	\$716,400	0.6%
Inflationary Increases for Supplies and Materials, Services and Capital Outlay	N/A	N/A	\$327,674	0.3%
Debt Service for Internal Service Fund Capital Equipment	N/A	N/A	\$414,283	0.4%
Risk Management	N/A	N/A	(\$51,400)	0.0%
CAS Charges (Chargebacks, Unemployment, LTD, CIO/CWIT Base)	N/A	N/A	\$314,552	0.3%
Parks Chargebacks (CIP/Enterprise/Special Revenue Funds and Wheaton HQ)	Career	N/A	\$19,411	0.0%
Water Quality Protection Fund (reimbursed by County)	Career/ Seasonal	N/A	\$241,183	0.2%
	TOTAL	3 positions/ 3 wkys	\$2,443,510	2.1%

Table #2 below lists the Department’s summarized funding request for program enhancements.

The November 10th memo to the Planning Board provided details on the program enhancements, and as such, they are not repeated in this memo.

Table #2

Summary - Program Enhancements				
Item & Description	Career Positions	Career Wkyrs	Seasonal Wkyrs	Funding
Park Activation	4.0	4.0	(0.6)	\$435,796
Improving Customer Service	1.0	1.0	-	\$97,745
Improving Quality and Playability of Ballfields	4.0	-	-	\$0
Social Equity	-	-	1.4	\$41,200
Maintaining and Improving What We Have	11.0	10.2	(7.4)	\$609,327
Total	20.0	15.2	(6.6)	\$1,184,068

Park Fund Expenditures Budget Summary and Summary by Division

The overall FY24 Park Fund budget request is summarized in the Table #3 below.

Table #3

DEPARTMENT of PARKS SUMMARY OF FY24 BUDGET REQUEST		
FY23 Adopted Budget (excluding OPEB)	\$117,732,074	
CHANGES TO BASE BUDGET		% Increase from FY23 Adopted Operating Budget
Salary/Benefit/Pension increases (excluding salary markers) *	\$1,139,281	1.0%
Known Operating Commitments (from Chart #1)	\$2,443,510	2.1%
Program Enhancements (from Chart #2)	\$1,184,068	1.0%
Debt Service on General Obligation Bonds	\$593,043	0.5%
Total Operating Increase FY24 Proposed Budget Request	\$5,359,905	4.6%
FY24 Park Fund Budget Request (includes Non-Departmental total with the compensation markers and OPEB)	\$9,820,346	7.9%

There are some noteworthy changes not addressed above:

Salary Adjustment – The FY24 **divisional** personnel costs do not include any assumption for a salary adjustment in the personnel totals. Instead, the FY24 budget amounts for compensation adjustments are included in the Non-Departmental account.

Other Post-Employment Benefits (OPEB) – The total funding for OPEB for FY24 is \$6,539,113. This amount is a decrease of \$175,291 from the FY23 approved budget total.

Position and Workyear Adjustments – Each year, divisions make personnel moves or adjustments to address specific needs. The November 10th memo provided detail on the conversion of a Design and Construction Project Manager position in Park Development from a part-time to a full-time position.

Adjustments to Address Needs – Each year, divisions move funding from Supplies & Materials (S&M) to Other Services and Charges (OS&C) or to Capital Outlay and vice versa to address specific needs, or funds may be moved between divisions. This year, the following additional adjustments are requested:

- Northern Parks – transferring \$13,439 from minor equipment funding in S&M to Capital Outlay based on increased cost for equipment.
- Park Planning & Stewardship – transferring \$35,000 from miscellaneous S&M to fund Capital Outlay and moving \$5,000 from S&M to OS&C for miscellaneous services.
- Southern Parks – transferring \$19,210 from S&M to OS&C for maintenance repairs.

The table on the next page shows the FY23 Adopted Budget and the FY24 Proposed Budget by division for the Park Fund. The Park Fund budget is appropriated by the County Council at the division level.

FY24 Proposed Park Fund Expenditure Budget

Expenditure by Major Object	FY23 Adjusted Adopted Budget	FY24 Proposed Budget	Increase/(Decrease) from FY23
Director's Office			
Personnel Services	\$1,540,042	\$1,553,988	\$13,946
Supplies & Materials	\$2,548	\$2,048	(\$500)
Other Services & Charges	\$59,150	\$59,650	\$500
Capital Outlay	\$0	\$0	\$0
Chargebacks	\$0	\$0	\$0
Total	\$1,601,740	\$1,615,686	\$13,946
Public Affairs & Community Partnerships			
Personnel Services	\$2,561,802	\$2,833,305	\$271,503
Supplies & Materials	\$61,783	\$66,031	\$4,248
Other Services & Charges	\$658,713	\$688,713	\$30,000
Capital Outlay	\$0	\$0	\$0
Chargebacks	(\$87,000)	(\$87,000)	\$0
Total	\$3,195,298	\$3,501,049	\$305,751
Management Services			
Personnel Services	\$2,985,588	\$3,111,510	\$125,922
Supplies & Materials	\$26,873	\$31,142	\$4,269
Other Services & Charges	\$229,582	\$269,550	\$39,968
Capital Outlay	\$0	\$0	\$0
Chargebacks	\$0	\$0	\$0
Total	\$3,242,043	\$3,412,202	\$170,159
Information Technology & Innovation			
Personnel Services	\$1,988,735	\$2,056,212	\$67,477
Supplies & Materials	\$287,105	\$329,976	\$42,871
Other Services & Charges	\$1,285,491	\$1,552,310	\$266,819
Capital Outlay	\$0	\$0	\$0
Chargebacks	(\$68,100)	(\$69,500)	(\$1,400)
Total	\$3,493,231	\$3,868,998	\$375,767

Expenditure by Major Object	FY23 Adjusted Adopted Budget	FY24 Proposed Budget	Increase/(Decrease) from FY23
Park Planning & Stewardship			
Personnel Services	\$6,662,110	\$7,136,738	\$474,628
Supplies & Materials	\$279,058	\$236,663	(\$42,395)
Other Services & Charges	\$649,850	\$663,007	\$13,157
Capital Outlay	\$0	\$35,000	\$35,000
Chargebacks	(\$382,923)	(\$377,923)	\$5,000
Total	\$7,208,095	\$7,693,485	\$485,390
Park Development			
Personnel Services	\$6,854,431	\$6,781,335	(\$73,096)
Supplies & Materials	\$21,000	\$25,100	\$4,100
Other Services & Charges	\$84,103	\$84,703	\$600
Capital Outlay	\$0	\$0	\$0
Chargebacks	(\$2,579,837)	(\$2,662,995)	(\$83,158)
Total	\$4,379,697	\$4,228,143	(\$151,554)
Park Police			
Personnel Services	\$16,243,151	\$17,336,596	\$1,093,445
Supplies & Materials	\$885,450	\$894,305	\$8,855
Other Services & Charges	\$520,753	\$633,966	\$113,213
Capital Outlay	\$0	\$0	\$0
Chargebacks	(\$205,000)	(\$217,100)	(\$12,100)
Total	\$17,444,354	\$18,647,767	\$1,203,413
Horticulture, Forestry & Environmental Education			
Personnel Services	\$10,584,797	\$11,401,190	\$816,393
Supplies & Materials	\$806,080	\$869,911	\$63,831
Other Services & Charges	\$1,169,999	\$1,320,439	\$150,440
Capital Outlay	\$0	\$0	\$0
Chargebacks	(\$124,500)	(\$124,500)	\$0
Total	\$12,436,376	\$13,467,040	\$1,030,664
Facilities Management			
Personnel Services	\$11,915,145	\$11,548,539	(\$366,606)
Supplies & Materials	\$2,017,235	\$2,147,108	\$129,873
Other Services & Charges	\$1,517,184	\$1,592,908	\$75,724
Capital Outlay	\$0	\$0	\$0
Chargebacks	(\$1,009,300)	(\$1,010,800)	(\$1,500)
Total	\$14,440,264	\$14,277,755	(\$162,509)

Expenditure by Major Object	FY23 Adjusted Adopted Budget	FY24 Proposed Budget	Increase/(Decrease) from FY23
Northern Parks			
Personnel Services	\$10,283,702	\$10,347,595	\$63,893
Supplies & Materials	\$997,735	\$1,006,048	\$8,313
Other Services & Charges	\$546,443	\$672,099	\$125,656
Capital Outlay	\$225,573	\$250,291	\$24,718
Chargebacks	(\$34,800)	(\$34,800)	\$0
Total	\$12,018,653	\$12,241,233	\$222,580
Southern Parks			
Personnel Services	\$14,529,569	\$14,980,105	\$450,536
Supplies & Materials	\$1,955,352	\$1,996,029	\$40,677
Other Services & Charges	\$562,155	\$668,413	\$106,258
Capital Outlay	\$278,096	\$292,001	\$13,905
Chargebacks	(\$437,227)	(\$636,355)	(\$199,128)
Total	\$16,887,945	\$17,300,193	\$412,248
Support Services			
Personnel Services	\$407,648	\$514,864	\$107,216
Supplies & Materials	\$1,564,687	\$1,598,387	\$33,700
Other Services & Charges	\$10,501,214	\$11,168,611	\$667,397
Capital Outlay	\$0	\$0	\$0
Chargebacks	\$532,254	\$578,645	\$46,391
Total	\$13,005,803	\$13,860,507	\$854,704

Park Fund Total				
Personnel Services	\$86,556,720	\$89,601,977	\$3,045,257	3.5%
Supplies & Materials	\$8,904,906	\$9,202,748	\$297,842	3.3%
Other Services & Charges	\$17,784,637	\$19,374,369	\$1,589,732	8.9%
Capital Outlay	\$503,669	\$577,292	\$73,623	14.6%
Chargebacks	(\$4,396,433)	(\$4,642,328)	(\$245,895)	5.6%
Debt Service	\$6,572,019	\$7,165,062	\$593,043	9.0%
Grants	\$400,000	\$400,000	\$0	0.0%
Capital Projects Funds	\$450,000	\$450,000	\$0	0.0%
Total	\$116,775,518	\$122,129,120	\$5,353,602	4.6%
Total Park Fund Operating Request	\$123,347,537	\$129,294,182	\$5,946,645	4.8%
Non-Departmental *	\$7,670,960	\$12,137,704	\$4,466,744	58.2%
Total	124,446,478	134,266,824	\$9,820,346	7.9%

*Total includes compensation markers and OPEB.

Park Fund Revenue Summary

Park Fund Operating Revenue FY23 Proposed Budget

The FY24 Park Fund Operating Revenue is projected to be \$8,258,139. This is \$626,621 higher than the FY23 Adopted Budget. The change is mainly due to the projected increase in permit fees for ballfields and rental revenue received from park activity buildings. Revenue for nature centers is also increasing as programming revenue returns to pre-pandemic levels.

Sales are projected to increase by \$32,398 based on increased revenue from plant sales and from the sale of lumber that is recycled from hazardous or dead trees removed in parks. Facilities user fees are projected to be \$353,040 higher than the FY23 budget based on the increased permit and nature center revenues.

The Grants budget accounts for small grants that may be received throughout the year. The FY24 budget remains at the same level as the FY23 budget.

The Intergovernmental Transfer from the Water Quality Protection Fund began in FY12 to cover the costs of personnel, contracts, supplies, and materials in support of water quality related park programs such as storm water management and federally mandated National Pollutant Discharge Elimination System (NPDES) requirements. Incremental funding has been added each year to fund cost increases associated with these programs. The increase in FY24 is \$241,183. The November 10th memo to the Planning Board provided details on this change, and as such, they are not repeated in this memo.

The Intergovernmental Transfer from the Cable Fund was added in FY18 to fund a pilot program to add Wi-Fi in the Parks. Phase 1 of the pilot program was successfully completed in FY18 with public Wi-Fi added at Kemp Mill Urban Park and at Western Grove Urban Park. Upon completion of the pilot, the program was re-named "ConnectParks" to reflect the incorporation of additional capabilities such as security technology. In FY19, the Information Technology and Innovation Division with the support of the Facilities Management Division completed the design, installation, and deployment of Wi-Fi and security cameras in a portion of Wheaton Regional Park. Additional funding for FY20 was used to complete the Wi-Fi installation in Wheaton Regional Park and to also add Wi-Fi at Long Branch Local Park. In FY21, the revenue for the cable fund was not included in the final approved budget, therefore no projects were completed. The transfer for the cable funding was restored in FY22, and funding was used to increase Wi-Fi access for part of South Germantown Recreational Park. The planned usage for this funding for FY23 is still being finalized. The FY24 proposed budget includes the \$100,000 of funding to continue the expansion of public Wi-Fi.

The chart on the next page shows the FY24 proposed operating revenues for the Park Fund.

Proposed Park Fund Revenue

Category	Adopted FY23	Proposed FY24	% Change
<u>REVENUES</u>			
Sales	\$13,250	\$45,648	244.5%
Facilities User Fees	\$3,150,413	\$3,503,453	11.2%
Grants	\$400,000	\$400,000	0.0%
Intergovernmental Transfer (Water Quality Protection Fund)	\$3,897,355	\$4,138,538	6.2%
Intergovernmental Transfer (Cable Fund)	\$100,000	\$100,000	0.0%
Miscellaneous Revenue	\$55,500	\$55,500	0.0%
Interest (including CIP Interest Transfer)	<u>\$15,000</u>	<u>\$15,000</u>	<u>0.0%</u>
Total Revenue *	7,631,518	8,258,139	8.2%

* Total excludes property taxes.

Enterprise Fund Summary

Enterprise Fund Overall FY24 Proposed Budget

The Enterprise Fund oversees the operation of the revenue producing facilities such as ice rinks, indoor tennis centers, conference centers, and park amenities. The funds are primarily generated through user fees, rentals, and other non-tax supported sources. The Enterprise Fund proposed FY24 budget reflects \$12,559,152 in revenues and \$10,833,205 in expenditures for a net profit of \$1,725,947.

The Enterprise Fund is required to be self-sustaining. This includes operating costs, capital improvements, and administrative costs. Any net income at the end of each fiscal year is used to meet the fund balance reserve amount required by policy and to make on-going investments in life cycle replacements, needed improvements for each facility, and to construct any new facilities.

The chart on page 14 shows the FY24 proposed revenues and expenditures for the Enterprise Fund.

Revenues

The FY24 Enterprise Fund proposed revenues of \$12,559,152 is \$15,466 more than the FY23 approved budget. The overall increase for the proposed revenue is primarily due to increased rental revenues which nearly offsets the proposed reductions in sales revenue.

Expenditures

The FY24 Enterprise Fund proposed expenditures of \$10,833,205 are \$220,127 higher than the FY23 adopted budget. Compensation costs reflect an increase of \$432k primarily due to the addition of the salary marker for merit/COLA, the impact of benefits increases, and seasonal salaries at Brookside Gardens for special events being reinstated.

Expenditures for resale of goods are decreasing by \$79k as the need for stock replenishment has declined as the ice rink pro shop and snack bar sales have not returned to pre-COVID levels.

Supplies are proposed to decrease by \$27k as one-time purchases for a dance floor and sod at Brookside Gardens and for two HVAC units for the South Germantown Driving Range were completed in FY23.

Other services and charges are decreasing by \$81k due to lowered costs for instructors and for janitorial services based on trend at the ice rinks and at Brookside Gardens and for savings in admission fees, bus fees, and instruction due to changes in camp programs.

FY24 Changes

The Enterprise Division has now migrated to the new recreation management software for program registrations as the software implementation was completed in FY22.

The FY24 proposed revenue budget reflects lower sales revenue for the ice rinks based on recent trend. Revenue is also decreasing at Wheaton Tennis for group lessons and indoor seasonal time as many of the current players are aging out and playing less frequently. Striping for pickleball has now been added at Wheaton Tennis to try to retain these aging players and to attract new patrons. These decreases are partially offset by increased revenue from tent camping at Little Bennett Campground and from special events at the Cabin John Train and Wheaton Train and Carousel.

The FY24 proposed budget includes the addition of one new Recreation Enterprise Facility Manager position at Little Bennett Campground. This position will manage and oversee the pool operations, special events, and maintenance of the amenities and grounds at the campground. In addition, this position will manage and provide oversight for the Ovid Hazen Wells Carousel operation when it becomes operational.

Capital Improvements

Capital Improvement Projects for the Enterprise facilities are approved in the CIP budget. The funding source is the Enterprise Reserves. There are no new projects proposed for FY24 as planned projects have been deferred due to staffing shortages of project managers and construction supervisors in the Park Development Division. Current projects are also being impacted by construction cost increases over the last several years because of the pandemic.

MONTGOMERY COUNTY ENTERPRISE FUND - SUMMARY
Summary of Revenues and Expenses
Proposed Budget Fiscal Year 2024

	FY23	FY23	FY24	%
	<u>Adopted</u>	<u>Estimated</u>	<u>Proposed</u>	Change
Operating Revenues:				
Intergovernmental -	-	-	-	-
Sales	870,750.00	759,300.00	776,150.00	-10.9%
Charges for Services	7,165,394.00	6,920,492.00	7,154,258.00	-0.2%
Rentals and Concessions	3,692,046.00	3,742,801.58	3,784,128.00	2.5%
Miscellaneous	800,496.00	839,297.00	829,616.00	3.6%
Interest	15,000.00	15,000.00	15,000.00	0.0%
Other	-	-	-	-
Transfers In	-	-	-	-
Total Operating Revenues	12,543,686.00	12,276,890.58	12,559,152.00	0.1%
Operating Expenses:				
Personnel Services	6,675,187.00	6,351,341.00	7,107,561.00	6.5%
Goods for Resale	434,760.00	326,960.00	355,560.00	-18.2%
Supplies and Materials	432,581.00	473,573.00	405,120.00	-6.3%
Other Services and Charges	2,229,199.00	2,274,061.00	2,148,345.00	-3.6%
Chargebacks	841,351.00	842,753.00	816,619.00	-2.9%
Total Operating Exp and Ot	10,613,078.00	10,268,688.00	10,833,205.00	0.4%
Gain (Loss)	1,930,608.00	2,008,202.58	1,725,947.00	-4.5%

	FY23	FY23	FY24
	<u>Adopted</u>	<u>Estimated</u>	<u>Proposed</u>
WORKYEARS			
FT Career Positions	34.0	34.0	35.0
FT Workyears	34.0	34.0	35.0
PT Career Positions	0.0	0.0	0.0
PT Workyears	0.0	0.0	0.0
Term Contract Positions	1.0	1.0	1.0
Term Contract Workyears	1.0	1.0	1.0
Seasonal Workyears	79.3	76.8	82.9
Chargebacks	2.8	2.8	2.8
Less Lapse	0.0	0.0	0.0
TOTAL POSITIONS	35.0	35.0	36.0
TOTAL WORKYEARS	117.1	114.6	121.7

Property Management Fund Summary

Property Management Fund Overall FY24 Proposed Budget

The Property Management Fund is a self-sustaining program financed by the revenue derived from the rentals of park houses and a variety of other leases. Currently, this program administers approximately 150 legal agreements: residential and commercial property leases, office space, agriculture, daycare, parking lots, equestrian, telecommunications, athletic fields, and special use permits.

Property Management Fund Overview

The Property Management Unit provides the oversight of leased property, which often involves keeping pace with market activity such as an increased demand for rental space: rental housing, commercial use and land for parking. The Property Management Unit also oversees a range of other agreements such as leases for newly acquired commercial buildings, athletic fields, and inter-agency operations agreements.

The Property Management program establishes rental rates; advertises vacancies; negotiates, prepares, and administers legal agreements for use of Park property; and serves as the landlord representative to the public and tenants.

The FY24 budget includes a lease revenue total of \$1,557,600, a 10.4% decrease over last year's budget. This decrease is due to the projected loss of rental revenue from several large buildings that were acquired and operated as rentals for an interim period and from a decrease in non-employee house rentals. Two large buildings that generated a significant rental stream for the previous few years are now in the process of being vacated. Non-employee houses are typically larger, and the rental values higher. Some of the larger houses and smaller houses are being removed from the rental portfolio as the houses will be demolished rather than undergoing the cost of extensive repairs.

The expenditure budget for FY24 is \$1,757,600. This total includes compensation increases of 4.8% plus the reduction of services cost based on having fewer rentals. That savings from the reduction of services is offset by the additional cost of doing the property demolitions. Available fund balance of \$200,000 is being utilized to fund this demolition cost.

The table on the next page shows the FY24 proposed revenues and expenditures for the Property Management Fund.

MONTGOMERY COUNTY PROPERTY MANAGEMENT SUBFUND
Summary of Revenues, Expenditures, and Changes in Fund Balance
PROPOSED BUDGET FISCAL YEAR 2024

	FY23 Adopted	FY24 Proposed	%Change
Revenues:			
Intergovernmental	\$ -	\$ -	-
Sales	-	-	-
Charges for Services	-	-	-
Rentals and Concessions	1,736,800	1,556,600	-10.4%
Interest	1,000	1,000	0.0%
Miscellaneous	-	-	-
Total Revenues	<u>1,737,800</u>	<u>1,557,600</u>	<u>-10.4%</u>
Expenditures by Major Object:			
Personnel Services	520,579	545,322	4.8%
Supplies and Materials	191,183	191,183	0.0%
Other Services and Charges	871,238	867,795	-0.4%
Capital Outlay	-	-	-
Other Classifications	-	-	-
Chargebacks	154,800	153,300	-1.0%
Total Expenditures	<u>1,737,800</u>	<u>1,757,600</u>	<u>1.1%</u>
 Excess of Revenues over Expenditures	 -	 <u>(200,000)</u>	 -

	Adopted		Proposed	
	FY23		FY24	
Positions/Workyears Full Time Career	4.00	4.00	4.00	4.00
Positions/Workyears Part-Time Career	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Positions/Workyears Total Career	4.00	4.00	4.00	4.00
Positions/Workyears Term Contract	0.00	0.00	0.00	0.00
Seasonal/Intermittent		0.00		0.00
Chargebacks		1.80		1.80
Less Normal Lapse		<u>0.00</u>		<u>0.00</u>
Workyears Total		5.80		5.80

Chargebacks: Net of 1.8 from (0.7) Wkyrs to Enterprise Fund and 2.5 WYs from Park Fund.

Special Revenue Fund Summary

Special Revenue Fund Overall FY24 Proposed Budget

The Special Revenue Fund proposed FY24 budget reflects revenues of \$3,176,263 and expenditures of \$3,598,590. Fund balance is being used to support this request for the increased expenditures. Much of this fund balance is being used to support increased seasonal staffing costs attributable to the increased minimum wages and merit increases. The availability of this fund balance has enabled the department to defer increases for many of the program fees.

Revenue is increasing for Special Events and Interagency Support by Park Police as events continue to increase and to return to pre-pandemic levels.

Both revenue and expense are increasing for the maintenance of the Montgomery County Public School ballfields based on an increase in the number of school fields being maintained (additional seven sites) by our department and due to the increase associated with the inflationary increase for the contract renewal. The chargeback cost is based on cost for the actual staff positions dedicated to the MCPS project. The totals for the MCPS Ballfield support also reflect the changes from the program enhancement introduced in the Park Fund which adds four full-time positions to support this program. The expenditure totals reflecting this transition are reflected in the total by adjusting the chargeback and supplies amounts which is offset by a reduction in the services total. As a reminder, this transition to using staff to handle a portion of the contracted services has a net zero impact on the program.

Several accounts are projecting to use fund balance in FY24. With a projected starting fund balance of just over \$982k for FY24, funding is available to support these increased expenditure requests. The Interagency Agreements for tree mitigation and for external sales of trees and plants are proposing to use \$14k of fund balance as these projects often cross into the next fiscal year. Also, the Interagency Agreement for Ballfields includes the use of \$194k of fund balance to offset the increased cost of contracted services. The Historic Renovations Property Management account is proposing to use \$71k for renovation projects. The Special Events account is using fund balance of \$17k to support increased seasonal staffing. The Nature Centers account is using fund balance of \$62k to upgrade exhibits and for increased seasonal staffing costs to support programs. The Cultural Resources account is using \$33k of fund balance for increased program instructor and seasonal staff support. The Non-Native Invasive (NNI) Plants account is using \$12k of fund balance for contracted services to manage NNI. Timing for these projects often cross fiscal years if funding is received late in the fiscal year. In addition, the Community Gardens account is projecting to use \$32k of fund balance for increased seasonal staff costs associated with the additional community gardens being added to the program and for program supplies.

The table on page 20 shows the FY24 proposed revenues and expenditures for the Special Revenue Fund.

Special Revenue Funds - Background

Special Revenue Funds are used to account for the proceeds from specific revenue sources that are legally restricted to expenditures for specific purposes. Special Revenue funds are used when the expenditure of resources is restricted by the Commission or where there is a need to separate the accounting and budgeting for the expenditure of resources.

The Special Revenue budget is comprised of several separate funds. Special Revenue programs are shown separately if the annual appropriation is substantial. Smaller programs are combined, e.g., various interagency agreements.

Special Revenue Fund budgets are prepared as a proposal for revenues, expenditures, and associated workyears as well as fund balances. Special Revenue fund balances do not get consolidated with the tax supported funds to avoid confusing the resources of one fund type with another.

Special Revenue Funds Synopsis

The following is a synopsis of the special revenue accounts included in the FY24 proposed budget.

Park Police – Drug Enforcement Fund

This fund was established pursuant to Maryland law. The law provides the authority to seize property resulting from a drug-related crime conviction. This is an on-going activity for drug enforcement within the Montgomery County Park system.

Park Police – Federally Forfeited Property

The Federal Forfeited Property Fund was established pursuant to Federal law. This fund allows for certain drug-crime related assets to be seized and forfeited to the agency. When a forfeiture is approved by the court, the seized funds may then be used to purchase equipment and other resources to combat drug-related crimes in the park system.

Interagency Agreements

The special revenue fund for interagency agreements includes revenues from other agencies and governments for work the Commission performs on a “reimbursement for service” basis. The Commission maintains agreements with Montgomery County to assist with public school and Recreation Department ballfield maintenance and with some Recreation Department playgrounds, and with other agencies for special policing and field maintenance requests.

Park Cultural Resources

This program provides supplemental funding for expanding and enhancing historic interpretation and archaeology educational camps and programs. Revenues are generated through seasonal employee-led archaeological programs, archaeological camps, special events at public historic sites, guided historical tours, and school programs. Expenditures are used for seasonal salaries as well as other program expenses such as supplies and materials, performers, scholars, interpretive displays, and volunteer docent materials related to historic and archaeological programs.

Special Events

This fund provides for work the Commission performs on a “reimbursement for service” basis for special events and tournaments in the parks.

Nature Programs and Facilities

This fund provides supplemental funding through budgeted proceeds for expanding and enhancing nature and environmental-educational programs and projects at the nature facilities. Revenues are generated through seasonal employee-led nature center camps and special event admissions. Expenditures are used for seasonal salaries as well as other program expenses such as supplies, materials, performers, scholars, interpretive displays, and animal supplies/services related to the camps and special events. Revenues and expenses for camps or programs offered by career staff are accounted for in the Park Fund.

Special Donations and Programs

Special Donations and Programs include donations and contributions designated for specific purposes or projects that are not part of the normal tax-supported programs in the Park Fund.

	Adopted	Estimated	Proposed
SUMMARY - SPECIAL REVENUE FUND	FY23	FY23	FY24
<u>REVENUE</u>			
Intergovernmental Revenues	\$2,033,260	\$2,072,930	\$2,390,463
Sales	\$115,773	\$110,700	\$103,300
Charges for Services	\$0	\$0	\$0
Recreation/User Fees	\$495,313	\$327,200	\$494,000
Rentals/Concessions	\$133,903	\$100,500	\$129,900
Interest	\$1,000	\$893	\$1,000
Miscellaneous Revenues	\$84,407	\$62,040	\$57,600
<u>Interfund Transfer</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
TOTAL REVENUE	\$2,863,656	\$2,674,263	\$3,176,263
<u>EXPENDITURE</u>			
Personnel Services	\$669,077	\$654,487	\$897,469
Supplies and Materials	\$344,795	\$297,096	\$637,212
Other Services and Charges	\$1,791,886	\$1,875,408	\$1,571,372
Capital Outlay	\$31,500	\$10,000	\$0
Chargebacks	\$340,231	\$340,231	\$492,537
Other Classifications	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
TOTAL EXPENDITURE	\$3,177,489	\$3,177,222	\$3,598,590
Total Revenue Less Expenditure	<u>(\$313,833)</u>	<u>(\$502,959)</u>	<u>(\$422,327)</u>
Workyears	15.80	15.80	21.40