PHED COMMITTEE #1
April 19, 2010

# MEMORANDUM

April 15, 2009

TO: Planning, Housing, and Economic Development Committee

FROM: Marlene Michaelson, Senior Legislative Analyst
Jean Arthur, Legislative Analyst

SUBJECT: FY11 Operating Budget: Maryland-National Capital Park and Planning Commission (M-NCPPC): Department of Parks, Special Revenue Funds

*Those expected for this worksession:*

Royce Hanson, Chairman, Montgomery County Planning Board
Mary Bradford, Director, Department of Parks
Mike Riley, Deputy Director of Administration, Department of Parks
Gene Gibbons, Acting Deputy Director of Operations, Department of Parks
MaryEllen Venzke, Chief, Management Services Division/Parks
Karen Warnick, Budget Manager, Department of Parks

This meeting continues the Planning, Housing, and Economic Development (PHED) Committee's review of the Maryland-National Capital Park and Planning Commission (M-NCPPC) FY11 budget with the review of the Department of Parks, the Enterprise Fund, Special Revenue Funds, the Advanced Land Acquisition Revolving Fund (ALARF), the Property Management Fund, and the Internal Service Funds. On April 26, the Committee will return to the Administration Fund and consider any follow-up issues. The Park Police budget will be reviewed by the Public Safety Committee on April 28.

Relevant pages from the County Executive Recommended FY11 Operating Budget are attached on © 1 to 7. Responses to Council Staff questions on the budget are attached at © 8 to 28. **All page references are to the FY10 M-NCPPC recommended budget; Committee Members may wish to bring a copy to the meeting.** In a meeting on April 14, the PHED Committee indicated its intent to reconsider the merger of the Department of Parks and Department of Recreation. This memorandum was prepared prior to that decision and does not address merger issues.

Attached on © 43 to 48 is a memorandum from the Office of Legislative Oversight (OLO), which examined some of the reductions being taken by other park systems. OLO staff will be available at the meeting to present this information to the Committee.

## M-NCPPC PARK FUND

### Background and Summary

The Montgomery County Park System includes 410 parks with over 34,000 acres of land. M-NCPPC has requested FY11 funding of $82,729,300, excluding debt service, grants, and reserves. This request includes salary increases. **The Executive recommends funding the Park Fund at $68,218,580. This is $14.5 million or 17.54 % less than the M-NCPPC request, and $10.8 million or 13.7% less than the approved FY10 budget.**

| PARK FUND BUDGET HIGHLIGHTS (Millions) | |
|---|---|
| FY10 Approved Budget | $79.02 |
| FY11 Request | $82.73 |
| FY11 Executive Recommendation | $68.22 |
| Difference Between Request and Executive Recommendation | $14.5 |

The budget maintains the same 12 major divisions in the Parks Department, including the four that were added over the past two years: Special Programs, Park Information and Customer Service divisions, Facilities Management, and Management Services. The other divisions are: the Office of Director of Parks, Park Development, Park Police, Central Maintenance, Horticultural Services, Enterprise, Park Planning and Stewardship, the Northern Region, and the Southern Region. Some positions in the Research and Technology Division and Countywide Planning are also charged to the Park Fund. Funding changes by Division are as follows:

| FY10 AND FY11 PARK FUND BUDGET (before chargebacks and lapse) | Approved FY10 | FY11 Request | Change from FY10 to FY11 | % Change from FY10 to FY11 |
|---|---|---|---|---|
| Director of Parks ($) | $ 829,000 | $ 853,700 | $ 24,700 | 3% |
| workyears | 5.80 | 5.80 | 0 | 0% |
| | | | | |
| Special Programs ($) | 802,600 | $ 819,100 | $ 16,500 | 2% |
| workyears | 7 | 7.00 | 0 | |
| | | | | |
| Park Information and Customer Service ($) | $1,239,300 | $ 1,330,000 | $ 90,700 | 7% |
| workyears | 11.8 | 11.8 | 0 | |
| | | | | |
| Management Services ($) | $ 906,200 | $ 991,300 | $ 85,100 | 9% |
| workyears | 8.00 | 8.00 | 0 | 0% |
| | | | | |
| Facilities Management ($) | $ 1,160,400 | $ 1,272,900 | $ 112,500 | 10% |
| workyears | 6.50 | 6.50 | 0 | 0% |
| | | | | |
| Technology Center ($) | $ 2,016,900 | $ 2,010,400 | $ (6,500) | 0% |
| workyears | 12.90 | 12.90 | 0 | 0% |
| | | | | |
| Park Planning and Stewardship ($) | $ 3,800,700 | $ 4,182,700 | $ 382,000 | 10% |
| workyears | 35.90 | 36.62 | 0.72 | 2% |
| | | | | |
| Park Development ($) | $ 5,224,000 | $ 5,442,800 | $ 218,800 | 4% |
| workyears | 49.25 | 50.30 | 1.05 | 2% |
| | | | | |
| Park Police ($) | $ 12,512,000 | $ 13,379,600 | $ 867,600 | 7% |
| workyears | 124.61 | 128.61 | 4 | 3% |
| | | | | |
| Horticultural Services ($) | $ 6,289,600 | $ 6,881,100 | $ 591,500 | 9% |
| workyears | 69.70 | 71.70 | 2 | 3% |
| | | | | |
| Central Maintenance ($) | $ 12,055,800 | $ 12,605,200 | $ 549,400 | 5% |
| workyears | 119.25 | 119.75 | 0.5 | 0% |
| | | | | |
| Northern Region ($) | $ 9,144,600 | $ 9,609,800 | $ 465,200 | 5% |
| workyears | 125.92 | 128.24 | 2.32 | 2% |
| | | | | |
| Southern Region ($) | $ 14,279,000 | $ 14,356,100 | $ 77,100 | 1% |
| workyears | 195.04 | 197.54 | 2.5 | 1% |

## Changes from FY10 To FY11

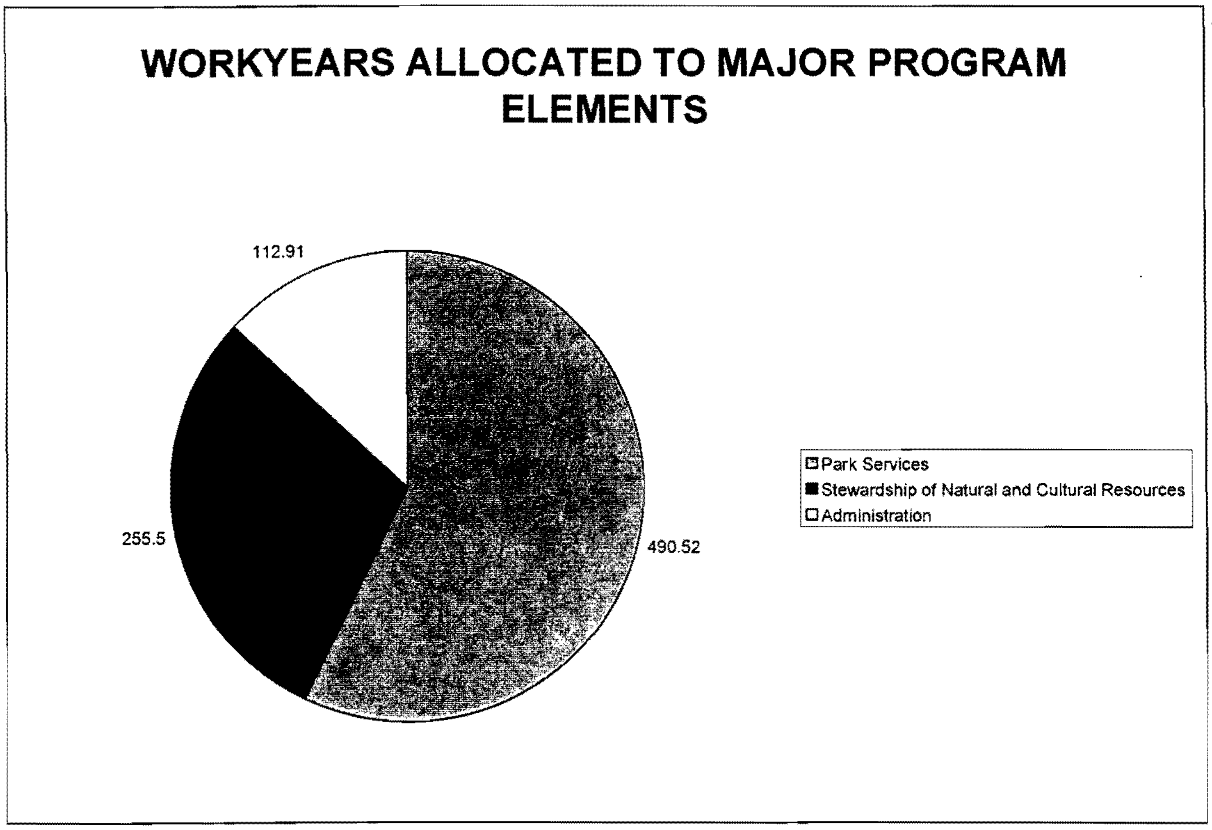
The FY11 Department of Parks budget provides a level of service substantially similar to FY10. Most of the increases in the M-NCPPC request are associated with compensation and benefits. The largest non-compensation increase in the Park fund is $875,100 for the operating cost of new parks. The increases are offset by a net decrease of $1,379,200 in non-personnel costs.

## Organization of the Department Of Parks

Last year, the Committee discussed the fact that the Department of Parks has increased from 8 to 12 Divisions in a two-year period, thereby increasing the cost of management and making the structure unique to County government (both in terms of the number of divisions and the size of those divisions). The Director of the Department of Parks indicated her intent to reconsider the organization of the Department, and the Committee may want to ask for an update at this time. (Staff notes that the Committee's interest in merging the Department of Parks and Department of Recreation may make this issue irrelevant at this time.)

## Park Programs

Park programs fall into one of three categories: Park Services, Stewardship of Natural and Cultural Resources, and Management and Administration, with overall workyears divided as follows:




The proposed FY11 budget does not include any new programs, and the only growth in programs relates to the cost of operating new parks (12.7 workyears). In addition, the Department has redistributed the workyears assigned to different programs as shown in the table that appears below. The only programs to have a significant increase in staff resources on a percentage (but not necessarily workyear basis) are Dog Exercise Areas (1.85 WY, 49%), Natural Resource Management (4.35 WY, 15%), Agriculture Support (0.9 WY, 17%), Public Gardens (16.59 WY, 52.73%) and Property Management (2.51, 32.6%). Programs with significant decreases in workyears include Arboriculture (-4.54 WY, -12.61%), and

Horticulture (-8.39 WY, -13.38%). The Enterprise Fund activities also have a decrease in workyears, consistent with the overall reductions in Enterprise Fund expenditures.

| DEPARTMENT OF PARKS WORKYEARS BY PROGRAM | | | |
|---|---|---|---|
| | **FY10** | **FY11** | % Change |
| **PARK SERVICES** | | | |
| ORGANIZED SPORTS | | | |
| Athletic Fields (includes baseball/softball and field sports) | 83.07 | 84.54 | 1.77% |
| Multi-Use Courts | 9.72 | 9.83 | 1.13% |
| Tennis | 29.79 | 30.66 | 2.92% |
| **Subtotal Organized Sports** | **122.58** | **125.03** | **2.00%** |
| | | | |
| REGIONAL ATTRACTIONS | | | |
| Seasonal Park Amenities (Boating, Camping, Trains/ Carousel, mini-golf/Splash playground) | 41.42 | 38.49 | -7.07% |
| Ice Skating | 49.31 | 47.68 | -3.31% |
| **Subtotal Regional Attractions** | **90.73** | **86.17** | **-5.03%** |
| | | | |
| MEETING AND GATHERING PLACES | | | |
| Community Open Space | 81.69 | 82.88 | 1.46% |
| Permitted Picnic Facilities | 23.90 | 24.14 | 1.00% |
| Playgrounds | 32.59 | 32.85 | 0.80% |
| Dog Exercise Areas | 3.76 | 5.61 | 49.20% |
| Park Activity Buildings | 41.56 | 39.55 | -4.84% |
| Event Centers | 27.54 | 27.33 | -0.76% |
| **Subtotal Meeting and Gathering Places** | **211.04** | **212.36** | **0.63%** |
| | | | |
| TRAILS AND PARKWAYS | | | |
| Scenic Parkway Experiences | 27.27 | 27.37 | 0.37% |
| Trails-Paved Surface | 37.64 | 39.59 | 5.18% |
| **Subtotal Trails and Parkways** | **64.91** | **66.96** | **3.16%** |
| **SUBTOTAL PARK SERVICES** | **489.26** | **490.52** | **0.26%** |

| | | | |
|---|---|---|---|
| **STEWARDSHIP OF NATURAL AND CULTURAL RESOURCES** | | | |
| LAND AND RESOURCE MANAGEMENT | | | |
| Arboriculture | 36.00 | 31.46 | -12.61% |
| Horticulture | 62.70 | 54.31 | -13.38% |
| Natural Resource Management | 29.64 | 33.99 | 14.68% |
| Cultural Resources | 14.78 | 15.21 | 2.91% |
| Streams | 13.90 | 13.40 | -3.60% |
| Trails- Natural Surface | 16.81 | 17.60 | 4.70% |
| **Subtotal Land and Resource Management** | **173.83** | **165.97** | **-4.52%** |
| | | | |
| EDUCATION AND INTERPRETATION | | | |
| Agriculture Support | 5.44 | 6.37 | 17.10% |
| Nature Centers | 35.24 | 35.11 | -0.37% |
| Public Gardens | 31.46 | 48.05 | 52.73% |
| **Subtotal Education and Interpretation** | **66.70** | **89.53** | **34.23%** |
| **SUBTOTAL STEWARDSHIP OF NATURAL AND CULTURAL RESOURCES** | **245.97** | **255.50** | **3.87%** |
| | | | |
| | | | |
| **ADMINISTRATION** | | | |
| Management and Administration | 59.03 | 56.61 | -4.10% |
| Partnerships | 10.19 | 9.54 | -6.38% |
| Property Management (inc. equestrian) | 7.70 | 10.21 | 32.60% |
| Third Party Support (inc. golf) | 12.75 | 13.50 | 5.88% |
| Park Planning | 23.24 | 23.05 | -0.82% |
| **SUBTOTAL ADMINISTRATION** | **112.91** | **112.91** | **0.00%** |
| | | | |
| **TOTAL SERVICE DELIVERY** | **848.14** | **858.93** | **1.27%** |
| **CIP** | **36.73** | **36.83** | **0.27%** |
| **PROGRAM TOTAL** | **884.87** | **895.76** | **1.23%** |

The 8 most labor intensive programs are as follows:

| Program | Proposed FY11 Workyears Before Reductions |
|---|---|
| Athletic Fields | 84.54 |
| Community Open Space | 82.88 |
| Management and Administration | 56.61 |
| Horticulture | 54.31 |
| Public Gardens | 48.05 |
| Ice Skating | 47.68 |
| Trails – paved surfaces | 39.59 |
| Park Activity Buildings | 39.55 |
| **Total Workyears** | **453.21** |

## Professional Services

The FY11 Department of Parks budget for professional services is virtually identical to the amount funded in FY10 at $2.4 million, but there are several increases or decreases in individual contracts. All new professional services and those recommended to increase 40% or more are highlighted below. Since the Department has recommended deleting $1.9 million in contracts and services to meet the Executive-recommended target for the Department, virtually all of these contracts would be eliminated, with only $500,000 remaining. The cost of school ballfield maintenance ($748,000) will be paid for from the General Fund; therefore, this amount should not be eliminated or counted as a savings for the Park Fund. (The issue of school ballfield maintenance is addressed in another section below.)

| DEPARTMENT OF PARKS PROFESSIONAL SERVICES | | | |
|---|---|---|---|
| | FY10 | FY11 | % Change |
| Depositions and Legal Services | 1,000 | 1,000 | 0.0% |
| Graphic Design Services | 30,000 | 43,000 | 43.3% |
| Photography Services | 5,000 | 7,000 | 40.0% |
| Media Training | 5,000 | 7,000 | 40.0% |
| Web Management | 25,000 | 35,000 | 40.0% |
| On Call Back Up Staff for Permit Office | 5,000 | 7,000 | 40.0% |
| Web Based Training for volunteers | 14,000 | 14,000 | 0.0% |
| Fingerprint Screening | 4,000 | 4,000 | 0.0% |
| Data Bases for Volunteer Services | 15,500 | 15,500 | 0.0% |
| Real Estate Budget Analyst | 5,000 | 0 | -100.0% |
| Specialized Professional Services | 60,000 | 57,000 | -5.0% |
| FEA Contract | 139,500 | 120,000 | -14.0% |
| Remediation | 5,200 | 5,200 | 0.0% |
| Energy/ Recycling Management Contract | 109,700 | 109,700 | 0.0% |
| Tree Maintenance | 104,300 | 79,300 | -24.0% |
| Hazardous Tree Removal | 0 | 60,000 | 100.0% |
| Stormwater management contract | 111,900 | 67,700 | -39.5% |
| Integrated Pest Management | 0 | 3,500 | 100.0% |
| Contract for large tree removal/aftercare | 0 | 74,900 | 100.0% |
| LOEBR/Hearing Boards | 10,000 | 10,000 | 0.0% |
| Veterinary Services | 4,300 | 4,300 | 0.0% |
| Licensing Agreements | 2,700 | 2,700 | 0.0% |
| Contract for mainenance-wireless data transmission for dams | 2,600 | 0 | -100.0% |
| Dam Inspections (5 yr inspections) | 0 | 15,000 | 100.0% |
| Profession Kayak Instruction certification | 1,000 | 1,000 | 0.0% |
| Maintenance Povich Field | 139,200 | 139,200 | 0.0% |
| Custodial Service for Park Activity Buildings | 86,500 | 80,000 | -7.5% |
| Misc. consulitng for Region (turf, structural/environmental engineer) | 3,100 | 3,100 | 0.0% |
| MCPS Ballfield Contract (moved from Park Fund to Special Revenue Fund0 | 755,500 | 748,000 | -1.0% |
| Architectural Services for Historic Properties | 100,000 | 75,000 | -25.0% |
| Non-native plant Control | 120,000 | 120,000 | 0.0% |
| Deer population control | 61,000 | 62,000 | 1.6% |
| Ground Water Monitoring | 33,500 | 30,000 | -10.4% |
| Interpretive Program | 100,000 | 32,400 | -67.6% |
| Property Management - Environmental Evaluations | 8,000 | 8,000 | 0.0% |
| Management and Maintenance of Rental Properties | 373,100 | 389,100 | 4.3% |
| **TOTAL PARK FUND** | **2,440,600** | **2,430,600** | -0.4% |

## Fleet Management

During its review of the FY10 budget, the PHED Committee noted that it had not considered fleet management issues for the Commission, and requested a report on this issue to be prepared by M-NCPPC staff, in time for the Planning Board's consideration, as part of its review of the FY11 budget. The Commission has close to 600 vehicles, most of which are used by Department of Parks employees. The Committee asked the Department to consider the following:

> Issues to be addressed should include the number of vehicles, cycle for replacement of vehicles, types of vehicles being purchased, life cycle costs, maintenance frequency, vehicle sharing programs (such as Zip cars), and policies regarding take home cars. The information collected should be compared to County Government data/policies or those of other similar agencies to determine whether the existing standards and policies are appropriate.

Attached on © 29 to 36 is the Department's response to the Committee's request. They have provided information about the size of the fleet, lifecycle costs, maintenance frequency, vehicle sharing and policies regarding take home cars, which is very useful baseline information. They have not compared their fleet usage or policies to that of County Government or any other government entity and, without that information, it is difficult to assess whether any change is warranted (nor did Staff have the opportunity to do any independent analysis of this issue since receiving their data). Further work should be done on this subject.

## POTENTIAL REDUCTIONS

The Executive has recommended reducing the Department of Parks budget by **$14.5 million**. This is **17.54% less** than the M-NCPPC request, and $10.8 million or 13.7% less than the approved FY10 budget. Achieving this target would require reductions in compensation, operating expenses, freezing vacant positions and a reduction in force (RIF) of 129 workyears or 18% of the workforce, making this the most significant RIF on a percentage basis faced by any agency, but comparable to the RIF that will be required in the Department of Recreation.

The Council received testimony or correspondence from approximately 30 individuals and groups opposed to these reductions and a couple of letters from those who supported funding reductions for parks, given the fiscal climate and other County priorities. One individual objected to receiving an e-mail from the Department of Parks asking him to lobby the Council not to reduce the Parks budget.

The chart below lists each of the proposed reductions (also shown on ©15). Circles 16 to 27 describe the impact of each proposed reduction, and Staff recommends that the Committee provide the Planning Department the opportunity to explain the impact of each proposed reduction at the meeting. Staff has summarized these reductions in 4 categories below: reductions in compensation, shifts to the CIP, reductions in operating expenses, and reductions in program resources. (Unlike the Planning Department, the Department of Parks has not proposed to eliminate any program in FY11.)

**Compensation**: The M-NCPPC budget includes funding for COLAs and merit increases. Eliminating those increases and adding a 10-day furlough as proposed by the County Executive would reduce the Park Fund budget by $3.1 million. Staff believes the compensation and furlough adjustments for M-

NCPPC should mirror those the Council sets for County Government. If the Council reduces the number of proposed furlough days, it will be necessary to find offsetting reductions.

**Increase Chargebacks to the CIP:** The Department of Parks proposes to increase chargebacks to the CIP in the amount of $729,000, changing the focus of some employees from operating to capital projects. This is consistent with strategies being employed by the Department of Transportation.

**Operating Expenses**: To meet the Executive funding level, the Department of Parks would cut $3.8 million in assorted operating and non-personnel costs, including supplies and materials, professional contracts, capital outlay, employee recognition program, contribution to the Risk Management Fund, and summer interns.[1]

**Reductions in Staffing**: The final category of reductions is the reductions in staffing, which includes a combination of freezing vacant positions, reducing overtime, not adding new staff recommended due to the operating costs of new parks, and RIFs (in addition to the 7.5% normal lapse already in the budget submitted by M-NCPPC). This results in a total personnel reduction of $6.9 million - including $5.8 million related to RIFs of filled positions.

Reductions are described in summary fashion below and in greater detail on © 16 to 27. Staff has asked Department of Parks staff to provide this information **by program element**, and they will be prepared to do so at the Committee meeting on Monday.

[1] Although the summer intern program is a personnel change, the cost of this reduction was grouped with other operating cost reductions and is therefore included here.

## Montgomery County Department of Parks

| **FY11 Proposed Budget**<br>(without reserves, or grants) | **$82,729,300** | | | |
|---|---|---|---|---|
| **Non-Recommended Reductions in Priority Order from Lowest to Highest** | **Reduction amount** | **Running Total of Reductions** | **Running Reduction Subtotal** | **# WY Unfunded** |
| Current Budgeted Lapse= 7.5% | | | | (52) |
| Unfunded Positions frozen from FY09 Retirement Incentive | | | | (14) |
| 1) Savings from COLA Reduction - MCGEO & Non-Represented Career Employees - (18 Equivalent RIF Workyears) | **(780,000)** | (780,000) | 81,949,300 | |
| 2) Savings from COLA Reduction - FOP Career (5 Equivalent RIF Workyears) | **(230,000)** | (1,010,000) | 81,719,300 | |
| 3) Savings from Merit Adjustment Reduction MCGEO & Non-Represented Career Employees (13 Equivalent RIF Workyears) | **(573,000)** | (1,583,000) | 81,146,300 | |
| 2) Savings from Merit Adjustment Reduction - FOP Career (1 Equivalent RIF Workyear) | **(62,000)** | (1,645,000) | 81,084,300 | |
| 5) Reduce Contribution to Self Insurance Risk Management Fund | **(200,000)** | (1,845,000) | 80,884,300 | |
| 6) Increase Park Planning & Stewardship Chargeback to CIP (5 Equivalent RIF Workyears) | **(207,500)** | (2,052,500) | 80,676,800 | |
| 7) Increase Park Development Chargeback to CIP (4 Equivalent RIF Workyears) | **(189,300)** | (2,241,800) | 80,487,500 | |
| 8) Increase Central Maintenance Chargeback to CIP (8 Equivalent RIF Workyears) | **(332,200)** | (2,574,000) | 80,155,300 | |
| 9) Eliminate Summer Intern and Employee Recognition Programs | **(151,000)** | (2,725,000) | 80,004,300 | |
| 10) Forfeit New Positions for Unfunded Obligations (12.72wys) | **(875,000)** | (3,600,000) | 79,129,300 | (13) |
| 11) Eliminate Capital Outlay Equipment (includes OBI) | **(799,800)** | (4,399,800) | 78,329,500 | |
| 12) Eliminate or Reduce Supplies and Materials (includes OBI) | **(745,920)** | (5,145,720) | 77,583,580 | |
| 13) Eliminate or Reduce Contracts and Services (includes OBI) | **(1,909,700)** | (7,055,420) | 75,673,880 | |
| 14) Reduce Overtime 50% in Maintenance Operations | **(170,000)** | (7,225,420) | 75,503,880 | |
| 15) Furlough for 10 days | **(1,455,000)** | (8,680,420) | 74,048,880 | |
| **Workyears unfunded due to Lapse, Retirement Incentive, and Unfunded Obligations** | | | | **(79)** |

| | | | | |
|---|---|---|---|---|
| 16) Eliminate Filled Positions and Associated Costs Through Reduction in Force (RIF) Action | | | | |
| 16-1) Eliminate Departmental Interoffice Mail Courier Service | **(43,700)** | (8,724,120) | 74,005,180 | (1) |
| 16-2) Reduce Administrative Support | **(218,500)** | (8,942,620) | 73,786,680 | (5) |
| 16-3) Suspend Acceptance of New Unsolicited Public Private Partnerships and Stop Work on Unapproved Proposals | **(43,700)** | (8,986,320) | 73,742,980 | (1) |
| 16-4) Reduce Park Information and Permit Functions. | **(87,400)** | (9,073,720) | 73,655,580 | (2) |
| 16-5) Reduce Employee Support Programs | **(87,400)** | (9,161,120) | 73,568,180 | (2) |
| Eliminate Transit Subsidy Program | **(25,000)** | (9,186,120) | 73,543,180 | |
| 16-6) Reduce Technology Support | **(87,400)** | (9,273,520) | 73,455,780 | (2) |
| 16-7) Reduce Exhibit Shop Services | **(87,400)** | (9,360,920) | 73,368,380 | (2) |
| 16-8) Reduce Senior Management | **(131,100)** | (9,492,020) | 73,237,280 | (3) |
| 16-9) Eliminate Park Ranger Program | **(87,400)** | (9,579,420) | 73,149,880 | (2) |
| Eliminate Seasonal Park Rangers | **(100,000)** | (9,679,420) | 73,049,880 | |
| 16-10) Reduce Work on Inter County Connector (ICC) Project | **(43,700)** | (9,723,120) | 73,006,180 | (1) |
| 16-11) Reduce Historical and Archaeological Functions | **(43,700)** | (9,766,820) | 72,962,480 | (1) |
| 16-12) Reduce Pope Farm Nursery | **(131,100)** | (9,897,920) | 72,831,380 | (3) |
| 16-13) Reduce Gardening and Landscape Work | **(437,000)** | (10,334,920) | 72,394,380 | (10) |
| 16-14) Eliminate Historic Tree Program | **(43,700)** | (10,378,620) | 72,350,680 | (1) |
| 16-15) Reduce Non-Native Invasive Program | **(43,700)** | (10,422,320) | 72,306,980 | (1) |
| 16-16) Reduce Operations of Four Nature Centers | **(305,900)** | (10,728,220) | 72,001,080 | (7) |
| 16-17) Reduce Park Planning Functions | **(87,400)** | (10,815,620) | 71,913,680 | (2) |
| 16-18) Reduce Resource Analysis | **(43,700)** | (10,859,320) | 71,869,980 | (1) |
| 16-19) Delay / Defer Approved CIP Projects | **(262,200)** | (11,121,520) | 71,607,780 | (6) |
| 16-20) Reduce Park Police Horse Mounted Patrols by 50% | **(305,900)** | (11,427,420) | 71,301,880 | (7) |
| Reduce Park Police Clothing Allowance and Horse Care | **(56,000)** | (11,483,420) | 71,245,880 | |
| 16-21) Reduce Management and Working Supervisory Functions Associated with Park Maintenance Services | **(393,300)** | (11,876,720) | 70,852,580 | (9) |
| 16-22) Reduce Deer Management Program | **(43,700)** | (11,920,420) | 70,808,880 | (1) |
| 16-23) Reduce SmartParks Data Collections and Analysis | **(131,100)** | (12,051,520) | 70,677,780 | (3) |
| 16-24) Abandon Reformation of Montgomery Parks Foundation | **(43,700)** | (12,095,220) | 70,634,080 | (1) |
| 16-25) Reduce or Eliminate Specialized Trades Maintenance Work (Carpenters, Plumbers, Electricians, Mechanics, Lock Smith, Alarm Specialist, Radio Operator, Heavy Equipment Operators, and Trades Supervisors) | **(568,100)** | (12,663,320) | 70,065,980 | (13) |
| 16-26) Reduce Park Police Patrols in Parks | **(524,400)** | (13,187,720) | 69,541,580 | (12) |
| Reduce Park Police Clothing Allowance | **(12,000)** | (13,199,720) | 69,529,580 | |
| 16-27) Reduce Park Maintenance | **(1,311,000)** | (14,510,720) | 68,218,580 | (30) |
| **Sub-Total of Positions Eliminated Through RIF Action** | **(5,830,300)** | | | **(129)** |
| TOTAL REDUCTION | | (14,510,720) | | |

While many of the reductions (such as changes in compensation which mirror those being considered by the County Government) will not impact programs or service delivery, there are many reductions that will clearly impact the ability of the Department of Parks to provide the same level of services they have delivered in prior years. The Department has recommended reducing the costs in several program areas, but has not recommended any major restructuring or closing facilities (other than the Park Activity Buildings addressed below). Many of these reductions are neither warranted nor recommended; however, the one reduction Staff believes should not be taken is the reduction in funding for Smart Parks. This tool is supposed to help the Department more efficiently manage its resources and shift resources when necessary. If it is working as it should (and as previously described by the Department of Parks), it should be an ideal tool to help management address a reduction in resources.

The Council received several letters expressing concern that the Department of Parks was proposing to reduce funding for the Weed Warrior program as part of their reductions. Staff did not see this program specifically identified in the reductions, and the Committee should confirm that with the Department. This program allots a very limited amount of Parks staff time to train volunteers who remove invasive species from parks. Maximizing the efforts of volunteers can help address the reduction in park employees and should be encouraged. Therefore, Staff does not support reducing the funding for this program (unless the Department believes that the volunteers are not successfully accomplishing the tasks they are assigned).

Finally, Staff notes that the Department of Parks has indicated that a few of their reductions will mean delays in CIP projects. If the Committee accepts these reductions, the CIP should be amended accordingly.

## Park Activity Buildings

The Park Activity Building program is described on page 263 of the budget. For FY11, the budget projects a cost $4.47 of million dollars and 39.55 workyears. As the Committee is aware, just a few months ago the Council supported the Department of Parks recommendation to temporarily close 11 activity buildings to achieve savings necessary to balance the FY10 budget (an $181,300 savings as part of the Round 2 Budget Savings Plan). The Department's recommendation was to close these buildings temporarily for the remainder of FY10, and then to determine the ultimate disposition through a case-by-case analysis. The Department indicated their belief that the park activity building program is the least essential and one of the least utilized of their programs.[2] They noted that a decision to permanently close these buildings would significantly reduce future operating and capital budgets. (The FY11 budget was submitted before the savings plan and did not assume any closures.) Although it is not specifically indicated in the materials submitted by the Department, they recommend the permanent closure of these buildings to achieve the Executive-recommended reductions. Since Staff has not yet seen the allocation of reductions to individual program elements, it is unclear what reduction is proposed for Park Activity Buildings. Staff supports this reduction and believes the Department should continue to examine the viability of the remaining activity buildings and the potential for further savings. Since rental of these buildings generates more than $500,000, closures could mean an offsetting reduction in revenue, and this should be considered in any decision.

## School Ballfields

The M-NCPPC FY11 budget moves the funding for the maintenance of Montgomery County Public Schools (MCPS) ballfields from the Park Fund to the Special Revenue Fund ($748,000), and indicates that the source of funds will be a transfer from the General Fund. The Executive has recommended the transfer in his budget. Staff believes this addresses the ongoing concern of the Department of Parks and Planning Board about using Park Tax (which has a more limited tax base than the General Fund) to fund the maintenance of schools. At the same time, the implementation will not be at the discretion of MCPS (which has a history of failing to allocate appropriate funds for this purpose). Staff supports this change.

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[2] As the Committee will recall, the Department of Parks conducted a study of these 29 buildings in 2007 and concluded that there are "too many buildings with too much unused time; we are losing money and have too large a future maintenance liability." In the Department of Parks, Staff Report they recommended continuing to operate 6 buildings, closing or transferring 5 buildings, and increasing marketing to determine if they could increase usage at the 18 remaining buildings.

## Park Fees and Revenues

Last year the Committee discussed whether the Department of Parks should change its fee structure in one of three ways:

- To differentiate between different user groups (e.g., to charge non-residents more than residents);
- To create fees for certain services that are now provided free (e.g., parking at regional or recreational parks or admission to facilities where the points of entry can be limited – such as Brookside Gardens); [3]and/or
- To reassess the cost recovery goals for those activities for which fees are currently charged (with the possibility of increasing fees or decreasing fees for certain user groups based on age or income).

Last year Staff recommended that there be coordination and, where appropriate, consistency between the Department of Recreation and Department of Parks on fee policies, particularly with regard to how discounts are determined. (A parks and recreation identification card serving users of both departments could be used to predetermine which users should receive discounted or waived fees and to provide annual passes for frequent users.) Staff recommended, and the Committee concurred, that further exploration of this idea be part of the assessment of the delivery of recreational programs that was to be undertaken by the Department of Recreation and Department of Parks during the summer of 2009. The Departments did not have the opportunity to include an assessment of fee policies in their report, nor has the Department of Parks made any recommendations in the budget or in their response to the Executive-recommended reductions. If the Committee is interested in pursuing this further, it should ask the Department of Parks to make recommendations prior to the Council action on the budget (or alternatively could pick a target number and ask the Department to create or increase fees to meet that target).

## THE ENTERPRISE FUND

The Enterprise Fund accounts for various park facilities and services that are entirely or predominantly supported by user fees. (See pages 331-342 for a discussion of the Enterprise Fund.) Recreational activities include ice rinks, indoor tennis, event centers, boating, camping, and nature center programs. Operating profits are reinvested in new or existing enterprise facilities through the Capital Improvements Program. **The FY11 budget projects overall Fund revenue over expenditures of $598,300, with no General Fund subsidy proposed for the first time since FY05.** This is a laudable accomplishment, and one for which the Enterprise Division should be commended. The latest update on the Enterprise Fund appears on © 37 to 42.

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[3] **Examples** of potential opportunities to raise fees include an entrance fee at Brookside Gardens. If the over 400,000 people visiting Brookside Gardens each year were charged a $1 entrance fee, and assuming that 25% were exempt from paying the entrance fee, this could generate $300,000 per year. Another example would be the use of meters at regional and recreational parks. Assuming that the 12 regional and recreational parks combined would have 624,000 hours of metered time each year for 6 months each year (an average of 100 cars per park, for 20 hours of metered time over the course of a week, at the 12 parks, for a period for 26 weeks) and charged 25 cents per hour, the revenue would be $156,000. Obviously, each of these revenue raising techniques also has costs associated with it, and staff did not have the information available to make a more precise estimate of revenues or an estimate of costs.

The proposed expenditures for the Enterprise Fund for FY11 are as follows:

| **FY10 and FY11 ENTERPRISE FUND EXPENDITURES** | | | |
|---|---|---|---|
| FY10 Budget | FY11 Request | Change from FY10 to FY11 | % Change from FY10 to FY11 |
| $10,374,800 | $9,239,800 | -$1,135,000 | -10.94% |
| 113.1 WY | 110.9 | -2.2 | -1.95% |

**Revenues and Losses by Activity**

The following chart indicates whether each of the Enterprise Fund activities has generated or is expected to generate a positive return in years FY08 through FY11. Since the subsidy to the ice rinks significantly impacts the net revenue, Staff has displayed the ice rink and total costs including a subsidy (which treats the subsidy as revenue), and excluding the subsidy (which shows the net revenue without a subsidy). FY11 is the only year without a subsidy. Net revenues without the subsidy are highlighted below. As the summary chart indicates, both indoor tennis and the park facilities are projected to generate significant profits for the Enterprise Fund in FY11, more than offsetting the losses created by the ice rinks and event centers.

| **ENTERPRISE FUND REVENUE OVER/(UNDER) EXPENDITURES** | | | | | |
|---|---|---|---|---|---|
| | **Actual FY08** | **Actual FY09** | **Budget FY10** | **Estimate FY10** | **Proposed FY11** |
| **GOLF COURSES** | ($116,015) | $58,497 | $44,900 | $57,500 | $56,200 |
| **ICE RINKS (including subsidy)** | ($466,460) | ($391,256) | ($1,137,700) | ($629,400) | ($533,300) |
| **ICE RINKS (excluding subsidy)** | ($1,009,460) | ($934,256) | ($1,147,700) | ($639,400) | ($533,300) |
| **INDOOR TENNIS** | ($133,137) | $206,507 | $511,800 | $386,400 | $476,300 |
| **EVENT CENTERS** | ($169,429) | ($123,485) | ($173,500) | ($84,700) | ($83,000) |
| **PARK FACILITIES** | $264,489 | $558,806 | $584,200 | $609,700 | $682,100 |
| **TOTAL (including ice rink subsidy)** | **($620,552)** | **$309,069** | **($170,300)** | **$339,500** | **$598,300** |
| **TOTAL (excluding ice rink subsidy)** | ($1,163,552) | ($233,931) | ($180,300) | $329,500 | $598,300 |

**SPECIAL REVENUE FUNDS**

"Special Revenue Funds" are used to account for the proceeds from specific revenue sources that are legally restricted to expenditures for specific purposes (see pages 357 to 371 in the budget). All of the Special Revenue Fund programs in the FY11 budget are Park or Planning Department programs funded in part from fees or outside funding sources. Programs which appear in the Special Revenue Funds are funded in total or in part by non-tax sources, while Enterprise Fund activities have traditionally been funded entirely (with some limited exceptions) by non-tax sources (i.e., fees).

While some funds use revenues only to the extent they are obtained (e.g., the Park Police Federally Forfeited Property Fund), for other funds there is an ongoing need for the activity, and transfers from tax supported funds are sometimes used to support expenditures. Changes for this year include a change in the name of the Archeological Programs Fund to the Park Cultural Resources Fund (since it will also include historical programs) and a new fund for Nature Programs and Facilities (page 364). Staff supports the creation of this new fund, which provides the ability to better track program revenues and expenditures and also exempts these revenues from spending affordability limitations.

FY11 projected expenditures, revenues, and fund balance are shown below.

| SPECIAL REVENUE FUNDS | | | | |
|---|---|---|---|---|
| | **Budgeted FY10 Expenditures** | **Proposed FY10 Revenue** | **Net FY10 Revenue** | **Proposed Ending Fund Balance** |
| Historic Renovations (Property Management) | $68,000 | $37,000 | -$31,000 | $2,734 |
| Park Police - Drug Enforcement Fund | $150,000 | $150,000 | $0 | $3,608 |
| Park Police - Federally Forfeited Property | $64,000 | $60,000 | -$4,000 | $4,779 |
| Interagency Agreements | $1,078,000 | $1,015,000 | -$63,000 | $2,665 |
| Park Cultural Resources | $34,300 | $25,000 | -$9,300 | $71 |
| Special Events | $134,700 | $50,000 | -$84,700 | $66 |
| Nature Programs and Facilities* | $53,300 | $53,300 | $0 | $0 |
| Special Donations and Programs | $165,100 | $144,100 | -$21,000 | $1,076 |
| Traffic Mitigation | $20,000 | $20,500 | $500 | $28,828 |
| Historic Preservation (County non-departmental account) | $315,800 | $315,800 | $0 | $29,030 |
| GIS Data Sales | $53,000 | $26,500 | -$26,500 | $6,278 |
| Environmental/Forest Conservation Penalities Fund | $92,000 | $101,000 | $9,000 | $113,030 |
| Development Automation Process and Development Review Special Revenue Fund** | $3,417,200 | $3,365,000 | -$52,200 | -$77,489 |
| Forest Conservation Fund | $375,000 | $78,000 | -$297,000 | $49,715 |
| **TOTAL ALL FUNDS** | $6,020,400 | $5,441,200 | -$579,200 | $164,391 |
| * This fund is new in FY11 . | | | | |
| ** Note that revenues include a $1.8 million transfer from the Administration Fund. | | | | |

In some cases, the funds show a large expenditure that will use a significant portion of the fund balance to achieve the objectives of the fund. For example, in FY11 the Special Events Special Revenue Fund is budgeted to spend far more than it anticipates in revenues because is has a large fund balance. This is appropriate as long as there is a fund balance. Geographic Information System (GIS) data sales are expected to continue to decline as more and more information is made available on the web free of charge.

## THE ADVANCED LAND ACQUISITION REVOLVING FUND (ALARF)

The Advanced Land Acquisition Revolving Fund (ALARF) is used to acquire land needed for public purposes, including parks, roads, school sites, and other public uses. (See pages 372-373 for the discussion of the Advance Land Acquisition Revolving Fund.) There is an ALARF project description form (PDF) in the CIP, but ALARF is also shown in the operating budget because it is a revolving fund, and repayments to the Fund need to be held as an operating budget account.

The intent is for the agency or department that ultimately builds the project to repay ALARF; repayment has not consistently occurred in the past. Although the Fund is a revolving fund, there is frequently a lengthy lapse in time before it is refunded and, in some cases, repayment does not occur. M-NCPPC held on to many millions of dollars in real estate for many years for the Inter-County Connector (ICC) and has finally been repaid by the State. The Fund currently **has a balance of approximately $6,000,000** and has been reduced by $5,000,000 in the past year to fund a transfer to the Building Lot Termination (BLT) program. To provide the appropriation authority, the budget assumes that most of the Fund balance will be spent in FY10. Council approval is still required for each ALARF purchase.

In FY10, the budget submitted by M-NCPPC assumed that most of the balance in the ALARF fund would be spent by the end of the prior fiscal year (FY09). This year's budget shows the full amount being spent in the current year. This change in policy (whether inadvertent or intentional), makes it appear that the fund balance continues to change significantly (see bottom of page 373). The Committee may want to ask M-NCPPC to explain the rationale for the change.

Whenever the Fund drops inappropriately low, M-NCPPC issues new bonds to restore the balance. M-NCPPC last issued $2,000,000 in Advanced Land Acquisition (ALA) bonds in FY05, and debt service began in FY05. For FY10 they recommend debt service of $631,700, a decrease of $17,900 or 2.8%. They are not requesting any change in the property taxes associated with ALARF, the proceeds of which are used to pay debt service (real property tax rate of $0.001 per $100 assessed value and personal property tax rate of $0.003 per $100 assessed value).

**Staff recommends approval of the Advance Land Acquisition request.**

## THE PROPERTY MANAGEMENT FUND

The Property Management Fund provides for the oversight, management, maintenance, administration, and leasing of parkland and facilities located on parkland (see pages 286 and 329). A private property management firm handles the day-to-day management of residential properties, agricultural leases, and a variety of other uses on park land. M-NCPPC projects an increase in revenues of $40,300, but this is based on a decrease in rental income (based on fewer leased facilities and properties) and use of the $250,000 fund balance from the prior year. In addition, the program is supported with the $849,900 from the Park Fund (see page 287). The Executive recommends approval of the Property Management Fund as submitted. The funding request is as follows:

| FY10 and FY11 PROPERTY MANAGEMENT FUND | | | |
|---|---|---|---|
| FY10 Budgeted | FY11 Request | Change from FY10 to FY11 | % Change from FY10 to FY11 |
| $1,026,700 | $1,067,000 | $40,300 | 3.9% |
| 3.5 WY | 3.5 WY | 0 | 0% |

**Staff recommends approval of the Property Management Fund.**

## INTERNAL SERVICE FUNDS

The M-NCPPC budget includes three Internal Service Funds: Risk Management, SilverPlace, and Capital Equipment. Total expenditures for the Risk Management Fund are projected to increase by $164,200, or 4.7%, due to the growth in the Planning Department's contribution, to more closely match the Department's expenditure history (pages 374-375). Expenditures associated with the development of SilverPlace had previously been allocated to the SilverPlace Internal Service Fund (page 377). The proposed budget eliminates all funding for this project.

The Capital Equipment Service Fund was established to provide an economical method of handling large purchases of equipment (see pages 378-379). The Fund spreads the cost of an asset over its useful life instead of burdening any one fiscal year with the expense. Expenditures and revenues in FY11 are projected to decrease from FY10, but the fund is still expected to have a deficit. The Committee may want to ask M-NCPPC staff to address the rationale and impact of this deficit.

| CAPITAL EQUIPMENT INTERNAL SERVICE FUND | | | | |
|---|---|---|---|---|
| | **FY10** | **FY11** | **Change from FY10 to FY11** | **% Change from FY10 to FY11** |
| **Revenues** | 1,869,400 | 1,168,200 | -701,200 | -37.51% |
| **Expenditures** | 2,655,100 | 1,821,500 | -833,600 | -31.40% |
| **Net Revenue** | -785,700 | -653,300 | 132,400 | -16.85% |

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# Maryland-National Capital Park and Planning Commission

## MISSION STATEMENT

The Maryland-National Capital Park and Planning Commission (M-NCPPC) in Montgomery County manages physical growth and plans communities, protects and stewards natural, cultural and historical resources, and provides leisure and recreational experiences.

## BUDGET OVERVIEW

The M-NCPPC was established by the General Assembly of Maryland in 1927. As a bi-county agency, the Commission is a corporate body of, and an agency created by, the State of Maryland. The Commission operates in each county through a Planning Board and, in Montgomery County, a Park Commission. Five board members, appointed by the County Council, serve as the Montgomery County members of the Commission. The Planning Board exercises policy oversight to the Commissioners' Office, the Parks Department, the Planning Department, and Central Administrative Services.

On January 15 each year, M-NCPPC submits to the County Council and the County Executive the M-NCPPC proposed budget for the upcoming fiscal year. That document is a statement of mission and goals, justification of resources requested, description of work items accomplished in the prior fiscal year, and a source of important statistical and historical data. The M-NCPPC proposed budget is available for review in Montgomery County Public Libraries and can be obtained by contacting the M-NCPPC Budget Office at 301.454.1741 or visiting the Commission's website at www.mncppc.org. Summary data only are included in this presentation.

### *Tax Supported Funds*

The M-NCPPC tax supported Operating Budget consists of the Administration Fund, the Park Fund, and the Advance Land Acquisition (ALA) Debt Service Fund. The Administration Fund supports the Commissioners' Office, the Montgomery County-funded portion of the Central Administrative Services (CAS) offices, and the Planning Department. The Administration Fund is supported by the Regional District Tax, which includes Montgomery County, less the municipalities of Barnesville, Brookeville, Gaithersburg, Laytonsville, Poolesville, Rockville, and Washington Grove.

The Park Fund supports the activities of the Parks Department and Park Debt Service. The Park Fund is supported by the Metropolitan District Tax, whose taxing area is identical to the Regional District.

The Advance Land Acquisition (ALA) Debt Service Fund supports the payment of debt service on bonds issued to purchase land for a variety of public purposes. The Advance Land Acquisition Debt Service Fund has a countywide taxing area.

### *Non-Tax Supported Funds*

There are three non-tax supported funds within the M-NCPPC that are financed and operated in a manner similar to private enterprise. These self-supporting operations are the Enterprise Fund, the Property Management Fund, and the Special Revenue Fund.

Grants are extracted from the tax supported portion of the fund displays and displayed in the Grant Fund. The Grant Fund, as displayed, consists of grants from the Park and Administration Funds.

These funds are used to account for the proceeds from specific revenue sources that are legally restricted to expenditures for specific purposes. M-NCPPC is now reporting them in accordance with Statement No. 34 of the Governmental Accounting Standards Board (GASB), issued June 1999. The budgets are associated with Planning and Parks operations throughout the Commission.

### *Spending Affordability Guidelines*

In February 2010, the Council approved FY11 Spending Affordability Guidelines (SAG) of $102,800,000 for the tax-supported funds of the M-NCPPC, which is a 3.6 percent decrease from the $106,646,100 approved FY10 budget. For FY11, the Commission has requested $112,073,100 excluding debt service, $9,273,100 above the total SAG amount of $102,800,000. The County Executive recommends approval of $91,599,090.

The total requested budgets for the Enterprise Fund, Property Management Fund, Special Revenue Funds, ALA Debt Service Fund, and Grant Fund, are $17,533,900, a 2.0 percent decrease from the $17,894,500 total FY10 approved budget. The County Executive recommends approval of $17,472,700.

## Commissioners' Office

The Commissioners' Office supports the five Planning Board members and enhances communication among the Planning Board, County Council, County residents, other governmental agencies, and other Commission departments.

## Planning Department

The Planning Department provides recommendations, information, analysis, and services to the Montgomery County Planning Board (who also serve as the Park Commission), the County Council, the County Executive, other government agencies, and the general public. In addition, the Department is responsible for the preparation of master plans and sector plans which are recommended by the Planning Board and approved by the County Council. The Department reviews development applications for conformance with existing laws, regulations, master plans, and policies and then presents its recommendations to the Planning Board for action. The Department gathers and analyzes various types of census and development data for use in reports concerning housing, employment, population growth, and other topics of interest to the County Council, County government, other agencies, the business community, and the general public.

## Planning Activities

The Planning Activities section recommends plans that sustain and foster communities and their vitality; implements master plans and manages the development process; provides stewardship for natural resources; delivers countywide forecasting, data, and research services; and supports intergovernmental services.

## Central Administrative Services

The mission of the Central Administrative Services (CAS) is to provide effective, responsive, and efficient administrative, financial, human resource, and legal services for the M-NCPPC and its operating departments. Costs of the bi-county CAS office are divided equally between Montgomery and Prince George's Counties.

## Parks Department

The Parks Department provides recommendations, information, analysis, and services to the Montgomery County Planning Board (who also serve as the Park Commission), the County Council, the County Executive, other government agencies, and the general public. The Department also oversees the acquisition, development, and management of a nationally recognized, award winning park system providing County residents with open space for recreational opportunities and natural resources stewardship.

### Montgomery Parks

Montgomery Parks oversees a comprehensive park system of 410 parks of different sizes, types, and functions that feature Stream Valley and Conservation Parks, Regional and Special Parks, and Local and Community Parks. Montgomery Parks serves County residents as the primary provider of open space for recreational opportunities and maintains and provides security for the park system.

## Debt Service - Park Fund

Park Debt Service pays principal and interest on the Commission's acquisition and development bonds. The proceeds of these bonds are used to fund the Local Parks portion of the M-NCPPC Capital Improvements Program.

## Debt Service - Advance Land Acquisition Debt Service Fund and Revolving Fund

The Advance Land Acquisition Debt Service Fund pays principal and interest on the Commission's Advance Land Acquisition bonds. The proceeds of the Advance Land Acquisition bonds support the Advanced Land Acquisition Revolving Fund (ALARF).

ALARF activities include the acquisition of land needed for State highways, streets, roads, school sites, and other public uses. The Commission may only purchase land through the ALARF at the request of another government agency, with the approval of the Montgomery County Council.

## Enterprise Fund

The Enterprise Fund accounts for various park facilities and services which are entirely or predominantly supported by user fees. Recreational activities include: ice rinks, indoor tennis, conference and social centers, boating, camping, and nature center programs. Operating profits are reinvested in new or existing public revenue-producing facilities through the Capital Improvements Program.

## Property Management Fund

The Property Management Fund manages leased facilities located on parkland throughout the County, including single family houses, apartment units, businesses, farmland, and facilities which house County programs.

# COUNTY EXECUTIVE RECOMMENDATIONS

The County Executive's recommended FY11 level of expenditure for M-NCPPC is $91,599,090, 14.1 percent below the FY10 approved budget for tax supported funds, exclusive of debt service. The Executive's recommended total is $11,200,910 or 10.9 percent under Council Spending Affordability Guidelines (SAG).

## Park Fund

The County Executive recommends a Park Fund budget of $68,218,580, excluding debt service. This proposed funding represents a $10,800,520 or 13.7 percent decrease from the FY10 approved budget. The Executive recommends a reduction of $635,000 from the Commission's request for merit increases, a reduction of $1,010,000 for requested General Wage Adjustment increases, and a reduction of $12,936,910 to be determined by the Commission. Park Fund debt service increased by $3,400 from $4,304,400 in FY10 to $4,307,800 in FY11. The level of budget reduction recommended by the County Executive is comparable to the reductions required in the FY11 Recommend Recreation Operating Budget.

## Administration Fund

The County Executive recommends an Administration Fund budget of $23,380,510. This represents a $4,246,490 or 15.4 percent decrease from the FY10 approved budget. The Executive recommends a reduction of $265,700 from the Commission's request for merit increases, a reduction of $401,900 for requested General Wage Adjustment increases, and a reduction of $5,327,700 to be determined by the Commission. The Executive recommends a transfer from the Administration Fund to cover costs in the Special Revenue Fund in the amount of $1,528,000, the same amount as in FY10. The level of budget reductions recommended by the County Executive is comparable to other similar departments in the County's FY11 Operating Budget, including the Offices of the County Executive's 26% decrease.

## ALA Debt Service

The County Executive recommends ALA debt service funding of $631,700 a decrease of $17,900 or 2.8 percent from the FY10 approved budget. The cost decrease is due to lower bond interest.

## Enterprise Fund

The County Executive recommends an Enterprise fund budget of $9,178,600. This represents a $1,196,200 or 11.5 percent decrease from the FY10 approved budget of $10,374,800. The Executive recommends a reduction of $26,600 from the Commission's request for merit increases and a reduction of $34,600 for requested General Wage Adjustment increases.

## Property Management Fund

The County Executive concurs with the M-NCPPC request for funding of $1,067,000. This represents a $40,300 or 3.9 percent increase above the FY10 approved budget of $1,026,700.

## Special Revenue Fund

The County Executive recommends a Special Revenue Fund budget of $6,020,400. This represents a $752,000 or 14.3 percent increase from the FY10 approved budget. The Executive recommends a transfer from the Administration Fund to cover costs in the Special Revenue Fund in the amount of $1,528,000, the same level as FY10, and a transfer of $785,000 from the General Fund to cover costs associated with the maintenance of MCPS Ballfields.

In addition, this agency's Capital Improvement Program (CIP) requires Current Revenue funding.

## PROGRAM CONTACTS

Contact Holly Sun of the M-NCPPC at 301.454.1741 or Amy Wilson of the Office of Management and Budget at 240.777.2775 for more information regarding this agency's operating budget.

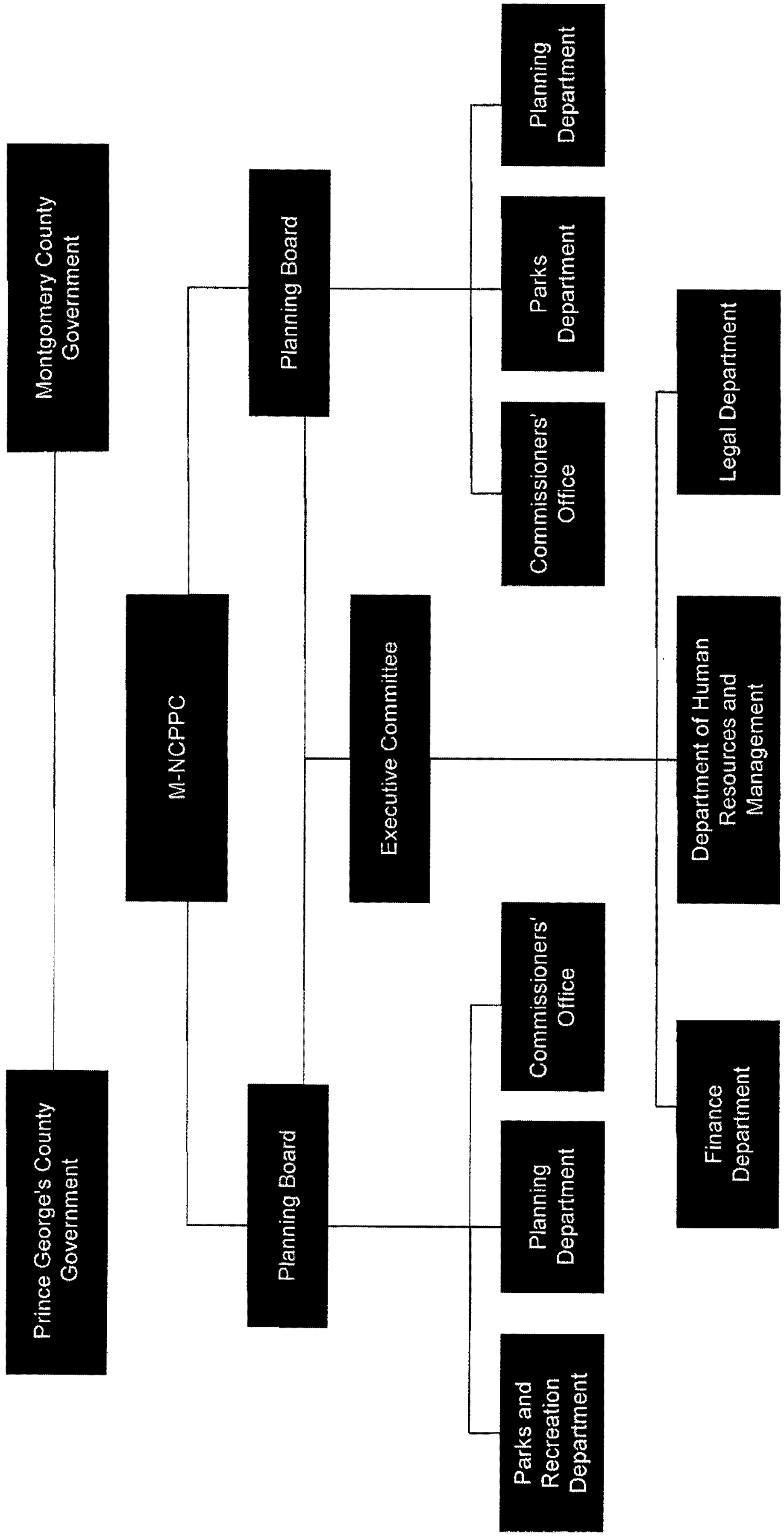
## BUDGET SUMMARY

| | Actual FY09 | Budget FY10 | Estimated FY10 | Recommended FY11 | % Chg Bud/Rec |
|---|---|---|---|---|---|
| **ADMINISTRATION FUND** | | | | | |
| **EXPENDITURES** | | | | | |
| Salaries and Wages | 0 | 0 | 0 | 0 | — |
| Employee Benefits | 0 | 0 | 0 | 0 | — |
| ***Administration Fund Personnel Costs*** | ***0*** | ***0*** | ***0*** | ***0*** | — |
| Operating Expenses | 26,241,385 | 27,627,000 | 26,554,020 | 23,380,510 | -15.4% |
| Capital Outlay | 0 | 0 | 0 | 0 | — |
| ***Administration Fund Expenditures*** | ***26,241,385*** | ***27,627,000*** | ***26,554,020*** | ***23,380,510*** | ***-15.4%*** |
| **PERSONNEL** | | | | | |
| Full-Time | 0 | 0 | 0 | 0 | — |
| Part-Time | 0 | 0 | 0 | 0 | — |
| Workyears | 211.4 | 216.9 | 216.9 | 217.0 | 0.0% |
| **REVENUES** | | | | | |
| Intergovernmental | 868,103 | 0 | 0 | 0 | — |
| Property Tax | 27,503,864 | 27,709,310 | 27,551,330 | 21,657,440 | -21.8% |
| User Fees | 424,484 | 287,500 | 367,250 | 350,000 | 21.7% |
| Investment Income | 201,425 | 90,000 | 30,000 | 90,000 | — |
| Miscellaneous | 0 | 0 | 22,990 | 0 | — |
| ***Administration Fund Revenues*** | ***28,997,876*** | ***28,086,810*** | ***27,971,570*** | ***22,097,440*** | ***-21.3%*** |
| **PARK FUND** | | | | | |
| **EXPENDITURES** | | | | | |
| Salaries and Wages | 0 | 0 | 0 | 0 | — |
| Employee Benefits | 0 | 0 | 0 | 0 | — |
| ***Park Fund Personnel Costs*** | ***0*** | ***0*** | ***0*** | ***0*** | — |
| Operating Expenses | 77,824,224 | 79,019,100 | 76,662,080 | 68,218,580 | -13.7% |
| Debt Service Other | 3,804,650 | 4,304,400 | 4,304,400 | 4,307,800 | 0.1% |
| Capital Outlay | 0 | 0 | 0 | 0 | — |
| ***Park Fund Expenditures*** | ***81,628,874*** | ***83,323,500*** | ***80,966,480*** | ***72,526,380*** | ***-13.0%*** |
| **PERSONNEL** | | | | | |
| Full-Time | 0 | 0 | 0 | 0 | — |
| Part-Time | 0 | 0 | 0 | 0 | — |
| Workyears | 688.2 | 688.5 | 688.5 | 700.6 | 1.8% |
| **REVENUES** | | | | | |
| Property Tax | 76,815,841 | 76,970,290 | 76,531,480 | 69,596,600 | -9.6% |
| Facility User Fees | 1,446,153 | 1,879,800 | 1,729,800 | 1,686,000 | -10.3% |
| Investment Income | 377,695 | 180,000 | 40,000 | 110,000 | -38.9% |
| Investment Income: CIP | 289,009 | 30,000 | 60,000 | 170,000 | 466.7% |
| Intergovernmental | 20,018 | 0 | 0 | 0 | — |
| Miscellaneous | 145,549 | 74,100 | 110,000 | 85,600 | 15.5% |
| ***Park Fund Revenues*** | ***79,094,265*** | ***79,134,190*** | ***78,471,280*** | ***71,648,200*** | ***-9.5%*** |
| **ALA DEBT SERVICE FUND** | | | | | |
| **EXPENDITURES** | | | | | |
| Salaries and Wages | 0 | 0 | 0 | 0 | — |
| Employee Benefits | 0 | 0 | 0 | 0 | — |
| ***ALA Debt Service Fund Personnel Costs*** | ***0*** | ***0*** | ***0*** | ***0*** | — |
| Operating Expenses | 0 | 0 | 0 | 0 | — |
| Debt Service Other | 1,678,914 | 649,600 | 649,600 | 631,700 | -2.8% |
| Capital Outlay | 0 | 0 | 0 | 0 | — |
| ***ALA Debt Service Fund Expenditures*** | ***1,678,914*** | ***649,600*** | ***649,600*** | ***631,700*** | ***-2.8%*** |
| **PERSONNEL** | | | | | |
| Full-Time | 0 | 0 | 0 | 0 | — |
| Part-Time | 0 | 0 | 0 | 0 | — |
| Workyears | 0.0 | 0.0 | 0.0 | 0.0 | — |
| **REVENUES** | | | | | |

| | Actual FY09 | Budget FY10 | Estimated FY10 | Recommended FY11 | % Chg Bud/Rec |
|---|---|---|---|---|---|
| Property Tax | 1,700,802 | 1,800,840 | 1,791,560 | 1,810,670 | 0.5% |
| ***ALA Debt Service Fund Revenues*** | ***1,700,802*** | ***1,800,840*** | ***1,791,560*** | ***1,810,670*** | ***0.5%*** |
| **GRANT FUND MNCPPC** | | | | | |
| **EXPENDITURES** | | | | | |
| Salaries and Wages | 0 | 0 | 0 | 0 | — |
| Employee Benefits | 0 | 0 | 0 | 0 | — |
| ***Grant Fund MNCPPC Personnel Costs*** | ***0*** | ***0*** | ***0*** | ***0*** | — |
| Operating Expenses | 275,448 | 575,000 | 575,000 | 575,000 | — |
| Capital Outlay | 0 | 0 | 0 | 0 | — |
| ***Grant Fund MNCPPC Expenditures*** | ***275,448*** | ***575,000*** | ***575,000*** | ***575,000*** | — |
| **PERSONNEL** | | | | | |
| Full-Time | 0 | 0 | 0 | 0 | — |
| Part-Time | 0 | 0 | 0 | 0 | — |
| Workyears | 0.0 | 0.0 | 0.0 | 0.0 | — |
| **REVENUES** | | | | | |
| Administration Fund Grants | 0 | 150,000 | 150,000 | 150,000 | — |
| Park Fund Grants | 275,448 | 425,000 | 425,000 | 425,000 | — |
| ***Grant Fund MNCPPC Revenues*** | ***275,448*** | ***575,000*** | ***575,000*** | ***575,000*** | — |
| **ENTERPRISE FUND** | | | | | |
| **EXPENDITURES** | | | | | |
| Salaries and Wages | 0 | 0 | 0 | 0 | — |
| Employee Benefits | 0 | 0 | 0 | 0 | — |
| ***Enterprise Fund Personnel Costs*** | ***0*** | ***0*** | ***0*** | ***0*** | — |
| Operating Expenses | 7,736,407 | 9,068,820 | 7,976,300 | 7,903,500 | -12.8% |
| Debt Service Other | 1,321,567 | 1,305,980 | 1,298,300 | 1,275,100 | -2.4% |
| Capital Outlay | 0 | 0 | 0 | 0 | — |
| ***Enterprise Fund Expenditures*** | ***9,057,974*** | ***10,374,800*** | ***9,274,600*** | ***9,178,600*** | ***-11.5%*** |
| **PERSONNEL** | | | | | |
| Full-Time | 0 | 0 | 0 | 0 | — |
| Part-Time | 0 | 0 | 0 | 0 | — |
| Workyears | 104.6 | 113.1 | 113.1 | 110.9 | -1.9% |
| **REVENUES** | | | | | |
| Intergovernmental | 82,249 | 0 | 0 | 0 | — |
| Rentals | 2,419,036 | 2,691,300 | 2,502,400 | 2,586,400 | -3.9% |
| Fees and Charges | 5,456,653 | 6,542,800 | 6,097,200 | 6,372,000 | -2.6% |
| Merchandise Sales | 651,471 | 797,400 | 630,900 | 761,200 | -4.5% |
| Concessions | 88,899 | 88,000 | 49,500 | 88,500 | 0.6% |
| Non-Operating Revenues/Interest | 49,735 | 50,000 | 20,900 | 30,000 | -40.0% |
| ***Enterprise Fund Revenues*** | ***8,748,043*** | ***10,169,500*** | ***9,300,900*** | ***9,838,100*** | ***-3.3%*** |
| **PROP MGMT MNCPPC** | | | | | |
| **EXPENDITURES** | | | | | |
| Salaries and Wages | 0 | 0 | 0 | 0 | — |
| Employee Benefits | 0 | 0 | 0 | 0 | — |
| ***Prop Mgmt MNCPPC Personnel Costs*** | ***0*** | ***0*** | ***0*** | ***0*** | — |
| Operating Expenses | 906,037 | 1,026,700 | 775,600 | 1,067,000 | 3.9% |
| Capital Outlay | 0 | 0 | 0 | 0 | — |
| ***Prop Mgmt MNCPPC Expenditures*** | ***906,037*** | ***1,026,700*** | ***775,600*** | ***1,067,000*** | ***3.9%*** |
| **PERSONNEL** | | | | | |
| Full-Time | 0 | 0 | 0 | 0 | — |
| Part-Time | 0 | 0 | 0 | 0 | — |
| Workyears | 3.5 | 3.5 | 3.5 | 3.5 | — |
| **REVENUES** | | | | | |
| Investment Income | 29,818 | 25,000 | 0 | 0 | — |
| Rental Income | 876,219 | 1,001,700 | 766,600 | 807,000 | -19.4% |
| ***Prop Mgmt MNCPPC Revenues*** | ***906,037*** | ***1,026,700*** | ***766,600*** | ***807,000*** | ***-21.4%*** |
| **SPECIAL REVENUE FUNDS** | | | | | |
| **EXPENDITURES** | | | | | |
| Salaries and Wages | 0 | 0 | 0 | 0 | — |
| Employee Benefits | 0 | 0 | 0 | 0 | — |
| ***Special Revenue Funds Personnel Costs*** | ***0*** | ***0*** | ***0*** | ***0*** | — |
| Operating Expenses | 3,971,292 | 5,268,400 | 4,875,500 | 6,020,400 | 14.3% |
| Capital Outlay | 0 | 0 | 0 | 0 | — |
| ***Special Revenue Funds Expenditures*** | ***3,971,292*** | ***5,268,400*** | ***4,875,500*** | ***6,020,400*** | ***14.3%*** |

| | Actual FY09 | Budget FY10 | Estimated FY10 | Recommended FY11 | % Chg Bud/Rec |
|---|---|---|---|---|---|
| **PERSONNEL** | | | | | |
| Full-Time | 0 | 0 | 0 | 0 | — |
| Part-Time | 0 | 0 | 0 | 0 | — |
| Workyears | 38.5 | 27.1 | 27.1 | 27.5 | 1.5% |
| **REVENUES** | | | | | |
| Intergovernmental | 575,692 | 545,800 | 545,800 | 1,330,800 | 143.8% |
| Miscellaneous | 306,804 | 0 | 0 | 0 | — |
| Investment Income | 65,103 | 10,000 | 10,000 | 30,000 | 200.0% |
| Service Charges | 1,725,081 | 2,398,000 | 1,786,300 | 2,572,400 | 7.3% |
| ***Special Revenue Funds Revenues*** | ***2,672,680*** | ***2,953,800*** | ***2,342,100*** | ***3,933,200*** | ***33.2%*** |
| **DEPARTMENT TOTALS** | | | | | |
| **Total Expenditures** | **123,759,924** | **128,845,000** | **123,670,800** | **113,379,590** | **-12.0%** |
| **Total Full-Time Positions** | **0** | **0** | **0** | **0** | — |
| ***Total Part-Time Positions*** | ***0*** | ***0*** | ***0*** | ***0*** | — |
| ***Total Workyears*** | ***1,046.2*** | ***1,049.1*** | ***1,049.1*** | ***1,059.5*** | ***1.0%*** |
| ***Total Revenues*** | ***122,395,151*** | ***123,746,840*** | ***121,219,010*** | ***110,709,610*** | ***-10.5%*** |

# Maryland-National Capital Park and Planning Commission



THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

6611 Kenilworth Avenue • Riverdale, Maryland 20737

Office of the Chairman of the Montgomery County Planning Board

MEMORANDUM

April 5, 2010

TO: Planning, Housing and Economic Development Committee
Marlene Michaelson, Senior Legislative Analyst

FROM: Royce Hanson, Chairman, Montgomery County Planning Board

SUBJECT: Materials for Budget Work Session

In preparation for the upcoming work session on April 12th, the Planning Board directed each department to develop a list of non-recommended reductions to meet the County Executive's target funding level for the Commission's FY11 Proposed Budget. The attachments to this transmittal letter provide the responses to questions prepared by each department.

The Planning Board fully understands the fiscal challenges faced by the County, and we are prepared to work together with the PHED Committee and the Council to achieve a responsible level of reductions. However, the recommendation by the County Executive will cause a severe impact on core services by eliminating and/or delaying major Council directed planning initiatives which are necessary for future economic development, cut operating and maintenance efforts to levels that will result in a significant deterioration of our park system, and cripple our administrative corporate offices' ability to provide mandated services. These reductions will be painful for the residents we serve, the communities for which we plan, and our dedicated work force that has delivered services with shrinking resources as partners in meeting savings plans on a consistent basis in the past few years.

On January 15th, the Planning Board submitted a fiscally prudent budget that is designed to maintain services at a level lower than a few years ago, but largely comparable to its FY10 budget. The proposal tentatively included COLA and merit increases based on two ratified contracts. Other increases were limited to mandated cost increases, such as annualization and benefits growth. The Commission's proposed FY11 budget assumed no pre-funding for Other Post-Employment Benefits (OPEB) for a second year. The Commission also temporarily relaxed the 80%-120% market value corridor thereby contributing less to the pension fund than the level recommended by actuaries in response to the recognized need to constrain the budget. In recent years, our departments have implemented various cost-saving strategies including organizational restructuring, retirement incentives, streamlining processes, and significantly reduced non-discretionary spending, which limit the ability to absorb further reductions without devastating service implications.

On March 15th, the Montgomery County Executive released his recommended funding level for FY11. The recommended funding level for the Commission represents **the deepest** reduction of all government entities with a reduction target of 14.1% below its FY10 budget, excluding reserves, debt services and grants (Administration Fund: -15.4%: Park Fund: -13.7%). The reduction is more than double the recommended reduction level for the County Government's tax-supported funds (-6.1%), and more than three times the recommended reduction levels for the Board of Education (-3.9%) and the Community College (-3.8%) on a percentage basis.

The County Executive's proposal represents a reduction of $20.5 million, or 18.3% (Administration Fund: -20.3%; Park Fund: -17.5%) from the Commission's proposed FY11 budget. The Commission's budget was only $106.6 million in FY10, equivalent to only 3% of the total Montgomery County budget including all entities. A reduction this deep provides very limited help in closing a nearly $780 million projected budget gap and will cause a devastating impact to the Commission's delivery of mandated core services established under State law.

The County Executive's recommendations will have severe and long-term implications on the Planning Department. The work of the Department is crucial for the County to continue and sustain its high qualify of life. Planning provides the cornerstone for job creation, economic development, housing and retail development, public health, and transportation planning. If approved by Council, almost every work program of the Planning Department will be reduced, delayed, or eliminated. This includes much needed outreach and information services, studies and analyses as well as new plans such as White Flint II, Glenmont, and Chevy Chase Lake. Protected is the long-overdue Zoning Code Revision which is well underway.

The Department of Parks has continued to operate at a reduced level of funding since FY09 while the park system continues to grow. Parks are a critical factor to the health and economic welfare of the residents of the County. To reach a funding reduction of this magnitude, the Department will be forced to substantially reduce park services, resulting in unsightly park areas, degradation of amenities, and further increases in the backlog of deferred maintenance. Stewardship of natural and cultural resources will be curtailed for non-native invasive treatments, deer management and reforestation efforts. Capital Improvement Projects to add new amenities or expand existing parks will be postponed. Park planning efforts like the Ovid Hazen Wells Recreational Park Master Plan will be deferred. Although safety will remain a priority, parks or facilities not meeting safety standards will ultimately be closed.

The level of reduction in the Central Administrative Services (CAS) departments, the employees of which serve both counties, will result in a serious decline in the mandated financial, legal and human resources services provided to the Prince George's County Planning Department and the Parks and Recreation Department as well. The attached letter from the Chairman of the Prince George's County Planning Board expresses the concerns of their Board related to the potential weakening of the corporate core which puts the organization as a whole at risk.

The non-recommended reductions include freezing vacant positions, eliminating contract employees, **eliminating COLA and merit increases for all employees** (subject to labor renegotiations), a **10-days furlough**, various other cost-saving strategies and **197 current employees (calculated based on average salary) could lose their jobs.** The anticipated level of Reduction in Force (RIF) represents one of every five employees in the existing work force on top of budgeted lapse. The number of Commission employees losing their jobs will be close to that of the entire Montgomery County Government, whose tax-supported budget is almost 13 times that of the Commission.

We recognize the extremely difficult fiscal situation and are willing to take major steps to cut expenditures and contribute our fair share in helping to address the County's fiscal challenge. However, we believe core services provided by the Commission to the counties under Article 28 should not be compromised to this extent. Our organization is comparatively small consisting of mostly personnel costs which limits our flexibility. We do not agree that shouldering a significantly higher reduction target in terms of percentage is a fair and reasonable manner in which to meet those challenges. We ask that the Council carefully consider the potential impact of the Executive's Recommendation and arrive at a more balanced approach to setting the Commission's FY 11 spending level.

We look forward to the opportunity to work with the PHED Committee and the Council to develop a more acceptable reduction level and budget plan.

Attachments

1. Letter from Prince George's County Planning Board
2. Response from the Commissioners' Office
3. Response from Central Administrative Services Departments
4. Response from Planning Department
5. Response from Department of Parks

April 5, 2010

TO: Planning, Housing and Economic Development Committee
Marlene Michaelson, Senior Council Analyst

VIA: Mike Riley, Deputy Director of Parks
Mary Ellen Venzke, Chief, Management Services

FROM: Karen Warnick, Budget Manager

SUBJECT: Budget Worksession

Below please find the Department of Parks' responses to Council Staff questions in preparation for the budget worksession of April 19:

1. **What cuts would be necessary to meet the Executive recommended budget? What is the impact of those cuts on work program, quality of service, etc?**

In consideration of the economic climate, for FY11, the Department of Parks submitted a reduced services budget of $82,729,300 with significant reductions in supplies, materials, contract services costs and minimal funding for new unfunded obligations. This proposed budget was not sufficient to meet current needs and did not address the growing backlog of maintenance. Currently, there is a backlog of more than 1,100 maintenance work orders, 138 major maintenance orders, and 890 tree maintenance orders.

In addition, each year the park system continues to grow by adding new parkland (either through dedication, donation, or purchase) with increased management responsibilities such as mowing, amenities to maintain, and resources to protect. The proposed FY11 budget does not provide the resources needed to properly maintain the growing park inventory, and puts us further behind on existing parks.

The FY11 proposed budget assumes a 7.5% lapse or 52.25 work years, the same as in FY10. This is higher than the normal attrition rate and has required the Department to have a modified hiring freeze for the past year. In addition, both the FY10 adopted and the FY11 proposed budget holds 14 positions unfunded from the FY09 Retirement Incentive program.

The FY09 and FY10 adopted budgets were significantly lower than requested and kept our work program below the maintenance level of a comprehensive park system. In addition, mid-year savings plans were implemented both years which further eroded the Department's ability to provide quality park amenities. The Department reduced efforts in technology initiatives, staff training, professional contracts, support to outside organizations for events, horticulture annual plantings, and select services for managed community open space, such as routine maintenance and repairs, litter control and patrols in urban and neighborhood parks. Recently, the Department closed 11 park activity buildings to meet the 2nd FY10 savings plan reduction.

A major obstacle for the Department is that regardless of priority level, most of the Department's amenities are not able to be closed (ball fields, play grounds, trails, etc.). To "close" them would mean fencing them off from the patrons which would diminish residents' use of the parks and would come at a cost for the fencing materials, increased police patrols, and some continued maintenance thereby rendering minimal savings.

In addition, temporarily suspending the funding for a year or two for some projects, such as the deer management or the non-native invasive programs, would be detrimental and undermine much of the progress that has been gained in recent years. Closing some facilities even for a short period of time, such as the public gardens, would create a situation where staff would have to start over again when/if the facility reopened.

Safety is a top priority to the Department of Parks. As staff is stretched to perform mandated regulatory work, visitor safety may be compromised because of deferred maintenance. Under the County Executive's recommended budget, park benches, picnic tables and playground components not meeting safety standards will not be replaced or repaired, but rather will be removed. Some areas may be abandoned as active recreation areas as they deteriorate to the point of being unusable.

For FY11, the County Executive's recommendation is 17.5% or $14.5M below the Department's proposed same service level budget. The effect of this funding level would result in the overall degradation of the park system. All non-recommended reductions are identified by line items with impact statements. The detail regarding the non-recommended cuts affecting workyear reductions and accompanied savings[1] will be provided April 9th. It should be noted that reductions in force, if they occur, are conducted in accordance with Commission Merit Rules and Regulations and applicable collective bargaining agreement provisions.

The non-recommended reduction list below starts with measures that while being serious cuts with long term consequences for employees, allow us to keep the work force largely intact so as to be prepared for service demands as the economy rebounds. The remainder are in priority order from least damaging to most damaging to mission and work programs: (Revised chart attached)

| Reduction Item | Savings | Impact |
|---|---|---|
| Cost of Living Adjustment – MCGEO & Non-Represented Employees | $780,000 | Eliminates employee COLA from compensation package for MCGEO and non-represented employees. Elimination of COLA for all employees. Decision on non-represented employees requires approval of County Council. The action for represented employees is subject to labor negotiations. If an agreement cannot be reached with the union, the impact will be to eliminate an equivalent of 18 positions. |

[1] The savings are based on an average salary for the Department of Parks. The Commission's Merit System Rules and Regulations and Collective Bargaining Agreements regarding reductions in force have specific processes including timing requirements and payments for certain benefits which will impact of savings as result of a reduction in force in FY11. Determinations of affected employees are based on reduction in force procedures.

| Reduction Item | Savings | Impact |
|---|---|---|
| | | public's awareness and use of park facilities and services.<br>• Reducing training will limit employees' professional development and will reduce their ability to stay abreast of latest technology and techniques. There also will be lost opportunities for networking and partnering.<br>• Reducing cell phones, couriers, postage, and air cards – This reduction will inhibit communication and will reduce productivity. |
| Furlough | $1,455,000 | All employees will be mandated to take 10 days of leave without pay. This is equivalent to 3.8% of lost productivity to the Department and wages to the employees.<br><br>This reduction would have a broad brushed, cross cutting impact across all work programs. It would require the opening and renegotiation of the FOP contract. |
| Subtotal | $7,720,700 | |
| Additional Program Reductions through an Employee Reduction in Force (RIF) Action | $6,790,020 | Program workyears equivalent to 155 assuming effective date of 9/1/10, unemployment compensation, annual and compensatory leave payouts, and 3 months of health premiums.<br><br>Specific reduction items and impacts will be provided April 9, 2010 after consultation with the Planning Board. |
| | $14,510,720 | |

revised chart attached

Attached is an overview summary table of the reductions.

2. **What are your current vacancies and of those, how many are due to frozen positions and how many are vacant above frozen positions due to normal turnover? How does this compare to the lapse recommendations in the budget?**

The Department Parks Department currently has 66 vacancies. Most positions have been frozen for the majority of the year. Positions deemed critical to operations have been filled internally, resulting in the about the same vacancy rate for the entire year. The 66 vacancies meet the 7.5% lapse (52 WY) proposed in FY11 and 14 vacancies remaining frozen from the FY09 Retirement Incentive. The total forced vacancy rate is close to 9%. Normal attrition has slowed considerably and the average days to fill a position is less than 60 days.

3. **Please provide additional detail on all operating costs comparing key subcategories to last year (support services, supplies and materials, and any other operating costs).**

| TOTAL PARK FUND | FY10 Adopted | FY11 Proposed Operating Budget Changes | FY11 Proposed Unfunded Obligations & OBI | FY11 Proposed | Variance FY10 to FY11 |
|---|---|---|---|---|---|
| Personnel Services | 59,319,600 | 4,214,300 | 875,100 | 64,409,000 | 5,089,400 |
| Supplies & Materials | 7,085,600 | (372,800) | 252,200 | 6,965,000 | (120,600) |
| Other Services & Charges | 14,021,100 | (1,421,600) | 53,300 | 12,652,800 | (1,368,300) |
| Capital Outlay | 709,900 | (35,100) | 125,000 | 799,800 | 89,900 |
| Chargebacks | (2,117,100) | 19,800 | 0 | (2,097,300) | 19,800 |
| Total Operating | 79,019,100 | 2,404,600 | 1,305,600 | 82,729,300 | 3,710,200 |

Support Services costs have been significantly reduced. Although utility costs have risen due to price increases and new amenities, consumption continues to decline. Gasoline costs have been reduced by 23% partly due to reductions in the fleet and other initiatives to cut costs.

4. **Please provide the updates I ask for each year on the status of the Development review special revenue fund and the Enterprise Fund.**

The Fleet Management Report is attached. The Enterprise Report will be delivered April 9, 2010.

Attachments (2)

cc: Amy Wilson, OMB

# Montgomery County Department of Parks

**FY11 Proposed Budget** (without reserves, or grants) **$82,729,300**

| | Non-Recommended Reductions in Priority Order from Lowest to Highest | Reduction amount | Running Total of Reductions | Running Reduction Subtotal | # WY Unfunded |
|---|---|---|---|---|---|
| **County Executive Recommended Funding Level of $68,218,580 is 17.5% or $14.5M below FY11 Proposed Budget of $82,729,300** | Current Budgeted Lapse= 7.5% | | | | (52) |
| | Unfunded Positions frozen from FY09 Retirement Incentive | | | | (14) |
| | 1) Savings from COLA Reduction - MCGEO & Non-Represented Career Employees - (18 Equivalent RIF Workyears) | **(780,000)** | (780,000) | 81,949,300 | |
| | 2) Savings from COLA Reduction - FOP Career (5 Equivalent RIF Workyears) | **(230,000)** | (1,010,000) | 81,719,300 | |
| | 3) Savings from Merit Adjustment Reduction MCGEO & Non-Represented Career Employees (13 Equivalent RIF Workyears) | **(573,000)** | (1,583,000) | 81,146,300 | |
| | 2) Savings from Merit Adjustment Reduction - FOP Career (1 Equivalent RIF Workyear) | **(62,000)** | (1,645,000) | 81,084,300 | |
| | 5) Reduce Contribution to Self Insurance Risk Management Fund | **(200,000)** | (1,845,000) | 80,884,300 | |
| | 6) Increase Park Planning & Stewardship Chargeback to CIP (5 Equivalent RIF Workyears) | **(207,500)** | (2,052,500) | 80,676,800 | |
| | 7) Increase Park Development Chargeback to CIP (4 Equivalent RIF Workyears) | **(189,300)** | (2,241,800) | 80,487,500 | |
| | 8) Increase Central Maintenance Chargeback to CIP (8 Equivalent RIF Workyears) | **(332,200)** | (2,574,000) | 80,155,300 | |
| | 9) Eliminate Summer Intern and Employee Recognition Programs | **(151,000)** | (2,725,000) | 80,004,300 | |
| | 10) Forfeit New Positions for Unfunded Obligations (12.72wys) | **(875,000)** | (3,600,000) | 79,129,300 | (13) |
| | 11) Eliminate Capital Outlay Equipment (includes OBI) | **(799,800)** | (4,399,800) | 78,329,500 | |
| | 12) Eliminate or Reduce Supplies and Materials (includes OBI) | **(745,920)** | (5,145,720) | 77,583,580 | |
| | 13) Eliminate or Reduce Contracts and Services (includes OBI) | **(1,909,700)** | (7,055,420) | 75,673,880 | |
| | 14) Reduce Overtime 50% in Maintenance Operations | **(170,000)** | (7,225,420) | 75,503,880 | |
| | 15) Furlough for 10 days | **(1,455,000)** | (8,680,420) | 74,048,880 | |
| | **Workyears unfunded due to Lapse, Retirement Incentive, and Unfunded Obligations** | | | | **(79)** |
| | 16) Eliminate Filled Positions and Associated Costs Through Reduction in Force (RIF) Action | | | | |
| | 16-1) Eliminate Departmental Interoffice Mail Courier Service | **(43,700)** | (8,724,120) | 74,005,180 | (1) |
| | 16-2) Reduce Administrative Support | **(218,500)** | (8,942,620) | 73,786,680 | (5) |
| | 16-3) Suspend Acceptance of New Unsolicited Public Private Partnerships and Stop Work on Unapproved Proposals | **(43,700)** | (8,986,320) | 73,742,980 | (1) |
| | 16-4) Reduce Park Information and Permit Functions. | **(87,400)** | (9,073,720) | 73,655,580 | (2) |
| | 16-5) Reduce Employee Support Programs | **(87,400)** | (9,161,120) | 73,568,180 | (2) |
| | Eliminate Transit Subsidy Program | **(25,000)** | (9,186,120) | 73,543,180 | |
| | 16-6) Reduce Technology Support | **(87,400)** | (9,273,520) | 73,455,780 | (2) |
| | 16-7) Reduce Exhibit Shop Services | **(87,400)** | (9,360,920) | 73,368,380 | (2) |
| | 16-8) Reduce Senior Management | **(131,100)** | (9,492,020) | 73,237,280 | (3) |
| | 16-9) Eliminate Park Ranger Program | **(87,400)** | (9,579,420) | 73,149,880 | (2) |
| | Eliminate Seasonal Park Rangers | **(100,000)** | (9,679,420) | 73,049,880 | |
| | 16-10) Reduce Work on Inter County Connector (ICC) Project | **(43,700)** | (9,723,120) | 73,006,180 | (1) |
| | 16-11) Reduce Historical and Archaeological Functions | **(43,700)** | (9,766,820) | 72,962,480 | (1) |
| | 16-12) Reduce Pope Farm Nursery | **(131,100)** | (9,897,920) | 72,831,380 | (3) |
| | 16-13) Reduce Gardening and Landscape Work | **(437,000)** | (10,334,920) | 72,394,380 | (10) |
| | 16-14) Eliminate Historic Tree Program | **(43,700)** | (10,378,620) | 72,350,680 | (1) |
| | 16-15) Reduce Non-Native Invasive Program | **(43,700)** | (10,422,320) | 72,306,980 | (1) |
| | 16-16) Reduce Operations of Four Nature Centers | **(305,900)** | (10,728,220) | 72,001,080 | (7) |
| | 16-17) Reduce Park Planning Functions | **(87,400)** | (10,815,620) | 71,913,680 | (2) |
| | 16-18) Reduce Resource Analysis | **(43,700)** | (10,859,320) | 71,869,980 | (1) |
| | 16-19) Delay / Defer Approved CIP Projects | **(262,200)** | (11,121,520) | 71,607,780 | (6) |
| | 16-20) Reduce Park Police Horse Mounted Patrols by 50% | **(305,900)** | (11,427,420) | 71,301,880 | (7) |
| | Reduce Park Police Clothing Allowance and Horse Care | **(56,000)** | (11,483,420) | 71,245,880 | |
| | 16-21) Reduce Management and Working Supervisory Functions Associated with Park Maintenance Services | **(393,300)** | (11,876,720) | 70,852,580 | (9) |
| | 16-22) Reduce Deer Management Program | **(43,700)** | (11,920,420) | 70,808,880 | (1) |
| | 16-23) Reduce SmartParks Data Collections and Analysis | **(131,100)** | (12,051,520) | 70,677,780 | (3) |
| | 16-24) Abandon Reformation of Montgomery Parks Foundation | **(43,700)** | (12,095,220) | 70,634,080 | (1) |
| | 16-25) Reduce or Eliminate Specialized Trades Maintenance Work (Carpenters, Plumbers, Electricians, Mechanics, Lock Smith, Alarm Specialist, Radio Operator, Heavy Equipment Operators, and Trades Supervisors) | **(568,100)** | (12,663,320) | 70,065,980 | (13) |
| | 16-26) Reduce Park Police Patrols in Parks | **(524,400)** | (13,187,720) | 69,541,580 | (12) |
| | Reduce Park Police Clothing Allowance | **(12,000)** | (13,199,720) | 69,529,580 | |
| | 16-27) Reduce Park Maintenance | **(1,311,000)** | (14,510,720) | 68,218,580 | (30) |
| | Sub-Total of Positions Eliminated Through RIF Action | **(5,830,300)** | | | (129) |
| | TOTAL REDUCTION | | (14,510,720) | | |

Note: The WY RIF equivalent is calculated based on terminating employees Sept 1, ~~2010~~ and includes unemployment costs, leave payouts, and health premimums.

# Montgomery County Department of Parks – FY11 Budget
## **Non-Recommended Reductions** in Priority Order from Lowest to Highest

| Non-Recommended Reduction Item | Savings | WY Reduction | WY Remaining | Impact |
|---|---|---|---|---|
| 1) Cost of Living Adjustment MCGEO & Non-Represented Employees | $780,000 | | | Eliminates employee COLA from compensation package for MCGEO and non-represented employees. This reduction would require the opening and renegotiation of the MCGEO contract. If an agreement cannot be reached with the union, the impact will be to eliminate an equivalent of 18 positions. |
| 2) Cost of Living Adjustment FOP Employees | $230,000 | | | Eliminates employee COLA from compensation package for FOP employees. This reduction would require the opening and renegotiation of the FOP contract. If an agreement cannot be reached with the union, the impact will be to eliminate an equivalent of 5 positions. |
| 3) Merit Increases MCGEO & Non-Represented Employees | $573,000 | | | Eliminates annual increases for employees who receive appropriate rating levels and who have not reached the top of the pay grade. This reduction would require the opening and renegotiation of the MCGEO contract. If an agreement cannot be reached with the union, the impact will be to eliminate an equivalent of 13 positions. |
| 4) Merit Increases – FOP Employees | $62,000 | | | Eliminates annual increases for employees who receive appropriate rating levels and who have not reached the top of the pay grade. This reduction would require the opening and renegotiation of the FOP contract. If an agreement cannot be reached with the union, the impact will be to eliminate an equivalent of 1 position. |
| 5) Reduce Contribution to Self Insurance Risk Management Fund | $200,000 | | | The Department provides an annual contribution to the Risk Management Fund based on actual and anticipated claims. The Finance Department has agreed to lower the FY11 contribution, hence, lower the reserve available for future claims resulting from accidents in parks. Should the actual reserves be insufficient to cover claims, the Department will have an increased exposure for risk. This may also have an effect on the reserve available for FY12, thereby, resulting in a larger contribution to restore the reserves to an acceptable balance. |
| 6) Increase Park Planning & Stewardship Chargeback to the Capital Improvements Program (CIP) | $207,500 | | | Increased CIP chargebacks for direct work on Legacy and restoration of historic structures. The impact will be less funding available for acquisitions and stabilization costs. |
| 7) Increase Park Development Chargeback to CIP | $189,300 | | | Increased CIP chargebacks similar to those used in County government. The impact is less funding available for unforeseen construction costs. |

| Non-Recommended Reduction Item | Savings | WY Reduction | WY Remaining | Impact |
|---|---|---|---|---|
| 8) Increase Central Maintenance Chargeback to CIP | $332,200 | | | Central Maintenance provides services to CIP in lieu of hiring outside contractors. This would shift the work program of the trade's unit and dedicate more man hours to the CIP. Increasing the amount of work that Central Maintenance charges to the CIP would reduce the number of employees available to perform trades work on Park facilities. This would increase the deferred non-capital major maintenance backlog by approximately 50 work requests for an estimated backlog of approximately 188. |
| 9) Eliminate Summer Intern and Employee Recognition Programs | $151,000 | | | Support Services includes funding for a Collegiate Summer Intern Program and Employee Recognition cash awards for outstanding work accomplishments. This would eliminate these programs in their entirety. Eliminating the Intern Program would remove funding to attract potential future candidates in the park programming and management fields. This program has been highly successful. The projects planned in the summer of FY11 included: programming at Brookside Gardens and tree programs, park planning projects, developing and conducting park user surveys, standardization of budget impact costs of new parks and facilities, and various technology projects.<br><br>The Employee Recognition Program is one of the few tools available to encourage and reward outstanding accomplishments for services provided in the parks. Employees are frequently faced with emergency situations related to weather or patrons in the parks. Eliminating funding to reward dedicated service will have a negative impact on employee morale and management's ability for positive reinforcement. |
| 10) Forfeit New Positions for Unfunded Obligations and New Parks and Facilities (12.72 budgeted WYs) | $875,000 | | | The proposed budget included the funding required to adequately address increased maintenance and patrols for new parks and facilities that have opened or will open by FY11. The new parks and facilities are added through the CIP and through dedications of developer-built parks and amenities. The new parks and facilities that have opened or will open soon are:<br><br>Elmhirst Neighborhood Park<br>Takoma-Piney Branch Local Park<br>Cabin John and Olney Manor Dog Parks<br>Woodstock Equestrian Center<br>Aurora Hill Local Park<br>Dowden's Ordinary<br>Clarksburg Greenway<br>Clarksburg Village North Local Park<br>Northwest Branch SVU Trail Connector |

| Non-Recommended Reduction Item | Savings | WY Reduction | WY Remaining | Impact |
|---|---|---|---|---|
| | | | | In addition, the Department must implement a series of new best management practices to address the legally mandated National Pollutant Discharge Elimination System (NPDES) regulatory requirements.<br><br>These new unfunded obligations continue to add to the work program and require additional resources to adequately maintain the existing and new facilities within the park inventory.<br><br>The impact is there will be no new staff to take care of the new parks or unfunded legal mandates. By eliminating the personnel costs associated with the unfunded obligations and new park facilities, the workload for existing park maintenance crews and park police patrol units will be stretched. There will be a reduction in maintenance frequency and quality as current staff maintains the existing parks and amenities as well as the new ones. There will be an increase in the maintenance backlog to accommodate new requirements and a decrease in the frequency of police patrols.<br>The increased work to meet the mandated NPDES requirements is estimated at 4 work years and without those new positions, increased pressure will be placed on staff that provide environmental stewardship functions. Staff will be diverted from other projects to meet this requirement. |
| 11) Eliminate Capital Outlay Equipment (includes OBI) | $799,800 | | | Eliminate all planned purchases over $5,000 to replace mowers, trailers, bleachers, fencing, and provide technology enhancements. This would be the 2nd year without maintenance equipment replacements. Equipment which is nearing, or has already reached, the end of its useful life will remain in service. Because of the age and condition of the equipment, downtime will increase and the cost of keeping these pieces in service will increase dramatically. In some cases, replacement parts may no longer be available.<br>This would also eliminate funding to buy new park police vehicles for anticipated new police officers for additional park facilities.<br><br>Without adequate equipment available, mowing and park maintenance will be delayed, resulting in less than desirable conditions in the parks. The maintenance crews will be less effective and efficient using outdated equipment and tasks, such as mowing, will take longer to perform. Ultimately, operator safety will be a factor unless obsolete equipment is removed from service. Delaying technology enhancements will cause a drain in productivity and unscheduled downtime due to outdated technology. |

| Non-Recommended Reduction Item | Savings | WY Reduction | WY Remaining | Impact |
|---|---|---|---|---|
| 12) Eliminate or Reduce Supplies and Materials (includes OBI) | $745,920 | | | This action will reduce or eliminate supplies and maintenance materials across all of the program work elements. It includes office supplies, maintenance materials, obsolete furniture replacements, computer and printer replacements, and smaller maintenance equipment. It would also reduce some of the maintenance supplies requested to accommodate new facilities (OBI).<br><br>Some of the significant impacts are:<br>1. Delay computer and laptop purchases/upgrades – computers and printers will be held passed their normal replacement cycles and less efficient.<br>2. Reduce supplies for new community garden program – limit expansion of this popular program.<br>3. Reduce/eliminate small maintenance equipment purchases – increase downtime, reduce frequency of maintenance in parks, and decrease worker safety by using aging equipment.<br>4. Reduce or eliminate the fertilizers and pest management for turf areas – increase weeds, erosion, and soil compaction and decrease the condition of turf areas resulting in poor conditions on athletic fields and community open space areas.<br>5. Reduce supplies for the new tree program (gator bags and liners) – decrease the chance of survival of new trees on parkland.<br>6. Reduce or eliminate participation in special events – reduce the number of diversity events offered by the Department and participation in public events and Montgomery County Fair.<br>7. Reduce office supplies and eliminate replacement of outdated office furniture – reduced productivity and potential injury from non-ergonomic furniture. |
| 13) Eliminate or Reduce Contracts and Services (includes OBI) | $1,909,700 | | | Cancel or reduce repair, maintenance and service contracts in many of the program work elements. Many of the services will be performed by existing staff in lieu of contractors.<br>In many instances, staff will be redirected to perform necessary tasks which may limit our ability to respond to unforeseen events, emergencies and customer requests in a timely manner.<br>Some of the significant program impact areas:<br>• Defer the Forward Looking Infra Red (FLIR) survey of white-tailed deer populations in select county parks. The data collected from FLIR surveys help staff understand the density and distribution of white-tailed deer in county parks. FLIR data are critical to establishing |

| Non-Recommended Reduction Item | Savings | WY Reduction | WY Remaining | Impact |
|---|---|---|---|---|
| | | | | scientifically based population management goals. This proposed reduction will negatively impact the Department's ability to successfully manage white-tailed deer.<br>• Reduce areas of non-native invasive plant management - Populations of non-native invasive plants are actively managed in the park systems' natural areas. The proposed reductions will hasten on-going degradation of our highest quality natural resources. This setback will allow non-native invasive plants to re-grow in areas that received treatment during the past two years thereby negating the positive benefits of previous management efforts. Experience has shown that three years of successive treatment are required for a sustained positive benefit to native plant populations.<br>• Reduce the contract for caring of historic trees – Reducing the care of historic and champion trees may result in a reduced life span and possible loss of some historic trees. Eliminating the contract for lightning protection increases the risk of lightning striking historic trees and eliminates the funding to extend cable and rods to existing protected trees.<br>• Eliminate contract for tree maintenance along parkways - This will limit the Department's ability to maintain trees on a 3 year cycle along busy parkways, thereby increasing the potential for road blockage, vehicle damage and personal injury along heavily used roadways.<br>Reduce the tree growing program - This will reduce the availability of quality trees for reforestation, replacement, and new parks. The Department will have to purchase available tree stock from vendors. Vendors may not have needed plants in their inventory.<br>• Eliminate all portable toilet rentals – This will result in inconvenience to park patrons and ball field users.<br>• Reducing contract for fence repairs – This contract repairs fences that are not large enough to qualify for the CIP. The fences that need repair are often rusty, jagged, with insecure poles or attachment points, which may create a safety hazard with sharp and dangerous edges. The bottoms of fences often curl up, resulting in a sharp edge at ankle level.<br>• Defer ballfield renovations - This contract supplements the work done through the CIP. The ballfields have significant erosion problems or are worn out such that the surface is uneven and may contribute to player injuries. |

| Non-Recommended Reduction Item | Savings | WY Reduction | WY Remaining | Impact |
|---|---|---|---|---|
| | | | | • Eliminating custodial contracts in at least 6 staff office buildings and 19 public use buildings - By eliminating these contracts, park maintenance staff will be diverted from daily general park maintenance further stretching staff workloads and contributing to the overall degradation of parks.<br>• Eliminating Integrated Pest Management (IPM) scouting contract – This contract proactively inspects for pests to determine the type of pest and the extent of infestation allowing staff to apply a specific type and amount of pesticide for the situation. By eliminating this contract, staff will have to broadly apply pesticides to ensure the any infestation does not spread. This will reverse the progress the Department has made to meet the mandate to significantly reduce the amount of pesticides used in the parks.<br>• Eliminate facility assessment contract – This is a multi-year, multi-facility contact to assess the short and long term capital needs and life cycle replacement needs. Eliminating this contract will stall the Department's progress on understanding the infrastructure needs of the facilities and amenities.<br>• Reduce architectural services for historic properties – Reducing this contract will extend the time to stabilize, repair, and interpretively program significant County cultural resources. This may result in the continued deterioration by neglect of these historic facilities.<br>• Reduce or eliminate production of park publications and maps – Reducing publications will decrease the public's awareness and use of park facilities and services.<br>• Reducing training will limit employees' professional development and will reduce their ability to stay abreast of latest technology and techniques. There also will be lost opportunities for networking and partnering.<br>• Reducing cell phones, couriers, postage, and air cards – This reduction will inhibit communication and will reduce productivity. |
| 14) Reduce Overtime 50% in Maintenance Operations | $170,000 | | | Emergencies events will be responded to the next working day or by supervisors on flex time. |
| 15) Furlough | $1,455,000 | | | All employees will be mandated to take 10 days of leave without pay. This is equivalent to 3.8% of lost productivity to the Department and wages to the employees.<br>This reduction would have a broad brushed, cross cutting impact across all work programs. It would require the opening and renegotiation of the FOP contract. |

| Non-Recommended Reduction Item | Savings | WY Reduction | WY Remaining | Impact |
|---|---|---|---|---|
| **16) Additional Program Reductions through an Employee Reduction in Force (RIF) Action and Associated Costs** | **$5,874,000** (Broken Out by Specific Programs Below) | | | **Program workyears equivalent assuming effective date of 9/1/10, unemployment compensation, annual and compensatory leave payouts, and 3 months of health premiums.** |
| 16-1) Eliminate Departmental Interoffice Mail Courier Service (Cross Cutting) | $43,700 | 1 | 0 | Less timely delivery of paper documents across 28 locations decreasing efficiency in processing financial transactions, personnel actions, contracts, and legal documents. Staff/managers will be diverted from other functions. |
| 16-2) Reduce Administrative Support (Cross Cutting) | $218,500 | 5 | 16.5 | As work force reduces, fewer administrative services will be necessary and resources will be spread throughout the Department. Managers will spend more time on clerical duties. Reduced response time to public. |
| 16-3) Suspend Acceptance of New Unsolicited Public Private Partnerships and Stop Work on Unapproved Proposals (Management & Administration) | $43,700 | 1 | 1 | Potentially forfeits non-tax supported revenue for capital projects and additional amenities in parks. |
| 16-4) Reduce Park Information and Permit Functions (Park Services) | $87,400 | 2 | 5 | Response time to citizen phone calls will increase. Longer lead time for park reservations. Reduced hours for customer service. Reduce ability to provide documentation, informational materials, park signage, brochures, and joint Park and Recreation program guide. |
| 16-5) Reduce Employee Support Programs (Management & Administration) | $87,400 | 2 | 2 | Compromises the quality assurance monitoring of employee evaluations, personnel actions, and Commission mandated employee programs such as Defensive Driving, fingerprinting, First Aid/CPR. The transit subsidy will be eliminated. |
| Eliminate Transit Subsidy Program (Cross Cutting) | $25,000 | | | Discontinue Transit program. May result in some employees not using public transportation. |
| 16-6) Reduce Technology Support (Cross Cutting) | $87,400 | 2 | 6 | Substantially reduces support for technology causing downtime of computers and printers impacting employee productivity. |
| 16-7) Reduce Exhibit Shop Services (Park Services) | $87,400 | 2 | 2 | Fewer new exhibits/displays. Existing exhibits would have to be maintained by contractor or would have to be removed. Reduce signage for parks and facilities. Support for Brookside Gardens and Nature Centers reduced or eliminated. |

| Non-Recommended Reduction Item | Savings | WY Reduction | WY Remaining | Impact |
|---|---|---|---|---|
| 16-8) Reduce Senior Management (Cross Cutting) | $131,100 | 3 | 12 | Stretched leadership during a particularly challenging time period will compromise ability to achieve greater efficiencies of the workforce. Capability to maintain a clear vision and priorities for the Department of Parks may be compromised. The ability to effect organizational change will be compromised. Responsiveness to community, civic leaders, and elected officials will decline. The ability for early problem solving before complex issues become major liabilities will be compromised. An increased span of control will make senior managers less accessible to mid-level managers and staff, occasionally resulting in an absence of clear direction. |
| 16-9) Eliminate Park Ranger Program (Park Services) | $87,400 | 2 | 0 | Eliminate Park Rangers, hotspot patrols, compliance patrols, permit checks, and ranger education. Response to ballfield complaints will be delayed. These functions will be absorbed as time permits by Park Police Officer patrols. Increased complaints regarding permit violations in local parks. Control of feral animals will be eliminated. |
| Eliminate Seasonal Park Rangers (Park Services) | $100,000 | | | |
| 16-10) Reduce Work on Inter County Connector (ICC) Project (Stewardship of Natural & Cultural Resources) | $43,700 | 1 | 0 | The Department is required to review 45 ES/CM ICC projects that impact parks; review work will be distributed among existing engineering staff, delaying CIP projects and decreasing CIP implementation rate |
| 16-11) Reduce Historical and Archaeological Functions (Stewardship of Natural & Cultural Resources) | $43,700 | 1 | 4.7 | Planned archaeological fields investigations at the Josiah Henson site, Needwood Mansion, Oakley Cabin, Blockhouse Point, and the Darby Store will not take place. The GIS layer that contains archaeological sites in parks will not be updated and maintained on a regular basis. Interpretive plans for Oakley Cabin, Zeigler Log House, Darby Store, and Newmantown (at the Agricultural History Farm Park), will not be completed. The volunteer archaeology program will be scaled back 50%. The review of archaeological issues associated with area master plans, mandatory referrals, park master plans, park development projects, and a variety of permits will largely cease. |
| 16-12) Reduce Pope Farm Nursery (Stewardship of Natural & Cultural Resources) | $131,100 | 3 | 4 | Less trees and plants available for reforestation and new park projects. Aftercare of new plantings will be compromised resulting in reduced life expectancy of plants and trees. Greenhouses will remain closed with no annual plantings in parks. |

| Non-Recommended Reduction Item | Savings | WY Reduction | WY Remaining | Impact |
|---|---|---|---|---|
| 16-13) Reduce Gardening and Landscape Work (Cross Cutting) | $437,000 | 10 | 5 | Trees, shrubs, and landscapes will deteriorate in the parks and at public gardens. Horticultural consultations will be eliminated. Operational plans and coordination of regional tree planting operations and aftercare will be discontinued. Regional oversight and management of bio-retention storm water facilities will be reassigned to another division or eliminated. Oversight of pesticide management programs will be impacted and possibly discontinued. Non-native invasive vegetation will spread quickly across unmaintained areas. The sustainable landscape program will be eliminated, creating unattractive and unkempt areas within the parks. Trees and shrubs that die will not be replaced. |
| 16-14) Eliminate Historic Tree Program (Stewardship of Natural & Cultural Resources) | $43,700 | 1 | 0 | Possible loss of champion and historic trees. |
| 16-15) Reduce Non-Native Invasive Program (Stewardship of Natural & Cultural Resources) | $43,700 | 1 | 2.6 | Non-native invasive vegetation will spread quickly across unmaintained areas. Maintenance staff will be unable to respond to citizens regarding non-native invasives on private property. Poison Ivy, mosquitoes, and ticks will increase in numbers. Parks will look unattractive. Trees will be burdened with vines. |
| 16-16) Reduce Operations of Four Nature Centers (Stewardship of Natural & Cultural Resources) | $305,900 | 7 | 11 | Environmental education, a core function, will be largely eliminated. Educational programs provided to Title I schools will decreased or be eliminated. Special events and popular children's programs will be cut back. Weekend programming and trips will be reduced. Reduced hours of operation and/or number of days facilities are open each week. Some animal care and associated programs will be discontinued. Raptors and other animals at Nature Centers will be relocated outside the park system. Wildlife management including bluebird monitoring and the associated oversight will be discontinued. |
| 16-17) Reduce Park Planning Functions (Management & Administration) | $87,400 | 2 | 5 | Defer several park and trail master plans and functional plans including Northwest Branch Recreational Park, Ovid Hazen Wells Recreational Park, Urban Park guidelines, agricultural incubators, dog parks, community gardens, and trail corridor plans. |

| Non-Recommended Reduction Item | Savings | WY Reduction | WY Remaining | Impact |
|---|---|---|---|---|
| 16-18) Reduce Resource Analysis (Stewardship of Natural & Cultural Resources) | $43,700 | 1 | 2 | Decreased water quality monitoring, habitat monitoring, and consultation on environmental impacts of park development. |
| 16-19) Delay / Defer Approved CIP Projects (CIP) | $262,200 | 6 | 25 | Delay the construction and / or opening of several approved projects in the Parks CIP, particularly projects that add large operating costs when completed. Delay construction of Laytonia Recreational Park, Germantown Town Center Urban Park, East Norbeck Local Park, Evans Parkway Neighborhood Park, Woodstock Equestrian Center, and Woodlawn Barn Visitor's Center. Also, extend the time to review external agency projects that impact parkland and require issuance of a permit for construction on park property. |
| 16-20) Reduce Park Police Horse Mounted Patrols (Cross Cutting) | $305,900 | 7 | 7 | Eliminate 50% of Special Operations section, reduced trail and regional park patrols. Substantial loss of ability to patrol certain park areas. Eliminate support to Montgomery County Police with search and rescue emergencies. Reduced capability for crowd control at large events. |
| Reduce Park Police Clothing Allowance and Horse Care | $56,000 | | | |
| 16-21) Reduce Management and Supervisory Functions Associated with Park Maintenance Services (Park Services) | $393,300 | 9 | 27 | Increases the span of supervisory control and quality assurance of park maintenance. Reduces inspections of park trails and facilities. Substantially reduces the ability to respond to emergency situations. Eliminates staffing for special events (4th of July, Ama Tu Vida, Persian American Festival, etc). Mandated staffing requirements for high hazard dam management and MDE Dam Safety functions must be met, therefore other park functions will be impacted. |
| 16-22) Reduce Deer Management Program (Stewardship of Natural & Cultural Resources) | $43,700 | 1 | 1 | Increased deer related accidents. Increased losses to the county's agricultural community. Reduced profitability of the Agricultural Reserve threatening its viability. Increased degradation of natural areas. Increased threat of Lyme Disease - which is already on the rise in the county. Due to the rapid reproductive rate of deer, the program would lose much of the momentum of the past 14 years of work. |

| Non-Recommended Reduction Item | Savings | WY Reduction | WY Remaining | Impact |
|---|---|---|---|---|
| 16-23) Reduce SmartParks Data Collections and Analysis (Park Services) | $131,100 | 3 | 1 | Increased backlog of data, severe delay in reporting abilities, information will not be timely, increased likelihood of inaccuracies in data, lack of specialized personnel and inability to provide timely information related to emergencies. Impacts information available to monitor work order management and resource allocation. By eliminating these positions, 10,000 plus work order tickets will not be input and managed or distributed to the hundreds of employees in the field. This information is used to measure staff performance goals and measures work assigned against work completed. The absence of this information eliminates the ability for management to properly track its expenses as well as improve customer service. Supervisors without this information will need to spend a great deal more time assessing work priorities and supervising front line staff in the field. |
| 16-24) Abandon Reformation of Montgomery Parks Foundation (Management & Administration) | $43,700 | 1 | 0 | Eliminate support of revenue producing opportunities. Eliminates support for the Park Foundation. Direct impact on potential for alternative funding sources. |
| 16-25) Reduce or Eliminate Specialized Trades Maintenance Work (Carpenters, Plumbers, Alarm Specialist, Lock Smith, Electricians, Mechanics Radio Operator, Heavy Equipment Operators, and Trades Supervisors) (Cross Cutting) | $568,100 | 13 | 41 | Substantially reduce preventive maintenance and major maintenance functions. Backlog of maintenance problems will be virtually impossible to address. Possible loss of certain park facilities if safety is compromised. Limit ability to repair vehicles, heavy equipment, mowers and weed eaters. Increased downtime for park maintenance equipment. Delays and inefficiencies as older pieces of equipment are not replaced.<br><br>The current inventory of equipment maintained is:<br>581 – On-Road Vehicles<br>2,367 – Pieces of Equipment<br><br>The current inventory of facilities and assets contains approximately 250 structures. |
| 16-26) Reduce Park Police Patrols in Parks (Cross Cutting) | $524,400 | 12 | 40 | Reduced opportunities for prevention, educational outreach/community meetings and hotspot patrols. Reduced officer participation in positive youth initiatives at Long Branch Community Center and other parks. Increase in number of parks on the "no patrol" list. Reduced patrol time spent in other parks. As uniformed officer presence in parks decreases, criminal activity will likely increase, leading to increased fear of crime, perceived lack of safety, and reduced utilization of parks. |
| Reduce Park Police Clothing Allowance | $12,000 | | | |

| Non-Recommended Reduction Item | Savings | WY Reduction | WY Remaining | Impact |
|---|---|---|---|---|
| 16-27) Reduce Park Maintenance (Park Services) | $1,311,000 | 30 | 102 | Playground components and surfacing, park benches, picnic tables, and fencing not meeting safety standards will not be replaced or repaired but will be removed. Visitor safety may be compromised because of deferred maintenance. No lining, turface application, fertilizing, pesticide application of all baseball, softball, and soccer fields including Local Park fields. Increased number of rainouts in a season and increased degradation of all of the fields. Mowing: Grass trimming will be reduced to a minimum, large area mowing will occur on a 15-20 day cycle resulting in more customer complaints. Trim mowing will occur only as time permits. Reduced trash and litter pickup will result in overflowing cans, more ground litter, dumping sites will not be responded to as quickly. Snow removal and storm response compromised. **Some areas will be abandoned as active recreation areas as they deteriorate to the point of being unusable.** |
| | $14,510,720 | 130 | 305.8 | |

**MC Department of Parks Work Years Calculation - To Meet Montgoery County Executive Reduction Target**

| MC Parks | # Positions in FY11 Proposed Budget | # Work Years in FY11 Proposed Budget | Lapse Work Years in FY11 Proposed Budget | FY09 Retirement Incentive Unfunded Work Years included in FY11 Proposed Budget - Frozen | New OBI Work Years in FY11 Proposed Budget | To Meet County Exec Target | | Total Work Year Lapse | % of Total Workyears |
|---|---|---|---|---|---|---|---|---|---|
| | | | | | | Work Year RIF to Meet County Exec's Target | Work Year Remaining | | |
| | 747.00 | 766.86 | 52.25 | 14.00 | 12.72 | 129.00 | 558.89 | 207.97 | 27% |

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Appendix B

September 2009

# M-NCPPC, Montgomery County Department of Parks
# Vehicle Fleet Report

## PHED COMMITTEE RECOMMENDATION

During the FY10 Budget discussions, the Planning Housing and Economic Development Committee (PHED) recommended that M-NCPPC prepare a report on the Commission fleet of vehicles. The PHED Committee has not considered fleet management issues for the Commission, and has asked for a report on this issue to be prepared by Department of Parks' staff in time for the Planning Board's consideration as part of its review of the FY11 budget.

The Commission has close to 600 vehicles, most of which are used by Department of Parks employees. Issues addressed in this report include the number of vehicles, cycle for replacement of vehicles, types of vehicles being purchased, life cycle costs, maintenance frequency, vehicle sharing programs (such as Zip cars), and policies regarding twenty-four hour vehicle assignments.

The information collected was compared to County Government (Department of General Services [DGS] and Washington Suburban Sanitary Commission [WSSC]) data/policies to determine whether the existing standards and policies are appropriate. Information was also gathered from Radford University, Virginia, Palm Beach County, Florida and CQI Associates – Energy and Management Consultants.

## OVERVIEW

Vehicle assets represent a major investment on the part of the Commission and require substantial annual funding for purchase, maintenance, and repair. To realize the full economic benefit of these assets and associated costs, vehicles should accrue mileage at a rate that justifies utilization. As the cost of supporting a fleet is directly related to the number of vehicles in the fleet, changes in size, type, and usage directly affects the maintenance, fuel consumption and repair costs.

In addition, fleet size and accidents have a direct cost impact on the Commission's self-insurance program. Fleet management continues to focus on utilization of existing assets, appropriate distribution based on work program, and the need to justify additional vehicles to the fleet.

## NUMBER OF VEHICLES/EQUIPMENT FOR M-NCPPC MONTGOMERY COUNTY

***On Road Vehicles***

| | |
|---|---|
| **Class 1** - Passenger Cars, Light Trucks, SUV's and Motorcycles | **276** |
| Pass. Cars | 39 |
| Lt. Trucks and SUV's | 79 |
| Police Motorcycles | 16 |
| Hybrid Cars | 13 |
| Hybrid SUV's | 15 |
| Police Cars (patrol and spares) | 114 |
| **Class 2,3,4** - Medium Trucks | **240** |
| Class 2 | 162 |
| Class 3 | 35 |
| Class 4 | 43 |
| **Class 5,6,7,8** - Heavy Trucks | **65** |
| Class 5 | 6 |
| Class 6 | 11 |
| Class 7 | 25 |
| Class 8 | 23 |
| **Total on road vehicles** | **581** |

***Equipment***

| | |
|---|---|
| Construction equipment (graders, rollers, etc.) | 31 |
| Tractors | 73 |
| Trailers | 192 |
| Grounds Maint. Equip. (lawnmowers, aerators, etc.) | 331 |
| Equipment Attachments (generators, seeders, sprayers, etc.) | 173 |
| Small engine equipment (chain saws, weed-eaters, etc.) | 1463 |
| Plows and Salt Spreaders | 64 |
| Boats | 9 |
| ATV's | 31 |
| **Total Equipment** | **2367** |

***Vehicle Distribution by Region***

| ***Location*** | ***Number of Vehicles*** |
|---|---|
| *Central Maintenance* | *98* |
| *Southern Region* | *101* |
| *Northern Region* | *73* |
| *Horticultural Services* | *50* |
| *Directors Office* | *18* |
| *Park Planning and Stewardship* | *19* |
| *Facility Management* | *3* |
| *Park Planning and Development* | *18* |
| *Planning Department* | *23* |
| *Park Police* | *166* |
| *Enterprise* | *12* |
| | |
| ***Total*** | ***581*** |

***In regards to the 581 vehicles listed above, please note that 23 are assigned to the Planning Department, 166 to the Park Police Division and the balance are utilized for the Department of Park's work program.***

## *LIFE CYCLE REPLACEMENT*

M-NCPPC considers vehicles to have reached the end of their life-cycle based on ten years or 100,000 miles. Other agencies fleet operations use a similar method for calculating a vehicles life-cycle but also include a depreciation factor to maximize a vehicles trade in value. Actual life cycle may vary depending on type of vehicle usage, condition, or work program need. All vehicles are evaluated on a point system that is based on usage, mileage and overall maintenance repairs. The point system ranges from 1 to 15, with 15 being the highest factor for vehicle replacement.

Actual replacement age and mileage (193 vehicles disposed of since January 1, 2008)
Average age - 135 months or 11 years, 3 months; Average Disposal Mileage – 97,091

## *LIFE CYCLE COSTS AND MAINTENANCE FREQUENCY*

Vehicle maintenance frequency varies by class of vehicle. As a general rule, regular maintenance for all vehicles is performed every 6 months or 5,000 miles, whichever occurs first. Some of the heavier trucks and police vehicles used in harsh conditions are scheduled at 3,000 mile intervals. For comparison, Ford Motor Company recommends 6 months or 5,000 miles servicing and General Motors recommends 6 months or 6,000 miles, while both manufacturers recommend more frequent servicing in harsh conditions.

The life cycle cost of a vehicle varies based on the type of vehicle and what the vehicle is used for. The Department of Parks fleet management software system, "Faster," calculates the maintenance cost for a vehicle based on actual repair data entered and equates the cost into a "cost per mile". The cost per mile data is used to determine the average yearly cost for a vehicle and the life cycle cost.

Known data for Life Cycle Cost Calculation: Maintenance cost per mile for each vehicle type; Average miles driven per year (7,000 miles) Police vehicles average (10,900 miles) per year; Average number of months in the life cycle of a vehicle (135 months)

***Average Yearly and Life Cycle Maintenance Costs -- By vehicle type***

| Vehicle Type | Cost Per Mile | Yearly Cost | Life Cycle Cost |
|---|---|---|---|
| Sedan | .17 | $1190.00 | $13386.60 |
| Police Vehicle | .21 | $2289.00 | $25751.25 |
| Light Truck/SUV | .17 | $1190.00 | $13386.60 |
| Medium Truck | .33 | $2310.00 | $25987.50 |
| Heavy Truck | .58 | $4060.00 | $45674.55 |

***Average Yearly and Life Cycle Maintenance Costs -- By vehicle class***

| Vehicle Class | Cost Per Mile | Yearly Cost | Life Cycle Cost |
|---|---|---|---|
| Class 1 | .17 | $1190.00 | $13,386.60 |
| Police Vehicles | .21 | $2289.00 | $25751.25 |
| Class 2 | .21 | $1470.00 | $16,537.50 |
| Class 3 | .36 | $2520.00 | $28,350.00 |
| Class 4 | .41 | $2870.00 | $32,287.49 |
| Class 5 | .38 | $2660.00 | $29,924.99 |
| Class 6 | .41 | $2870.00 | $32,287.49 |
| Class 7 | .81 | $5670.00 | $63,787.50 |
| Class 8 | .71 | $4970.00 | $55,687.50 |

## *VEHICLE PURCHASE OVERVIEW*

Funding for the majority of vehicles purchased are from the Commission's Internal Service Fund, which is reviewed and prioritized annually. On some occasions, vehicles are purchased from a division's capital outlay funds, but only with the approval of both the Fleet Manager and the Department Director or appropriate Deputy Director.

Vehicles are purchased based on best-in-class fuel economy standards when fueled by gasoline or bio diesel. The Department of Parks continues to order as many diesel vehicles as feasible to utilize bio-diesel fuel. The Department of Parks fueling sites pump approximately 98,000 gallons of diesel fuel per year of which 100% is bio-diesel. Where applicable and economically feasible, hybrid vehicles are purchased for administrative and park use. Hybrid vehicles are replacing older vehicles that have reached the end of their lifespan.

***Vehicles purchased last 2 Years***

| | |
|---|---|
| 39 | Gas Powered Vehicles |
| 11 | Hybrid Vehicles |
| 43 | Diesel Powered Vehicles |
| **93** | **Total Vehicles Ordered** |

## *VEHICLE SHARING PROGRAM*

The Commission does not have a vehicle sharing program associated with a specific vendor, although the Commission's Central Administrative Services is experimenting with a Zip Car program. Pool vehicles are available throughout the park system for staff business use and employees are encouraged to carpool to meetings whenever feasible.

In addition, the Department of Parks has a Vanpool Program that transports employees from designated pickup/drop-off points to their workplace every business day. Currently there are 5 vans transporting 65 employees primarily from the Frederick County area. Employees are charged via payroll deduction and funds are placed in an established special revenue account. This program supports green energy by taking 60 vehicles off of heavily traveled roads each morning and evening.

**An example of how the Vanpool supports a cleaner, green energy environment:**

The Department of Parks' has 5 Vans currently in use.
These vans transport 65 employees.
Each employee would drive an average of 75 miles (round trip) per day.
Department Vanpools save approximately 4500 commuting miles per day on State/County roads. Based on a typical 220 day work year this would be a savings of 990,000 commuting miles.
*Using a mid size car achieving 18mpg city and 25 mpg highway*
This equates to 42,840 gallons of gas saved and 838,440 pounds of carbon emissions not released into the atmosphere.

## *TWENTY-FOUR HOUR VEHICLE ASSIGNMENTS*

Twenty-four hour vehicle are assigned in accordance with the Commission Merit System Rules and Regulations, Commission Practice 6-10 entitled "Policies and Procedures Governing Commission Passenger Vehicles" and the Fraternal Order of Police Contract. General Service Employees, who are assigned twenty-four hour vehicles for emergency and after work requirements, are required in accordance with Internal Revenue Service, to pay for usage.

***Listing of 24 hour assignments***

| *Justification* | *Position* | *Location* |
|---|---|---|
| Natural Resources Tree Removal | Tree Climber II | Natural Resources |
| Emergency Carpentry | Trade Shop Sup. II | Central Maintenance |
| Emergency Electric/HVAC | Trade Shop Sup. II | Central Maintenance |
| Emergency Alarm | Lead Security Sys. Tech | Central Maintenance |
| Emergency Plumbing | Trade Shop Sup. II | Central Maintenance |
| Emergency Carpentry | Trade Shop Sup. II | Central Maintenance |
| Emergency Plumbing | Trade Shop Sup. II | Central Maintenance |
| All Emergencies | Construction Sup. | Central Maintenance |
| Park Emergencies/After hours events | Chairman | MRO |
| Park Emergencies/After hours events | Director | Directors Office |
| Park Emergencies/After hours events | Southern Region Chief | Cabin John |
| Park Emergencies/After hours events | Deputy Director | Directors Office |
| Park Emergencies/After hours events | Enterprise Div. Chief | Directors Office |

***Listing of Vanpool assignments***

| *Justification* | *Position* | *Location* |
|---|---|---|
| Commuter Van | Park Manager I | Central Maintenance |
| Commuter Van | Lead Mason | Central Maintenance |
| Commuter Van | Trade Shop Sup. I | Central Maintenance |
| Commuter Van | Park Maint. Worker III | Central Maintenance |
| Commuter Van | Clerk Supervisor | Central Maintenance |

**Park Police 24 Hour Vehicle Assignments**

| Position | Number of Vehicles | Justification |
|---|---|---|
| Police Officer FOP Member | 71 | FOP Contract |
| Command Staff | 10 | On Call |

**Fraternal Order of Police (FOP) members** are contractually entitled to a 24 hour vehicle assignment. Consistent with the contract, personal use of the vehicles, including commuting and minimal errands on the way between work and home, shall be permitted. Exceptions to the out of county, Prince Georges and Montgomery, 24 hour assignment policy for bargaining unit members apply to those officers assigned to on-call positions with 60 minute response time.

**Non-Represented Command staff** use of 24 hour vehicles, are assigned based on, on-call status.

## *LOW UTILIZATION AND ROTATION*

The Department of Parks will commence assessing vehicle utilization using annual mileage as a primary benchmark. Vehicles that accrue less than 3,500 miles annually will be considered to be low utilization vehicles. In comparison, DGS uses 4,000 miles as their guideline to determine low utilization and CQI Associates uses 3000 miles as their benchmark. Low utilization vehicles may be retained by a division if their continued use can be justified. Vehicles that cannot be justified will be rotated to a new assignment or eliminated from the fleet.

Rotation of vehicles between work assignments is to ensure that mileage is commensurate with age. Vehicles that accrue very low or very high mileage will be exchanged in order to balance mileage with age. The Fleet Manager will recommend vehicles for consideration. Vehicle exchanges will be within a division wherever possible. If assets are not available within a division, vehicles will be exchanged between divisions.

## *FUELING SYSTEM OVERVIEW AND FUTURE*

The Department of Parks has eleven refueling sites located throughout the park system. These sites pump unleaded, bio-diesel and diesel fuel. Last year, the fleet used 300,000 gallons of unleaded gas, 80,000 gallons of bio-diesel and 19,000 of diesel fuel. The Commission has increased the percentage of bio-diesel pumped from last year's 76% to 89% this year. The Department is now pumping 100% bio-diesel.

All fueling stations are in the process of being upgraded to digital Gasboy fuel dispensers and a Fuelmaster computer system for security, inventory control and reporting capability. Many of the current dispensers are 1970's vintage and replacement parts are no longer available.

## *BEST PRACTICES TO IMPROVE VEHICLE EFFICIENCY AND REDUCE EMISSIONS*

- Provide appropriate maintenance and maintain proper tire pressure
- Continue to replace the oldest and highest usage vehicles
- Size the vehicles to meet the users job requirements and not user preferences to improve overall fleet performance
- Replace vehicles with a combination of best gas, hybrid, and diesel vehicles to provide the best overall results
- Downsize vehicles to improve efficiency and emissions
- Sedan vehicles should be used rather than trucks or SUVs unless the vehicle will be used for heavy duty work and cargo applications
- SUV hybrid vehicles are preferred over the purchase of gasoline fueled only models
- Diesel trucks larger than ¾ tons will be purchased for heavy duty work and cargo

applications and fueled with bio-diesel

- Vehicles will be purchased based on the best in class fuel economy standards when fueled by gasoline or bio-diesel
- The primary fossil fuels will be gasoline with a 10% ethanol blend and B5 bio-diesel
- Introduce strategies to reduce diesel trucks idle time such as automatic shut down procedures, auxiliary power units and driver incentives.

## Summary

The Department of Parks has worked to become a leader in the use of Bio-diesel fuel. Over the past two years, the Department has gone from 25% bio-diesel consumption to 100% bio-diesel. The Departments hybrid fleet has increased from 3% of the administrative fleet 3 years ago to 31% at present. Staff is also working to "right size" the fleet to fit the requirements of the Department's work program complement.

The Department purchases best-in-class gas and diesel powered vehicles whenever possible that will optimize fuel mileage and safety. A new Fuelmaster fueling system is being installed in each maintenance yard that will help to better track fuel consumption and produce data to help reduce the Department's carbon footprint.

The goal is to provide safe reliable transportation for Department of Parks' employees that best suits their work assignments and to provide the highest level of service to the citizens of Montgomery County in the most economical fashion.

## ***Departmental Policy***

Based on information gathered in this report, the Montgomery County Director of Parks will issue a Department Directive in regards to vehicle use, assignments, utilization of pool vehicles and sharing, purchasing guidelines, life cycle replacements, rotation policy, best practices, and overall fleet management efficiencies.

# The Maryland-National Capital Park & Planning Commission

AFW-07
March 18, 2010

**TO:** Commissioners

**FROM:** Alfred F. Warfield, Acting Secretary-Treasurer

**SUBJECT:** Enterprise Funds FY 2010, Seventh-Month Financial Report Including Projections to June 30, 2010 - Montgomery County

The seventh-month financial report and projections to June 30, 2010 are attached. The reasons for the variances are highlighted below.

## OVERALL COMMENTS

The FY10 Fund projections reflect a net income of $100,700 as compared to a budgeted loss of $270,300. This positive change of $371,000 is largely due to expenditure savings of $1,350,200, primarily due to the reduction of career personnel costs, supplies and materials, and lower utility costs, and projected revenue shortfall of $839,500. The Administrative Services savings will come primarily from personnel reduction.

The snow storm closures of Saturday and Sunday, December 19 & 20, 2009 resulted in a revenue loss of $27,400 at the Ice and Tennis facilities.

## GOLF COURSES

Golf Course operations are projected to have a net profit of $27,000, less than the $44,900 amount budgeted. This is primarily a result of 3 months of delinquent and non-collectable payments due from the concession vendor at the South Germantown Driving Range. The Golf Courses have $649,000 in projected revenues which is $120,200 more than the budgeted amount of $528,800. The golf courses received $150,000 from the county which was remitted to the Revenue Authority to help fund operations at Sligo Golf Course, however this amount was not budgeted.

## ICE RINKS

The projected net loss of $795,900 is $441,800 lower than budgeted. The Ice Rinks projected revenues are $3,802,100, which is $409,100 less than the budgeted amount of $4,211,200. This is due to the Wheaton Ice Arena's continued struggles to find a client base. The Wheaton Ice Arena has been involved in a number of maintenance and repair projects. The Ice Rinks projected expenditures are $3,065,600 which is $850,900 lower than budgeted. This is due to reductions in administrative charges and personnel savings.

The following ice rink events took place from November – January:

- Group lessons at both Cabin John and Wheaton Ice Rinks had over 3,000 participants.

- Cabin John Ice Rink leased ice on Saturday mornings to a local ice hockey organization which provides a therapeutic, recreational hockey program to over 40 children ranging in age from 5-19 years-old, with varying degrees of abilities and types of disabilities. One key element of the program is middle and high school aged mentors who come from local public schools.

- Each facility hosted free skating lessons on January 16 in celebration of National Skating month. Over 200 people participated and many of them stayed for the "Cheapskate" public session which is $6.25 for admission and skate rental.

- Park Play Days, an activity based program for children aged 6 – 13, is held on school public holidays, and had a total of 205 participants since October.

- Cabin John Ice Rink held its annual Holiday show on December 4 while Wheaton Ice Arena hosted the rescheduled Wheaton Wonderland and Holiday Show on January 23. Between both shows, there were 600 proud parents, family and friends in attendance.

- Wheaton Ice Arena has accommodated 554 participants at its Teen Friday night skates, which commenced in November. (School fundraiser events held at facilities have attracted thousands of participants.)

- Since the closure of the Wheaton Outdoor Rink, most user groups have been accommodated at the indoor facility. Thus, indoor rental revenues have increased and utility costs for the outdoor rink has decreased by over $30,000.

- Beginning March 15, 2010, each of the rinks' halide lighting systems will be replaced with energy efficient four tubes, four foot T-8 fixtures. These lights will have dual controls so there will be 2 different light settings. This will result in more efficient lighting. The project cost is covered by a Maryland Energy administration grant (EmPower Clean Energy Communities Grant Program).

- The Wheaton Ice Arena has been involved in a number of maintenance projects and repairs. The desiccant wheel for the dehumidification system was replaced. A ruptured pipe in the snow melt pit was repaired and the mold remediation project was completed

**TENNIS FACILITIES**

The projected net income of $396,000 is $115,800 lower than budgeted, primarily because projected revenues are $227,100 less than the budgeted amount. This is directly attributed to the Wheaton Tennis Center re-opening. Wheaton Tennis is in the process of rebuilding clientele after an 18 month closure. The FY10 actual revenues are $928,503, which is an increase of $302,297 over last year during the same time period.

- During this rebuilding stage, the group class program at Wheaton Indoor Tennis Center has offered 132 classes with 548 participants.

- The group lessons held at both Pauline Betz Addie and Wheaton Indoor Tennis Centers had 1500 participants.

- The Wheaton Indoor Tennis Center hosted 2 indoor QuickStart tournaments for children ages 5-10. Staff is working with the United States Tennis Association (USTA) on installing QuickStart lines on existing outdoor courts to conduct tournaments and classes.

- The Saturday night Round Robin Doubles program for adults has grown from a monthly program to a weekly occurrence. To date, there have been 90 participants.

- The Montgomery County Tennis Association (MCTA) sponsors leagues for approximately 3000 adults and seniors who play primarily on weekends and evenings.

**EVENT CENTERS**

The Event Centers have a projected net loss of $167,800, which is $5,700 less than budgeted. The Events Centers projected revenues are $375,000 which is $92,500 less than the budgeted amount of $467,500. The new off season rates for January, February and March have resulted in 13 bookings compared to10 bookings at this time last year, resulting in $10,000 of increased revenue. The overall increase in revenue is $13,533 (34.5%) over last year during this time. In addition, bookings have already begun for FY11.

- The Rockwood Manor Open House held on January 31, 2010, was attended by surrounding area residents and prospective clients. Winter programs included the Holiday Baking Class, Lunch with Frosty and Friends, Pirates Adventures and the ever popular Princess Galas. These programs accommodated 150 participants with $3000 in gross revenues.

- Physical improvements at Rockwood Manor continue. Staff continues to upgrade and update the Event Rooms and Cottages. The Knox and Great Falls rooms along with the Carolyn Cottage were painted and a new bathroom was installed in the French House.

- The bulk of the marketing activities were focused on the goal of increasing Rockwood Manor's exposure to its target audiences. Due to minimal marketing efforts in the past, Rockwood Manor was, and still is, an unknown quantity, even to the surrounding community. First up: the "wedding" audience – brides, grooms, parents, wedding planners and vendors. Initial foundation work was required (applicable for the non-wedding audience as well) and was done prior to the "Not-So-Big" Wedding Boutique and Challenge held at Rockwood Manor in November. The event attracted 10 teams of five vendors each and 500 attendees from across the region. This resulted in six immediate bookings. With the extensive press coverage, the exposure for Rockwood Manor was excellent and the return on investment over 500%.

- Specific marketing activities, both general and related to the "Not-So-Big" Wedding Boutique included:

- Improved website – design, navigation, rate sheets, information, new URL for easier recall

- Expanded image library collected from brides, grooms & photographers for use in marketing efforts
- Event blog launched (NotSoBigWedding.com)
- Upgraded web presence (online directory)
- Targeted online marketing (internet ads, social media, email marketing, lead source referrals)
- Re-branded and targeted Recreation & Park Guide ads
- Improved information sheets
- Introduced off-season rates to attract bookings during slower months
- Streamlined the social packages at Rockwood Manor to ease confusion and, more importantly, to better delineate between social and corporate pricing.
- Reduced print advertisement to focus limited funding on more traceable and affordable online advertisement
- Increased promotion of regular open houses

• A new addition to the event centers is the Agricultural History Farm Park. Beginning April 1, the public will be able to rent the activity room for social functions, including weddings.

• Staff is in the process of requesting approval from the Montgomery County Historical Commission for the installation of a brick tent pad at Woodlawn Manor.

**PARK FACILITIES**

The Park Facilities have a projected net income of $641,400, which is $57,200 less than budgeted. In FY10, the projected revenues for the Park Facilities are $231,000 less than budgeted. Brookside Gardens revenue decreased by $175,000 compared to their budgeted amount due to the general economic conditions. Expenditures for Park amenities were reduced by 7% ($86,000) due to reduced staffing, spending and reallocation of career staff.

Attachment: Budget Basis Financial Report for the Seventh Month ended January 31, 2010 and Estimations to June 30, 2010

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION
MONTGOMERY COUNTY ENTERPRISE FUNDS
BUDGET BASIS FINANCIAL REPORT FOR THE SEVEN MONTHS ENDED JANUARY 31, 2010
AND ESTIMATIONS TO JUNE 30, 2010

| GOLF COURSES | Budget | Actual 01/31/10 | Projections | Variance | Actual 01/31/09 | Actual 06/30/09 |
|---|---|---|---|---|---|---|
| Revenues | $ 528,800 | $ 648,951 | $ 649,000 | $ 120,200 | $ 513,566 | $ 539,868 |
| Expenditures | - | (150,000) | (150,000) | (150,000) | (8,390) | (8,390) |
| Administrative Services | (81,200) | (37,740) | (69,300) | 11,900 | (37,755) | (69,978) |
| Operating Income (Loss) | 447,600 | 461,211 | 429,700 | (17,900) | 467,421 | 461,500 |
| Debt Service Payments | (402,700) | (385,318) | (402,700) | - | (379,453) | (435,066) |
| Other Non-Operating Revenues (Expenses) | - | - | - | - | - | - |
| Operating Transfers In (out) | - | - | - | - | - | - |
| Net Income (Loss) | $ 44,900 | $ 75,893 | $ 27,000 | $ (17,900) | $ 87,968 | $ 26,434 |

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| ICE RINKS | Budget | Actual 01/31/10 | Projections | Variance | Actual 01/31/09 | Actual 06/30/09 |
|---|---|---|---|---|---|---|
| Revenues | $ 4,211,200 | $ 2,419,025 | $ 3,802,100 | $ (409,100) | $ 2,360,775 | $ 3,768,067 |
| Expenditures | (3,916,500) | (1,666,043) | (3,065,600) | 850,900 | (1,779,204) | (3,250,499) |
| Administrative Services | (646,800) | (300,836) | (546,800) | 100,000 | (287,702) | (533,260) |
| Operating Income (Loss) | (352,100) | 452,146 | 189,700 | 541,800 | 293,869 | (15,692) |
| Debt Service Payments | (895,600) | (290,826) | (895,600) | - | (307,596) | (918,564) |
| Other Non-Operating Revenues (Expenses) | - | - | - | - | - | - |
| Operating Transfers In (out) | 10,000 | 10,000 | (90,000) | (100,000) | 543,000 | 543,000 |
| Net Income (Loss) | $ (1,237,700) | $ 171,320 | $ (795,900) | $ 441,800 | $ 529,273 | $ (391,256) |

| TENNIS FACILITIES | Budget | Actual 01/31/10 | Projections | Variance | Actual 01/31/09 | Actual 06/30/09 |
|---|---|---|---|---|---|---|
| Revenues | $ 1,791,700 | $ 922,604 | $ 1,564,600 | $ (227,100) | $ 612,768 | $ 1,288,327 |
| Expenditures | (1,032,300) | (458,702) | (940,600) | 91,700 | (450,587) | (886,015) |
| Administrative Services | (275,100) | (128,042) | (232,700) | 42,400 | (112,927) | (209,312) |
| Operating Income (Loss) | 484,300 | 335,860 | 391,300 | (93,000) | 49,254 | 193,000 |
| Debt Service Payments | - | - | - | - | - | |
| Other Non-Operating Revenues (Expenses) | 27,500 | 5,899 | 4,700 | (22,800) | 13,438 | 24,196 |
| Operating Transfers In (out) | - | - | - | - | - | - |
| Net Income (Loss) | $ 511,800 | $ 341,759 | $ 396,000 | $ (115,800) | $ 62,692 | $ 217,196 |

| EVENT CENTERS | Budget | Actual 01/31/10 | Projections | Variance | Actual 01/31/09 | Actual 06/30/09 |
|---|---|---|---|---|---|---|
| Revenues | $ 467,500 | $ 213,389 | $ 375,000 | $ (92,500) | $ 199,856 | $ 333,339 |
| Expenditures | (594,300) | (258,954) | (507,400) | 86,900 | (276,621) | (470,579) |
| Administrative Services | (71,700) | (33,402) | (60,400) | 11,300 | (33,582) | (62,245) |
| Operating Income (Loss) | (198,500) | (78,967) | (192,800) | 5,700 | (110,347) | (199,485) |
| Debt Service Payments | - | - | - | - | - | |
| Other Non-Operating Revenues (Expenses) | - | - | - | - | - | - |
| Operating Transfers In (out) | 25,000 | 25,000 | 25,000 | - | 76,000 | 76,000 |
| Net Income (Loss) | $ (173,500) | $ (53,967) | $ (167,800) | $ 5,700 | $ (34,347) | $ (123,485) |

Note: This report includes principal payments and capital outlay and does not include depreciation expense.

**THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION**
**MONTGOMERY COUNTY ENTERPRISE FUNDS**
**BUDGET BASIS FINANCIAL REPORT FOR THE SEVEN MONTHS ENDED JANUARY 31, 2010**
**AND ESTIMATIONS TO JUNE 30, 2010**

| PARK FACILITIES | Budget | Actual 01/31/10 | Projections | Variance | Actual 01/31/09 | Actual 06/30/09 |
|---|---|---|---|---|---|---|
| Revenues | $ 3,120,300 | $ 1,685,308 | 2,889,300 | $ (231,000) | $ 1,894,142 | $ 2,768,707 |
| Expenditures | (2,079,300) | (985,479) | (1,859,000) | 220,300 | (1,161,953) | (1,834,503) |
| Administrative Services | (479,300) | (222,970) | (394,500) | 84,800 | (201,021) | (372,596) |
| Operating Income (Loss) | 561,700 | 476,859 | 635,800 | 74,100 | 531,168 | 561,608 |
| Debt Service Payments | - | - | - | - | - | - |
| Other Non-Operating Revenues (Expenses) | 22,500 | 6,749 | 5,600 | (16,900) | 14,306 | 25,539 |
| Operating Transfers In (out) | - | - | - | - | - | - |
| Net Income (Loss) | $ 584,200 | $ 483,608 | $ 641,400 | $ 57,200 | $ 545,474 | $ 587,147 |

| ENTERPRISE ADMIN | Budget | Actual 01/31/10 | Projections | Variance | Actual 01/31/09 | Actual 06/30/09 |
|---|---|---|---|---|---|---|
| Revenues | $ - | $ - | $ - | $ - | $ 941 | $ - |
| Expenditures | (1,554,100) | (785,324) | (1,303,700) | 250,400 | (761,752) | (1,247,391) |
| Administrative Services | 1,554,100 | 722,990 | 1,303,700 | (250,400) | 672,987 | 1,247,391 |
| Operating Income (Loss) | - | (62,334) | - | - | (87,824) | - |
| Debt Service Payments | - | - | - | - | - | - |
| Other Non-Operating Revenues (Expenses) | - | - | - | - | - | - |
| Operating Transfers In (out) | - | - | - | - | - | - |
| Net Income (Loss) | $ - | $ (62,334) | $ - | $ - | $ (87,824) | $ - |

| TOTAL - ENTERPRISE | Budget | Actual 01/31/10 | Projections | Variance | Actual 01/31/09 | Actual 06/30/09 |
|---|---|---|---|---|---|---|
| Revenues | $ 10,119,500 | $ 5,889,277 | $ 9,280,000 | $ (839,500) | $ 5,582,048 | $ 8,698,308 |
| Expenditures | (9,176,500) | (4,304,502) | (7,826,300) | 1,350,200 | (4,438,507) | (7,697,377) |
| Administrative Services | - | - | - | - | - | - |
| Operating Income (Loss) | 943,000 | 1,584,775 | 1,453,700 | 510,700 | 1,143,541 | 1,000,931 |
| Debt Service Payments | (1,298,300) | (676,144) | (1,298,300) | - | (687,049) | (1,353,630) |
| Other Non-Operating Revenues (Expenses) | 50,000 | 12,648 | 10,300 | (39,700) | 27,744 | 49,735 |
| Operating Transfers In (out) | 35,000 | 35,000 | (65,000) | (100,000) | 619,000 | 619,000 |
| Net Income (Loss) | $ (270,300) | $ 956,279 | $ 100,700 | $ 371,000 | $ 1,103,236 | $ 316,036 |

Note: This report includes principal payments and capital outlay and does not include depreciation expense.

updated 02/23/10

# MEMORANDUM

April 15, 2010

TO: Planning, Housing, and Economic Development Committee

FROM: Jennifer Renkema, Research Associate
Office of Legislative Oversight

SUBJECT: **Examples of Proposed FY11 Reductions to Local Park and Recreation Budgets**

The County Executive recommends funding the Montgomery County Department of Parks at $68.2 million in FY11.[1] This is $14.5 million (17.5%) less than the M-NCPPC request of $82.7 million and $10.8 million (13.7%) less than the approved FY10 budget of $79.0 million. To provide some perspective for the Council when considering the FY11 budget, this memorandum describes reductions to selected park and recreation budgets in other local government jurisdictions. Specifically, this memo provides:

- Examples of proposed budgets and cuts for park and recreation departments in three jurisdictions; and
- Detailed description of proposed cuts to the Fairfax County Park Authority.

The examples provided in this memo are not intended to be a representative survey of cuts to park and recreation budgets, but rather to provide some examples of reductions being considered in other places. The information in this memo represents information that was easily accessible via the internet.

Among the jurisdictions that expect budget cuts, a few jurisdictions propose raising fees to generate additional revenue. Several jurisdictions propose reductions in:

- Mowing cycles and other park maintenance;
- Capital maintenance;
- Program staff;
- Administrative staff; and
- Training and travel budgets.

Despite significant service reductions proposed by jurisdictions reviewed in this memo, the reductions proposed are smaller than those proposed in Montgomery County. Further, none have the same structure or provide the same complement of services as Montgomery County Department of Parks.

**In general, the Montgomery County Department of Parks has proposed most of the types of cuts proposed by jurisdictions reviewed in this memo.[2]**

Budgets for some jurisdictions in the Washington, DC metropolitan area are still being prepared (e.g., Howard and Anne Arundel Counties), and other park and recreation budgets in the country will face reductions. For example, the City of San Francisco instructed all departments to reduce General Fund support for FY11 by 20% compared to the FY10 approved budget and submit a 10% contingency reduction.[3]

[1] Excluding debt service, grants, and reserves.
[2] Memorandum from Marlene Michaelson, Senior Legislative Analyst, to the Planning, Housing and Economic Development Committee (April 15, 2010).
[3] City & County of San Francisco Mayor's Office Instructions and Controller Technical Instructions Budget Year 2010-2011. (December 11, 2009).

The FY11 proposed budget for the Prince George's County Department of Parks and Recreation includes a 1.9% *increase* of $4.93 million. However, the Prince George's County M-NCPPC is in a unique situation as its budget is not subject to the local tax limitations present in Montgomery County.

**A. Case Examples of Combined Parks and Recreation Budget Cuts**

This section describes proposed FY11 budget reductions for park and recreation departments in Kansas City, MO; Virginia Beach, VA; and Washington, DC.

Kansas City, MO. Kansas City's proposed FY11 budget includes a 12.7% ($6.74 million) reduction in spending for the Department of Parks and Recreation. This includes a 19.5% reduction of workyears (75.5 vacant and filled positions).[3] Specific service changes and other reductions include:

- Reducing mowing for parks by 29% from 14 to 10 times per year and for boulevards by 22% from 18 to 14 times per year;
- Reducing ballfield renovation by 64% ($225,000);
- Reducing capital maintenance funding for lake restoration and park roads; and
- Eliminating 40.1 positions due to outsourcing swimming pool maintenance and golf course management and privatizing tennis center management;
- Eliminating numerous vacant positions in administration, planning, park property maintenance, community centers, tree trimming, and other areas.

Virginia Beach, VA. Virginia Beach's proposed FY11 budget includes a 3.4% ($1.77 million) reduction in spending for the Department of Parks and Recreation that includes a 1.9% cut in staff (16.8 workyears).[4] Despite the relatively small percentage cut, the FY11 budget proposes substantive reductions in maintenance and services, including:

- Lengthening mowing cycles for highways, parks, and municipal buildings by 28% from 18 to 23 days; for the resort area by 17% from 12 to 14 days; and for the municipal center by 43% from 7 to 10 days;
- Reducing plant replacement and flower planting in the resort area by 72%;
- Eliminating sports camps that serve about 210 children (about 7.4% of summer camp registrations);
- Reducing golf course maintenance, including reduced fertilizer application and irrigation repair;
- Reducing staffing for some programs; and
- Eliminating advertising for free community events that do not generate revenue.

The proposed FY11 budget also includes fee increases for recreation center memberships, out-of-school time programs, athletics, and aquatics.

Washington, DC. Washington, DC's proposed FY11 budget includes an 11.1% ($5.34 million) reduction in spending for the Department of Parks and Recreation. This reduction includes a shift of $1.7 million in administrative activities (finance, procurement, and human resources) to other departments and elimination of a $300,000 FY10 one-time expense.[5] In addition, the budget:

- Reduces discretionary purchases in equipment, supplies, and other services;
- Eliminates 17 vacant positions;
- Reduces travel and training funds;

[3] City of Kansas City, Missouri Submitted Activity Budget FY 2010-2011
[4] City of Virginia Beach FY 2010-11 Proposed Resource Management Plan, Operating Budget
[5] Government of the District of Columbia FY 2011 Proposed Budget and Financial Plan

- Reduces printing costs by focusing on doing more outreach via website resources;
- Eliminates 13 FTE administrative positions; and
- Reduces funds for contractual tennis program partners.

Despite these reductions, the DC budget includes additional staff and expenses for summer activities and camps, facilities improvement, park landscaping, recreation equipment upgrades, and operating costs for a new pool and recreation center.

### B. Fairfax County Park Authority Proposed FY11 Budget Reductions

### 1. Comparison of Montgomery County and Fairfax County Park Systems

Table 1 provides some comparative information about the two park systems. However, the two systems differ in considerable ways.[6] For example:

- The Fairfax County Park Authority manages recreation facilities and programming that is part of the Department of Recreation in Montgomery County (e.g., aquatics).
- The Fairfax County Park Authority manages eight golf courses, while Montgomery County's four courses are managed by the Revenue Authority.
- The Montgomery County Department of Parks budget includes costs for athletic field maintenance, while these costs are allocated to a separate fund in Fairfax County (although the Parks Authority maintains the fields).[7]

**Table 1: Comparison of Select Characteristics of the Montgomery County and Fairfax County Park Systems**

| | Montgomery | Fairfax |
|---|---|---|
| FY10 Adopted Budget | $83.7 million | $67.1 million |
| FY10 Budgeted WYs | 688.5 | 598.5 |
| Acres of Parkland | 34,600 | 22,600 |
| Athletic Fields | 299 | 289 |
| Campgrounds | 3 | 2 |
| Equestrian Centers | 5 | 1 |
| Formal Gardens | 2 | 1 |
| Ice Rinks | 2 | 1 |
| Miles of Trails | 201 | 300 |
| Nature Centers | 4 | 5 |
| Parks | 410 | 417 |
| Playgrounds | 291 | 220 |
| Reservable Picnic Areas | 76 | 49 |
| Tennis Courts | 305 | 200 |

Source: M-NCPPC Proposed Annual Budget FY2011; Fairfax County FY 2011 Advertised Budget Plan (Vol. 1 and 2); Fairfax County Park Authority website

[6] The Maryland-National Capital Park and Planning Commission (M-NCPPC) Proposed Annual Budget FY2011 for Montgomery County; Fairfax County FY 2011 Advertised Budget Plan (Vol. 1 and 2); Fairfax County Park Authority website (www.fairfaxcounty.gov/parks)
[7] The Montgomery County FY11 Recommended Budget includes a transfer from the General Fund to the Department of Parks to reimburse the cost of athletic field maintenance, however this does not affect the Department of Parks' MARC.

## 2. Summary of Fairfax County Park Authority FY11 Proposed Budget Reductions

Overview. The Fairfax County Park Authority receives operating funds from two sources: the County General Fund and the Park Revenue Fund. The County General Fund is primarily tax supported, although it includes some revenue from user fees that accounted for 8.6% ($2.3 million) of the FY10 General Fund expenditures. The Park Revenue fund is entirely self-supported from user fees and charges at revenue-supported facilities such as recreation centers, golf courses, and nature centers. The Park Revenue Fund supports 60% of the Park Authority budget compared to the General Fund that supports 40% of the Park Authority budget.[8] The Park Authority also receives supplemental revenue from the Fairfax County Park Foundation which contributed $345,000 to the Park Authority in 2009.[9]

Table 2 shows proposed changes to the budgeted expenditures and staffing for the Fairfax Park Authority between the FY10 adopted budget and the FY11 proposed budget.

**Table 2: Changes to Fairfax County Park Authority Budget and Staffing ($ in millions)**

| | FY10 Adopted | FY11 Proposed | Change in | |
|---|---|---|---|---|
| | | | $/# | % |
| **Budgeted Expenditures** | | | | |
| General Fund | $26.93 | $24.60 | -$2.34 | -8.7% |
| Park Revenue Fund | $40.03 | $41.81 | $1.78 | 4.5% |
| **Total Funding** | **$66.97** | **$66.41** | **-$0.55** | **-0.8%** |
| **Budgeted Workyears** | | | | |
| General Fund | 361.5 | 321 | -40.5 | -11.2% |
| Park Revenue Fund | 236 | 237 | 1 | 0.4% |
| **Total Workyears** | **597.5** | **558** | **-39.5** | **-6.6%** |

Source: Fairfax County FY 2011 Advertised Budget Plan (Vol. 1 and 2)

Overall, the agency expects only a small decrease in operating costs ($550,000). However, the $2.34 million decrease in General Fund support is expected to result in elimination of 40.5 positions and service reductions (summarized below in Table 3). The proposed increase in expenditures from the Park Revenue Fund reflects increased personnel costs for additional instruction hours for recreation programs; post-employment benefits; operating expenses due to repairs, maintenance, and utility costs for Park Authority facilities; and capital equipment replacement. In addition to these changes, the proposed budget shifts some staff costs from the General Fund to the Park Revenue Fund.

*Notably, neither the General Fund nor the Park Revenue Fund FY11 proposed budgets include employee salary increases (i.e., performance pay or COLAs).*

[8] Fairfax County FY 2011 Advertised Budget Plan (Vol. 1 and 2)
[9] Fairfax County Park Foundation, www.fxparks.org

Budget Reduction Strategies. The following table summarizes proposed FY11 cuts to the Fairfax County Park Authority staffing, programming, and services.

**Table 3: Fairfax County Park Authority Proposed FY11 Program and Service Reductions**

| Program/Service Area | Specific Reductions |
|---|---|
| Park Maintenance | • Reduce trash collection from three times per week to once or twice a week<br>• Reduce park land mowing from once a month to every three months<br>• Reduce athletic fields mowing from more than once per week to once per week or less<br>• Reduce trail inspections from 1-2 times per month to 3-4 times per year<br>• Close restroom facilities at 15 parks<br>• Reduce logistical and preparation support for special events<br>• Reduce grounds maintenance management staff<br>• Reduce tree trimming and eliminate ability to trim trees that require more than two climbers or are 75 feet or taller<br>• Reduce pest control for athletic fields |
| Facility and Equipment Maintenance | • Increase facility maintenance and repair backlog by 10-15%<br>• Increase backlog from 45 days to 75 days for certain facility maintenance needs<br>• Increase equipment maintenance backlog from 15 days to 30 days<br>• Increase backlog for maintenance to roads, bridges, parking lots, stream banks, and storm water ponds from 135 days to 180 days |
| Recreation Programs and Service Reductions | • Eliminate two park staff positions<br>• Eliminate lighting at 123 tennis, basketball, and volleyball courts. All courts will close at dusk.<br>• Eliminate 5 of 52 affordable six-week summer recreation program sites and eliminate summer program field trip<br>• Close one outdoor swimming pool facility |
| Administration | • Eliminate position that provides oversight to strategic plan, accreditation program, and other coordination and long-range strategic planning functions<br>• Eliminate training and travel support<br>• Reduce management and coordination for staff training<br>• Reduce technology support for staff computers and printers<br>• Eliminate seven other administrative positions that provide a variety of support functions |
| Capital Projects | • Reduce limited term funding that supports CIP projects (could result in delays and additional CIP costs) |

Source: Fairfax County FY 2011 Advertised Budget Plan (Vol. 1 and 2)

### 3. Other Fairfax County Budget Reductions Impacting Parks: Athletic Field Maintenance

Fairfax County provides General Fund support for athletic field maintenance for school and Park Authority fields through the County Construction Fund in the CIP. Field maintenance also receives revenue from an Athletic Services fee ($1.1 million in FY10).[10] The proposed FY11 budget proposes significant reductions in field maintenance due to a decrease in General Fund support, as shown in Tables 4 and 5 below.

**Table 4: Fairfax County Proposed FY11 Reduction in General Fund Support for Athletic Field Maintenance ($ in millions)**

| | FY10 Adopted | FY11 Proposed | Change in | |
|---|---|---|---|---|
| | | | $ | % |
| General Fund Support* | $4.31 | $3.77 | -$0.54 | -12.6% |

*Athletic Field Maintenance also receives funding from an Athletic Services fee ($1.1 million FY10)
Source: Fairfax County FY 2011 Advertised Budget Plan (Overview)

**Table 5: Fairfax County Proposed FY11 Athletic Field Maintenance Reductions**

| Type of Field | Maintenance Reductions |
|---|---|
| Elementary and Middle School Fields | • Eliminate aeration and seeding for all 626 fields<br>• Eliminate routine maintenance and repairs due to vandalism and damage to player benches and bleachers<br>• Reduce mowing from 30 to 29 times per year<br>• Eliminate diamond field warning track maintenance<br>• Eliminate vegetation control in infield skin areas |
| High School Fields | • Eliminate aeration and seeding for all 55 diamond fields |
| Park Authority Fields | • Eliminate aeration and seeding for all 289 parks<br>• Reduce mowing from more than one time per week to once per week or less*<br>• Reduce pest control* |

*Previously describe under Park Authority Proposed FY11 Service Reductions
Source: Fairfax County FY 2011 Advertised Budget Plan (Overview)

[10] Fairfax County FY 2011 Advertised Budget Plan (Overview)