

MEMORANDUM

April 16, 2012

TO: Planning, Housing, and Economic Development (PHED) Committee

FROM: Marlene Michaelson, Senior Legislative Analyst *MM*

SUBJECT: Maryland-National Capital Park and Planning Commission FY12 Operating Budget and Workprogram

Those expected for this worksession:

Francoise Carrier, Chair, Montgomery County Planning Board
Rollin Stanley, Director, Planning Department
Traci Anderson, Chief, Management Services Division/Planning
Patti Barney, M-NCPPC Executive Director
Darin Conforti, M-NCPPC Corporate Budget Manager

This memorandum presents the budget for the two parts of the Administration Fund (the Planning Department and the Commissioners' Office), Special Revenue Funds, the Advance Land Acquisition Revolving Fund, the Property Management Fund, and the Internal Service Fund. The final part of the Administration Fund – the Central Administrative Services budget – and any follow up issues will be considered at the April 23 meeting.

Relevant pages from the County Executive Recommended FY12 Operating Budget are attached on © 10 to 16. Responses to Council Staff questions on the budget are attached at © 1 to 9. **All page references are to the M-NCPPC Fiscal Year 2013 Proposed Annual Budget or, where indicated, the M-NCPPC Supplemental Program Budget; Committee Members may wish to bring both documents to the meeting.**

ADMINISTRATION FUND

The Administration Fund of M-NCPPC includes the bi-county Central Administrative Services (CAS), the Commissioners' Office, and the Planning Department. M-NCPPC's total budget request for the Administration Fund for FY13 is **\$27,940,600**, representing a \$404,850 or **1.5% increase** over the FY12 budget. The Executive supported the budget as submitted.

ADMINISTRATIVE FUND BUDGET HIGHLIGHTS (Millions)	
FY12 Approved Budget	\$27.54
FY13 Request	\$27.94
FY13 Executive Recommendation	\$27.94
Difference between FY12 Approved and Request	\$0.4

PLANNING DEPARTMENT

PLANNING DEPARTMENT WORKPROGRAM

The Planning Department uses a program based budget, and a description of each Planning Department program appears on pages 3 to 76 of the **Supplemental Program Budget**. M-NCPPC has proposed 143.1 workyears (before lapse and chargebacks) for FY13, **which is identical to the amount in the approved FY12 budget**. The four major components of the Planning Department program budget are as follows: (1) Master Plans; (2) Plan Implementation; (3) Information Resources; and (4) Management and Administration.

The charts on pages 125 to 128 of the Budget (also shown on pages 13 to 16 of the Supplemental Program Budget) provide a comparison between the Planning Department's FY12 and FY13 workyears and summary information about the FY13 costs for personnel and other costs. As the chart highlights, the Planning Department master plan resources will shift as they complete work on some plans and begin work on new ones, **but overall resources devoted to each of the main program areas are virtually unchanged**. There are no new programs other than the change in master plans and the addition of minor master plan amendments.

Page 120 of the Budget lists the Professional Services, which are proposed to decrease from \$826,000 in FY12 to \$301,000 in FY13, primarily due to the completion of the Bus Rapid Transit Study (\$375,000) and work on the Subdivision Staging Policy (\$150,000). The FY13 budget includes \$75,000 for Special Projects requested by the Council (\$15,000 allocated to the Director's office, each of the three Area Divisions, and the Center for Research and Information Systems). The Committee may want to discuss with Planning Department staff how they will determine the specific projects to be funded.

Given the significant changes to the Planning Department budget over the last few years and their decision to not recommend any changes in staffing or resources for FY13, **Staff believes that the Committee should endorse the level of funding requested and supported by the Executive.**

Planning Department Workprogram

On April 10, the Council began discussing the Planning Department workprogram at the Semi-Annual Report meeting. Some questions were raised about the need to begin work on the Aspen Hill Master Plan and the Committee agreed to address any outstanding issues regarding the master plans schedule at the Committee meeting. The master plan schedule presented at the Semi-Annual Report meeting is attached at © 17 and summarized in the chart below.

COMMISSIONERS' OFFICE

The Montgomery County Commissioners' Office includes the Chair's Office and the technical writers unit. The description of this Office and the requested budget appears on pages 48 to 50 of the M-NCPPC Budget. The requested budget for FY13 is \$1,080,200. This is a \$1,200 decrease from the FY12 budget. The budget funds the salaries of the Planning Board, as well as 4 full-time positions in the Chair's office and 2 full time Technical Writers/Editors.

In FY13, the budget includes one less part-time career position (0.5 workyears) than in FY12. This position, established in FY10, had remained vacant and unfunded.

Staff recommends approval as submitted.

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 230 to 244 in the Budget). Programs that 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). The total FY13 Special Revenue Fund **revenues** are projected to decrease by \$111,440 or 2.3%, (to \$5,060,800), while proposed **expenditures** would increase by \$88,860 or 1.6% (to \$5,759,000). For FY13, projected expenditures would exceed revenues by \$698,200.

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. No revenues or expenditures are proposed for the Historic Renovations Fund in FY13 since the source of revenues is surpluses in the Property Management Fund, and none are anticipated this year.

The Special Revenue Funds in the FY13 Budget include the following funds:

- **Historic Renovations – Property Management:** Any excess revenues from property management of Commission rental properties are used for work associated with historic park properties.
- **Park Police – Drug enforcement:** Revenues from the sale of property seized as a result of drug-related crime convictions may be used for the purchase of equipment and other resources to combat drug-related crimes in the parks. (State law authorization.)

- **Park Police – Federally Forfeited Property:** Revenues from the sale of property seized as a result of drug-related crime convictions may be used for the purchase of equipment and other resources to combat drug-related crimes in the parks. (Federal law authorization.)
- **Interagency Agreements:** Revenues transferred from other agencies, used primarily to fund ballfield maintenance.
- **Park Cultural Resources:** Revenues and expenditures associated with historical and archeological programs and camps.
- **Special Events:** This fund provides for work done by the Commission on a reimbursement basis for special events in the parks sponsored by outside entities (e.g., the Avon Breast Cancer Walk).
- **Nature Programs and Facilities:** For nature and environmental education programs, projects, and camps at nature facilities.
- **Special Donations and Programs:** This account allows for the expenditure of donations associated with the Parks Foundation and the Parks Corporate Sponsorship Initiative.
- **Traffic Mitigation Program:** Developers with traffic mitigation agreements pay fees used for independent monitoring of trip reduction.
- **Historic Preservation – County Non-Departmental Account:** Allows a transfer from the County Government to M-NCPPC to partially fund the Historic Preservation Commission.
- **GIS Data Sales:** Revenues associated with the sale of Geographic Information System (GIS) data is used to update the plan/topographic base map.
- **Environmental/Forest Conservation Penalties:** Monies collected from fines imposed for violation of the County Forest Conservation Law may be spent on authorized forest-related projects and enforcement and administration of the Forest Conservation Program.
- **Development Review Special Revenue Fund:** Fees associated with the development review process are spent on staff who administer the process. (This fund has generally required a significant County subsidy from the Administration Fund to cover expenditures.)
- **Forest Conservation:** Fees paid by developers in lieu of planting forests are used by M-NCPPC for forest planting, protection, maintenance, and planting.

FY13 projected expenditures, revenues, and fund balances are shown below.

SPECIAL REVENUE FUNDS					
	Beginning Fund Balance	Proposed FY13 Revenue	Proposed FY13 Expendtrs	Net FY13 Revenue	Proposed Ending Fund Balance
Historic Renovations (Property Management)	\$0	\$0	\$0	\$0	\$0
Park Police - Drug Enforcement Fund	\$41,102	\$300	\$20,000	-\$19,700	\$21,402
Park Police - Federally Forfeited Property	\$34,216	\$300	\$30,000	-\$29,700	\$4,516
Interagency Agreements	\$11,048	\$904,100	\$913,200	-\$9,100	\$1,948
Park Cultural Resources	\$26,198	\$26,800	\$52,500	-\$25,700	\$498
Special Events	\$86	\$33,000	\$33,000	\$0	\$86
Nature Programs and Facilities	\$9,402	\$142,200	\$143,700	-\$1,500	\$7,902
Special Donations and Programs	\$28,562	\$464,500	\$465,100	-\$600	\$27,962
Traffic Mitigation	\$32,948	\$20,200	\$20,000	\$200	\$33,148
Historic Preservation (County non-departmental account)	\$14,004	\$255,000	\$254,900	\$100	\$14,104
GIS Data Sales	\$42,012	\$25,200	\$61,000	-\$35,800	\$6,212
Environmental/Forest Conservation Penalties Fund	\$42,437	\$25,400	\$47,000	-\$21,600	\$20,837
Development Review Special Revenue Fund (includes DAP)	\$469,413	\$3,109,800	\$3,378,600	-\$268,800	\$200,613
Forest Conservation Fund	\$532,797	\$54,000	\$340,000	-\$286,000	\$246,797
TOTAL ALL FUNDS	\$1,373,672	\$5,060,800	\$5,759,000	-\$698,200	\$675,472

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 FY13, the Park Police Drug Enforcement Fund is budgeted to spend far more than it anticipates in revenues because it has a large fund balance. This is appropriate as long as there is a fund balance.

Planning Department Staff have provided information on the Development Review Special Revenue Fund (see © 5 to 6). They are proposing to reduce expenditures by an insignificant amount from FY12 to FY13, but believe revenues generated by fees in FY13 will be \$110,000 (6%) less in FY13, requiring an offsetting increase in the transfer from the Administration Fund. The Council should continue to monitor the revenues and size of the transfer as development activity changes over time.

THE ADVANCE LAND ACQUISITION REVOLVING FUND (ALARF)

The Advance 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 245-246 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. To provide the appropriation authority, the budget assumes that the entire Fund balance will be spent in FY13. **Council approval is still required for each ALARF purchase.**

Whenever the Fund drops inappropriately low, M-NCPPC issues new bonds to restore the balance. M-NCPPC last issued \$2,000,000 in Advance Land Acquisition (ALA) bonds in FY05, and debt service began in FY05. For FY13, they recommend debt service of \$310,700, a decrease of \$8,800 or 2.5%. 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.

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 203 to 204). In FY12, the Department terminated its contract with a private firm providing out-sourced property management services. Department of Parks maintenance staff assumed responsibility for the maintenance and care of the rental houses, and the Property Management staff assumed the rent collection for these properties. The significant decrease in the number of park houses available for rent meant that the contract was not sustainable. The Department of Parks believes that it was more efficient to bring these services back to the Department and allow the Park Fund to chargeback the Property Management Fund, thereby reducing tax-supported expenditures. They indicate that if this does not prove to be cost-effective, they will revisit options. Additional information about the transition is attached at © 9.

In FY13, rental revenue is proposed to increase by \$61,000, or 8%, due to additional tenants, while the overall revenues and expenditures associated with the Property Management Fund are proposed to decrease by \$70,300 (7%). The Executive recommends approval of the Property Management Fund as submitted.

The funding request is as follows:

FY11 and FY12 PROPERTY MANAGEMENT FUND			
FY12 Budgeted (Revenues and Expenditures)	FY13 Request (Revenues and Expenditures)	Change from FY12 to FY13	% Change from FY12 to FY13
\$938,000	\$867,700	(\$70,300)	-7%
5.0 WY	5.0 WY	0	0%
Note: Workyears include chargebacks			

Staff recommends approval.

INTERNAL SERVICE FUNDS

The M-NCPPC budget includes two Internal Service Funds: Risk Management and Capital Equipment. Total expenditures for the Risk Management Fund are projected to increase by \$465,234 or 14.5%, to \$3,674,290, due to higher workers' compensation costs and a higher actuarially established claim reserve level based on actual claims history (page 249).

The Capital Equipment Service Fund was established to provide an economical method of handling large purchases of equipment (see pages 251-252). The Fund spreads the cost of an asset over its useful life instead of burdening any one fiscal year with the expense. While revenues will be approximately the same in FY13 as in FY12, expenditures are expected to decrease significantly, and the fund is expected to generate net revenue. (In FY12, expenditures exceeded revenues and fund balance was used to pay a portion of the expenditures.)

FY12 and FY13 CAPITAL EQUIPMENT INTERNAL SERVICE FUND				
	FY12 Budgeted	FY13 Request	Change from FY12 to FY13	% Change from FY11 to FY12
Revenues	\$1,196,100	\$1,181,850	(\$14,250)	-1.19%
Expenditures	\$1,666,700	\$908,700	(\$758,000)	-45.48%
Net Revenue	(\$470,600)	\$273,150	\$743,750	-158.04%

Staff recommends approval.



MONTGOMERY COUNTY PLANNING DEPARTMENT

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

April 16, 2012

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

VIA: Rollin Stanley, Director of Planning *RS*
Piera Weiss, Deputy Director of Planning

FROM: Traci Anderson, Chief, Management and Technology Services
Anjali Sood, Budget Manager

SUBJECT: Budget Worksession

Please find attached the Department of Planning's responses to Council Staff questions in preparation for the PHED committee's worksession, scheduled for April 18, 2012:

- 1. Itemize all chargebacks from CAS or other departments to the Planning Department and from the Planning Department to other funds (e.g., Development Review Special Revenue Fund) including costs in FY 12 and FY13. Explain the rationale for any significant change in Chargebacks between FY12 and FY 13.***

Chargebacks are detailed in Attachment A.

- 2. Itemize major categories of support services costs and the costs for FY12 and FY13.***

Itemization and comparison of all major categories of support services appear in Attachment B.

- 3. What is the status and schedule for implementation of the new Hansen and ePlans systems?***

The Hansen 8 system has been fully implemented. The system receives nightly data downloads from the County's Department of Permitting Services (DPS) and State Department of Assessments and Taxation (SDAT) to maintain current and accurate records related to the property base, addresses and Special Exception/Local Map Amendment casework. Additionally, the Planning Department is implementing two initiatives to better support the exchange of information:



- Enhanced coordination of property addressing with DPS. As a first step, the Department and DPS have mutually agreed upon address assignments as part of the requirement to monitor development in White Flint.
- In response to SDAT's changes to its data sharing format, the Department has implemented quarterly snapshots that inform our research efforts. The Department continues to reprogram our systems to read the new format as part of the Hansen effort.

The Department continues efforts to fully implement ProjectDox, with the first phase of implementation to focus on delivery of three plan types: Preliminary Plans, Site Plans and Record Plats. These three plan types account for 95% of development applications received in the Department. The Department is conducting internal testing and gathering feedback from partners in this process. Next steps include: training for internal and external users of the system (May 2012), and a community launch of the system (June 2012). The Department anticipates the system will be fully operational by October 2012.

4. How is the development and implementation of these systems being coordinated with the other agencies/Departments involved in the land use process?

With regard to the Hansen system, and as noted previously, the Department secures nightly downloads of information from DPS, SDAT and the Board of Appeals. Additionally, the Department engages in regular meetings with these and other partners to discuss coordinating needs.

The Department continues to partner with other agencies to fully implement ProjectDox. In addition to the staff of Montgomery's Parks and Planning Departments, we have provided training to 43 representatives from partnering organizations. The training included two, 3-hour training sessions (covering Introduction to ProjectDox, Brava Viewer and Reviewer Training) and was delivered to representatives from the following outside agencies:

- Montgomery County Department of Permitting Services
 - Sediment and Stormwater
 - Right of Way Permitting
 - Zoning
 - Well & Septic
- Environmental Protection (DEP)
 - Water and Wastewater

- County Arborist
- Department of Transportation (DOT)
- Fire and Rescue Services (FRS)
- Department of Housing and Community Affairs (DHCA)
- Montgomery County Public Schools (MCPS)
- State Highway Administration (SHA)
- Washington Suburban Sanitation Commission (WSSC)

5. *What is the basis for anticipating a decrease in collections of development review application fees for FY13?*

The Department anticipated a decrease in fee collections primarily because the level of application submission has not returned to pre-recession levels. Table 1 summarizes the types of applications received during the period of FY 2006 to FY 2012. It is notable that the categories of applications demonstrating modest changes are mostly amendments rather than new plans. Amendments require the same approval process, but have a lower fee assessed (with the exception of certain minor amendments that do not require Planning Board approval). Table 2 (which represents our application and revenue collection activity to date) also reveals that Record Plats represent 60% of the applications for FY 12 and generate 11% of our revenue. While Sketch Plans generate much more in fees, the potential number of applications per year is 5 or less, based on data for two years. While we anticipate a slight increase in the number of applications submitted, we expect that the increase will be due to amendments and record plats, the combined total of which represent over 80% of applications received and generate less than 33% of the Fund's revenue.

Table 1

Application Type	FY06	FY07	FY08	FY09	FY10	FY11	FY12
Subdiv Reg Waivers	4	2	4	1	1	1	3
Project Plans	7	13	1	3	4	3	3
Project Plan Major Amendments	5	2	2	0	3	4	3
Project Plan Minor Amendments	2	2	3	1	1	1	0
Preliminary Plans	134	93	51	49	38	42	23
Preliminary Plans Major Amendments	6	7	2	2	3	3	2
Preliminary Plans Minor Amendments	9	11	13	24	15	13	9
Site Plans	40	26	26	17	10	16	12
Site Plans Major Amendments	9	11	2	7	9	7	10

Application Type	FY06	FY07	FY08	FY09	FY10	FY11	FY12
Site Plans Minor Amendments	53	42	62	65	50	48	26
Record Plats	243	168	214	119	107	164	152
Sketch Plan						3	5
Total Applications *	512	377	380	288	241	305	248
% Amendments	16%	19%	22%	34%	34%	25%	20%
% Record Plats	47%	45%	56%	49%	44%	54%	61%

Table 2

REVENUE FY 12 July- March	Number of Plans	% of Total Plans	% of Total Revenue
Subdivision Waivers	4	1%	
Preliminary Plans	23	9%	28%
Prelim Amendments	11	5%	4%
Site Plans	12	5%	10%
Site Plan Amendments	36	15%	18%
Sketch Plans	5	2%	21%
Project Plans	5	2%	8%
Record Plats	152	61%	11%
	248		

*percentages based on the estimated budget (see page 243 of proposed budget)

6. *Why is there a significant difference between the FY12 budgeted revenues/fees and the FY12 estimated revenues/ fees for Env. Penalty/Forest Conservation (page 119)?*

The FY12 Budget reflected \$100,000 in Environmental Penalty/ Forest Conservation special revenue due to anticipated collection of \$83,000 in fines as the result of a forest conservation violation. The Department has not been able to collect the funds, and further collection action is pending within the litigation team.

7. *In several places on the list of professional services on page 120 funding is listed for "Special Council Request". What is this?*

The Department has allocated these funds throughout service units to cover the costs of professional services and staff time associated with special requests and projects. In FY13, these funds will provide resources for transportation information, special

demographic studies, economic forecasting, research and mapping services, as per Council requests.

8. *What is the status and schedule for the project to convert the official zoning map in GIS?*

The last set of corrective map amendments (CMA) has been completed. This is the last step required to correct the current official zoning maps prior to requesting Council adoption of the GIS zoning layer as the official zoning map. The final CMA request will be transmitted to Council in May.

Zoning text amendments (ZTA) will be necessary to effect the change from hand drawn mylar maps to an electronic mapping system, and to set a new date for the official zoning maps to be made electronic.

9. *Page 153 indicates that a position was moved from the Management Services Division to the Center for Research and Technology, but this is not apparent in the supplemental program budget. Please clarify.*

The summaries presented on pages 135 and 153 reflect, respectively, a decrease of one position in Management and Technology Services (reducing the work year total from 21.9 in FY 12 to 21 in FY13) and an increase of one position in the Center for Research and Information Systems (increasing the total work years from 17 in FY12 to 18 in FY13). This change was made to increase capacity related to GIS mapping.

10. *Approximately \$190k shifted from "other operating expenses" to "publications in work program support" (page 73). I am assuming this is a typo, but seek clarification.*

This is a typographical error; it should appear in "other operating expenses".

Attachment A: Department of Planning Chargebacks (Question 1)

From	To	DESCRIPTION	FY12 Budget	FY13 Proposed	\$ change FY12/FY13	% change FY12/FY13
Special Revenue Funds						
DR Special Revenue Fund	CAS Legal	Career Associate General Counsel - 1 wy	135,450	122,800	(12,650)	-9.34%
DR Special Revenue Fund	CAS Finance	The cost of the Finance Department's services (e.g. revenue collection, investing, procurement, disbursements, payroll, general accounting, audit services and executive oversight) to the DR Special Revenue Fund	7,800	22,000	14,200	182.05%
DR Special Revenue Fund	Planning Department	Application review and other development management work.	2,937,600	2,937,600	-	0.00%
Historic Preservation Special Revenue Fund	Planning Department Historic Preservation / Functional Planning division	Support to Historic Preservation activities	254,800	254,900	100	0.04%
Total for Special Revenue Funds			3,335,650	3,337,300	1,650	0.05%
Planning Department Support Services Personnel Services						
Support Services Planning Department	CAS Finance	The employer's share of insurance premiums for employees on LTD Based on the actual group insurance costs of employees on LTD as of June 30, 2011	14,000	-	(14,000)	-100.00%
Support Services Planning Department	CAS Finance	To cover fees charged by the administrator of the flexible spending plan based on prior year actual administrative costs plus 5% growth	1,550	1,630	80	5.16%
Support Services Planning Department	CAS Finance	The unemployment insurance is based on the actual experience in the prior year	14,800	43,800	29,000	195.95%
Total Non-salary related personnel costs			30,350	45,430	15,080	49.69%

From	To	DESCRIPTION	FY12 Budget	FY13 Proposed	\$ change FY12/FY13	% change FY12/FY13
Planning Department Support Services Other Services and Charges						
Support Services Planning Department	CAS Risk Management	The Group Insurance charge is a break out from Risk Management.	86,100	77,700	(8,400)	-9.76%
Support Services Planning Department	CAS Group Insurance Fund			61,400	61,400	100%
Support Services Planning Department	CAS Capital Equipment Internal Service Fund	Capital Equipment Charges	51,500	51,500	-	0.00%
Support Services Planning Department	CAS Capital Equipment Internal Service Fund	ISF Commission wide IT Initiative 'FY 2013 assumes \$450,000 cash payment for subscriptions and \$600,000 to be financed for ERP contingency	36,100	54,200	18,100	50.14%
Support Services Planning Department	CAS Capital Equipment Internal Service Fund	CIO Allocation	36,500	46,600	10,100	27.67%
Support Services Planning Department	CAS Legal	Legal services	85,000	85,000	-	0.00%
Total Other Services and charges			\$295,200	\$376,400	\$81,200	27.51%

Attachment B: Department of Planning Support Services Budget (Question 2)

Planning Department – Support Services Budget		
Personnel	FY12	FY13
Retirement - FT	\$81,900	\$0
Group LTD Insurance - FT	\$14,000	\$0
Unemployment Payments	\$14,800	\$43,800
Salaries and FICA interns	\$22,800	\$22,800
Personnel Services - Other	\$13,000	\$13,000
Total Personnel	\$146,500	\$79,600
Supplies & Materials	\$164,500	\$164,500
Total Supplies & Materials	\$164,500	\$164,500
Other Services & Charges		
Advertising (employment, community outreach, RFPs)	\$12,000	\$12,000
Postage	\$40,000	\$40,000
Telephone/ communication	\$74,800	\$74,900
Utilities	\$297,600	\$290,000
Internal Service Fund payments	\$124,100	\$152,300
Repairs/Maintenance Building	\$225,000	\$176,500
Real Property Rent/Lease	\$150,000	\$0
Maintenance Copier and other office equipment	\$423,300	\$390,000
Risk Management	\$86,100	\$77,700
Group Insurance	\$0	\$61,400
Construction/Renovation Services - Buildings	\$100,000	\$160,000
Flooring Services	\$30,000	\$30,000
Tuition Assistance	\$10,000	\$10,000
Legal Services	\$9,000	\$9,000
Specialized printing	\$5,000	\$5,000
Repairs/Maint HVAC,	\$50,000	\$110,000
Misc. Services	\$86,900	\$125,000
Legal Services-CAS	\$85,000	
Total OSC	\$1,808,800	\$1,723,800
Chargebacks		
CAS Legal Services		\$85,000
Total Chargebacks		\$85,000
Total	\$2,119,800	\$2,052,900

- 13. Why did you decide to no longer outsource property management? Since this was covered by rent, it is not clear to me whether there is a fiscal benefit to the department. Since there is no increase in workyears, will existing staff be able to manage this**

The Department's Property Management services, both maintenance and management, were outsourced in 1995. Since that time, the number of park houses has decreased by 50%. With this reduction in housing stock and rent, the contract was no longer sustainable.

A management decision was made in FY12 to bring these services back in-house. This move also allowed the Park Funded Facility Management Division to increase the chargeback to the Property Management Fund as an offsetting budget reduction.

Maintenance services are now provided by Park maintenance staff and management services are performed by Property Management staff. For the first year or so, a transitional increase in activity for staff is expected. The transition should facilitate tighter oversight of the maintenance and financial aspects of this inventory. Already the Property Management staff is finding ways to streamline some of the management tasks such as automating the rent roll and establishing electronic rental payments where possible.

The Department was facing budget reductions. We believe, in this case, it was more efficient to bring services back to the Department and allow the Park Fund to chargeback the Property Management Fund, thereby reducing tax-supported expenditures. If this proves to not be cost-effective, we will revisit the options.

- 14. What is the proposed FY13 fund balance for the Enterprise Fund?**

The fund balance for the Enterprise Fund is projected to be approximately \$4.0M by the end of FY13. Any funds in excess of the amount required by the fund balance policy will be used for life cycle replacement projects, deferred maintenance projects, and ADA compliance projects.

- 15. What is your estimate of rent you will receive from MCRA for the golf courses in FY13?**

The MCRA lease terms state that MCRA will make a percentage rent payment when net revenues generated at Northwest, Needwood and Little Bennett golf courses exceed the lease-stated threshold of \$5.1M. The MCRA has not exceeded this threshold in past years and is not expected to do so in FY13, thus the Department will not receive any income from the three golf courses.

- 16. Explain how you are reallocating administration costs and chargebacks for the Enterprise Fund.**

The administration costs and chargebacks are distributed to each facility based on the percentage of the proposed operating revenues for that facility relative to the total proposed revenues for the Enterprise Fund.

- 17. Page 222 indicates a \$33,000 increase is OBI for operating Woodstock Equestrian Center but I thought operation of this center was supposed to be funded by non-county sources of funding?**

Adequate private funds were not forthcoming, and we are choosing to open Woodstock at a reduced cost and on a reduced self-serve basis until such funding can be secured. The annual OBI is \$33,000 (.6 WY), which reflects the cumulative cost of 1) Park Police (both routine patrol and for special events), 2) Northern Park staff for seasonal maintenance including mowing, maintenance of riding ring, cross country and meadow areas, and trash removal, and 3) nominal costs from Facilities Management for annual inspection of well and water lines.

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 can be obtained by contacting the M-NCPPC Budget Office at 301.454.1740 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.

Special Revenue 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 2012, the Council approved FY13 Spending Affordability Guidelines (SAG) of \$93,600,000 for the tax-supported funds of the M-NCPPC, which is a 4.0 percent increase from the \$90,000,000 approved FY12 budget. For FY13, the Commission has requested \$102,189,400 excluding debt service, \$8,589,400 above the total SAG amount of \$93,600,000. The County Executive concurs with the request and recommends approval of \$102,189,400.

The total requested budgets for the Enterprise Fund, Property Management Fund, Special Revenue Funds, ALA Debt Service Fund, and Grant Fund, are \$17,242,530, a 1.4 percent increase from the \$17,001,340 total FY12 approved budget. The County Executive

concurs with the request and recommends approval of \$17,242,530.

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 information, analysis, recommendations and other staffing services to the Montgomery County Planning Board, the County Council, the County Executive, other governmental agencies, and the public. The Department prepares master and sector plans for Planning Board review and approval by the County Council. The Department reviews development applications for conformance with existing laws, regulations, master plans and policies, and presents its recommendations to the Planning Board for action. The Department gathers, analyzes and reports various data (such as housing, employment, population growth and other topics of interest) to the County Council, County government, other agencies, the business community, and the public.

Central Administrative Services

The mission of Central Administrative Services is to provide quality corporate services in the areas of corporate governance; human resources; finance and budget; legal counsel; information technology; and internal audit; and to deliver these services with integrity, innovation, responsiveness, and excellent customer service to the Commission, its employees, elected and appointed officials and the communities served in the bi-county region. The level of services and therefore funding allocation by county is tailored to the agency and the individual department needs. Certain functions are allocated based on labor distribution or a cost driver such as number of employees paid. Some functions such as the Merit System Board are funded evenly by both 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. The Department oversees a comprehensive park system of 415 parks of different sizes, types, and functions that feature Stream Valley and Conservation Parks, Regional and Special Parks, Recreational Parks, and Local and Community Parks. The Department 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 supported by user fees. Recreational activities include: ice rinks, indoor tennis, event centers, boating, camping, trains, carousel, mini-golf, driving range, and splash and skate parks. Operating profits are reinvested in new or existing public revenue-producing facilities through the operating budget and 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 concurs with M-NCPPC's request and recommends a FY13 level of expenditure for M-NCPPC of \$102,189,400, 5.5 percent above the FY12 approved budget for tax supported funds, exclusive of debt service. The Executive's recommended total is \$8,589,400 or 9.18 percent above the Council Spending Affordability Guidelines (SAG).

Within the recommended funds that the Executive is allocating to M-NCPPC, the assumption is that the Commission is providing only one time compensation increases that do not add to the base compensation budget and will implement permanent restructuring of employee benefits that will move Commission employees into parity with County Government employees.

Park Fund

The County Executive concurs with the M-NCPPC request for funding of \$76,562,100, excluding debt service. This proposed funding represents a \$5,000,970 or 7.0 percent increase from the FY12 approved budget. Park Fund debt service increased by \$90,800 from \$4,351,900 in FY12 to \$4,442,700 in FY13.

Administration Fund

The County Executive concurs with the M-NCPPC request for funding of \$25,627,300. This represents a \$284,350 or 1.1 percent increase from the FY12 approved budget. The Executive recommends a transfer from the Administration Fund to cover costs in the Special Revenue Fund in the amount of \$1,390,000, an increase of \$112,000 or 8.8% from the FY12 amount of \$1,278,000.

ALA Debt Service

The County Executive concurs with the M-NCPPC request for funding of \$312,100. This represents a decrease of \$8,800 or 2.7 percent from the FY12 approved budget.

Enterprise Fund

The County Executive concurs with the M-NCPPC request for funding of \$9,753,730. This represents a \$231,430 or 2.4 percent increase from the FY12 approved budget of \$9,522,300.

Property Management Fund

The County Executive concurs with the M-NCPPC request for funding of \$867,700. This represents a \$70,300 or 7.5 percent decrease from the FY12 approved budget of \$938,000.

Special Revenue Fund

The County Executive concurs with the M-NCPPC request for funding of \$5,759,000. This represents a \$88,860 or 1.6 percent increase from the FY12 approved budget. The Executive recommends a transfer from the Administration Fund to cover costs in the Special Revenue Fund in the amount of \$1,390,000, an increase of \$112,000 or 8.8% from the FY12 amount of \$1,278,000, and a transfer of \$808,200 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 Darin Conforti of the M-NCPPC at 301.454.1740 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

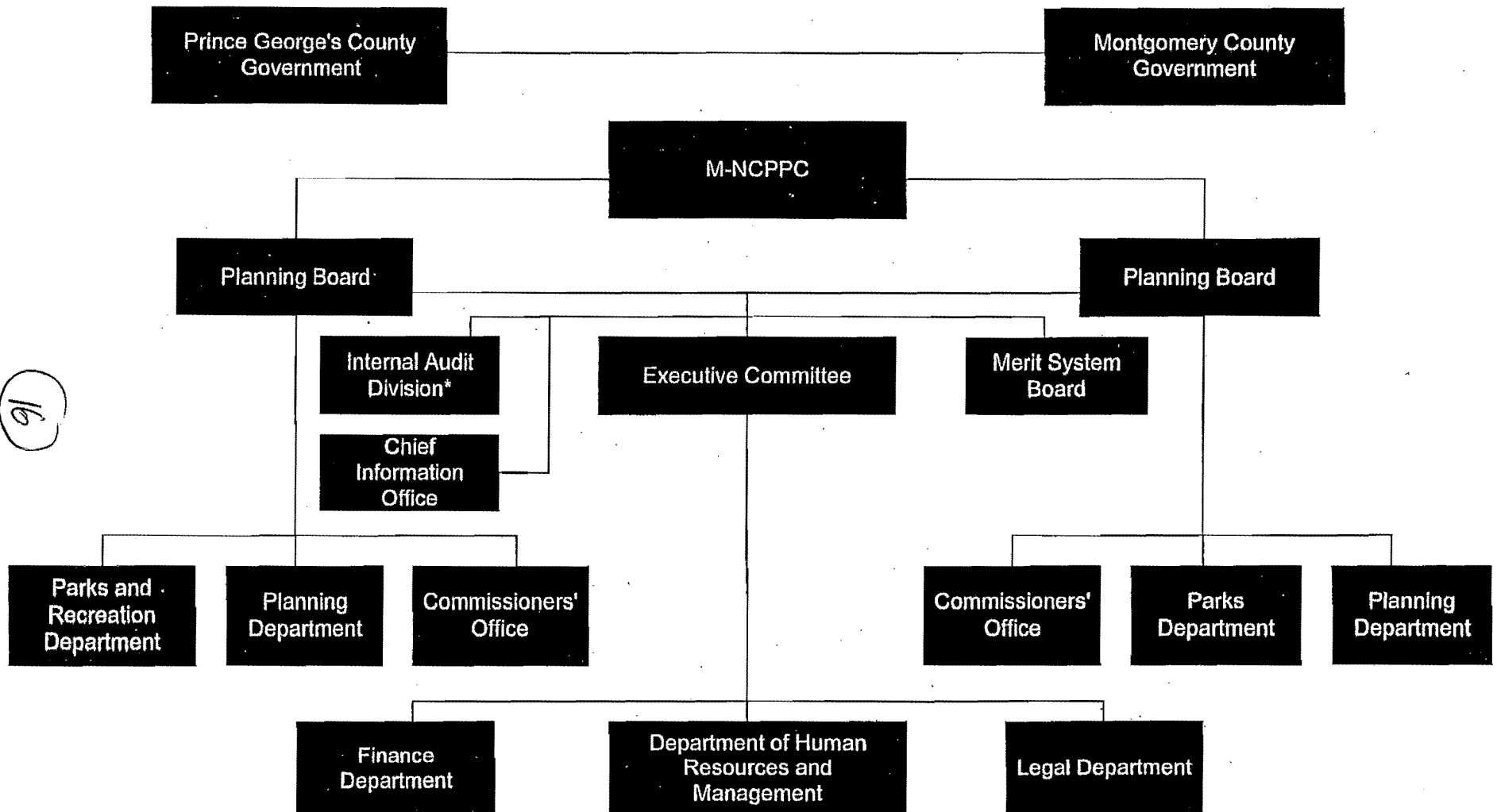
	Actual FY11	Budget FY12	Estimated FY12	Recommended FY13	% Chg Bud/Rec
ADMINISTRATION FUND					
EXPENDITURES					
Salaries and Wages	0	0	0	0	—
Employee Benefits	0	0	0	0	—
Administration Fund Personnel Costs	0	0	0	0	—
Operating Expenses	22,849,878	25,342,950	25,302,950	25,627,300	1.1%
Capital Outlay	0	0	0	0	—
Administration Fund Expenditures	22,849,878	25,342,950	25,302,950	25,627,300	1.1%
PERSONNEL					
Full-Time	0	0	0	0	—
Part-Time	0	0	0	0	—
FTEs	177.00	175.90	175.90	173.40	-1.4%
REVENUES					
Intergovernmental	102,357	360,400	388,000	385,400	6.9%
Investment Income	42,734	60,000	39,000	45,000	-25.0%
Property Tax	23,012,587	25,457,490	25,108,890	25,830,836	1.5%
User Fees	324,309	230,000	225,000	210,000	-8.7%
Administration Fund Revenues	23,481,987	26,107,890	25,760,890	26,471,236	1.4%
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	67,651,381	71,561,130	71,561,130	76,562,100	7.0%
Debt Service Other	3,963,043	4,351,900	3,851,900	4,442,700	2.1%
Capital Outlay	0	0	0	0	—
Park Fund Expenditures	71,614,424	75,913,030	75,413,030	81,004,800	6.7%
PERSONNEL					
Full-Time	0	0	0	0	—
Part-Time	0	0	0	0	—
FTEs	602.90	641.00	641.00	625.60	-2.4%
REVENUES					
Facility User Fees	1,667,286	1,929,300	1,719,300	1,711,800	-11.3%
Intergovernmental	18,449	1,509,300	1,509,300	1,558,600	3.3%
Investment Income	-9,540	115,000	6,000	5,000	-95.7%
Investment Income: CIP	1,849	2,000	5,000	0	—
Miscellaneous	165,862	74,000	243,700	247,500	234.5%
Property Tax	69,049,034	71,833,970	70,851,970	77,492,510	7.9%
Park Fund Revenues	70,892,940	75,463,570	74,335,270	81,015,410	7.4%
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	630,304	320,900	320,900	312,100	-2.7%
Capital Outlay	0	0	0	0	—
ALA Debt Service Fund Expenditures	630,304	320,900	320,900	312,100	-2.7%
PERSONNEL					
Full-Time	0	0	0	0	—
Part-Time	0	0	0	0	—
FTEs	0.00	0.00	0.00	0.00	—
REVENUES					
Property Tax	1,785,987	1,740,560	1,717,570	1,651,447	-5.1%
ALA Debt Service Fund Revenues	1,785,987	1,740,560	1,717,570	1,651,447	-5.1%
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	95,915	550,000	550,000	550,000	—

	Actual FY11	Budget FY12	Estimated FY12	Recommended FY13	% Chg Bud/Rec
Capital Outlay	0	0	0	0	—
Grant Fund MNCPPC Expenditures	95,915	550,000	550,000	550,000	—
PERSONNEL					
Full-Time	0	0	0	0	—
Part-Time	0	0	0	0	—
FTEs	0.00	0.00	0.00	0.00	—
REVENUES					
Administration Fund Grants	0	150,000	150,000	150,000	—
Park Fund Grants	95,915	400,000	400,000	400,000	—
Grant Fund MNCPPC Revenues	95,915	550,000	550,000	550,000	—
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	7,614,217	8,262,600	8,630,409	8,876,530	7.4%
Debt Service Other	1,318,406	1,259,700	1,259,700	877,200	-30.4%
Capital Outlay	0	0	0	0	—
Enterprise Fund Expenditures	8,932,623	9,522,300	9,890,109	9,753,730	2.4%
PERSONNEL					
Full-Time	0	0	0	0	—
Part-Time	0	0	0	0	—
FTEs	110.90	118.80	118.80	118.90	0.1%
REVENUES					
Concessions	34,325	29,200	0	32,500	11.3%
Fees and Charges	6,137,974	6,065,100	9,989,400	6,467,300	6.6%
Merchandise Sales	703,841	649,300	0	690,000	6.3%
Non-Operating Revenues/Interest	14,907	12,000	12,200	25,000	108.3%
Rentals	2,858,859	3,018,500	0	2,791,500	-7.5%
Enterprise Fund Revenues	9,749,906	9,774,100	10,001,600	10,006,300	2.4%
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	920,917	938,000	838,000	867,700	-7.5%
Capital Outlay	0	0	0	0	—
Prop Mgmt MNCPPC Expenditures	920,917	938,000	838,000	867,700	-7.5%
PERSONNEL					
Full-Time	0	0	0	0	—
Part-Time	0	0	0	0	—
FTEs	3.50	2.50	2.50	5.00	100.0%
REVENUES					
Investment Income	5,435	5,000	5,000	8,000	60.0%
Rental Income	783,753	733,000	733,000	794,000	8.3%
Prop Mgmt MNCPPC Revenues	789,188	738,000	738,000	802,000	8.7%
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	4,881,491	5,670,140	5,524,274	5,759,000	1.6%
Capital Outlay	0	0	0	0	—
Special Revenue Funds Expenditures	4,881,491	5,670,140	5,524,274	5,759,000	1.6%
PERSONNEL					
Full-Time	0	0	0	0	—
Part-Time	0	0	0	0	—
FTEs	27.50	28.50	28.50	28.55	0.2%
REVENUES					
Intergovernmental	1,094,047	434,840	309,800	350,700	-19.3%
Investment Income	13,897	0	8,200	11,900	—
Miscellaneous	71,634	0	0	0	—
Service Charges	2,668,283	2,660,400	2,562,700	2,500,000	-6.0%
Special Revenue Funds Revenues	3,847,861	3,095,240	2,880,700	2,862,600	-7.5%

	Actual FY11	Budget FY12	Estimated FY12	Recommended FY13	% Chg Bud/Rec
DEPARTMENT TOTALS					
Total Expenditures	109,925,552	118,257,320	117,839,263	123,874,630	4.8%
Total Full-Time Positions	0	0	0	0	—
Total Part-Time Positions	0	0	0	0	—
Total FTEs	921.80	966.70	966.70	951.45	-1.6%
Total Revenues	110,643,784	117,469,360	115,984,030	123,358,993	5.0%

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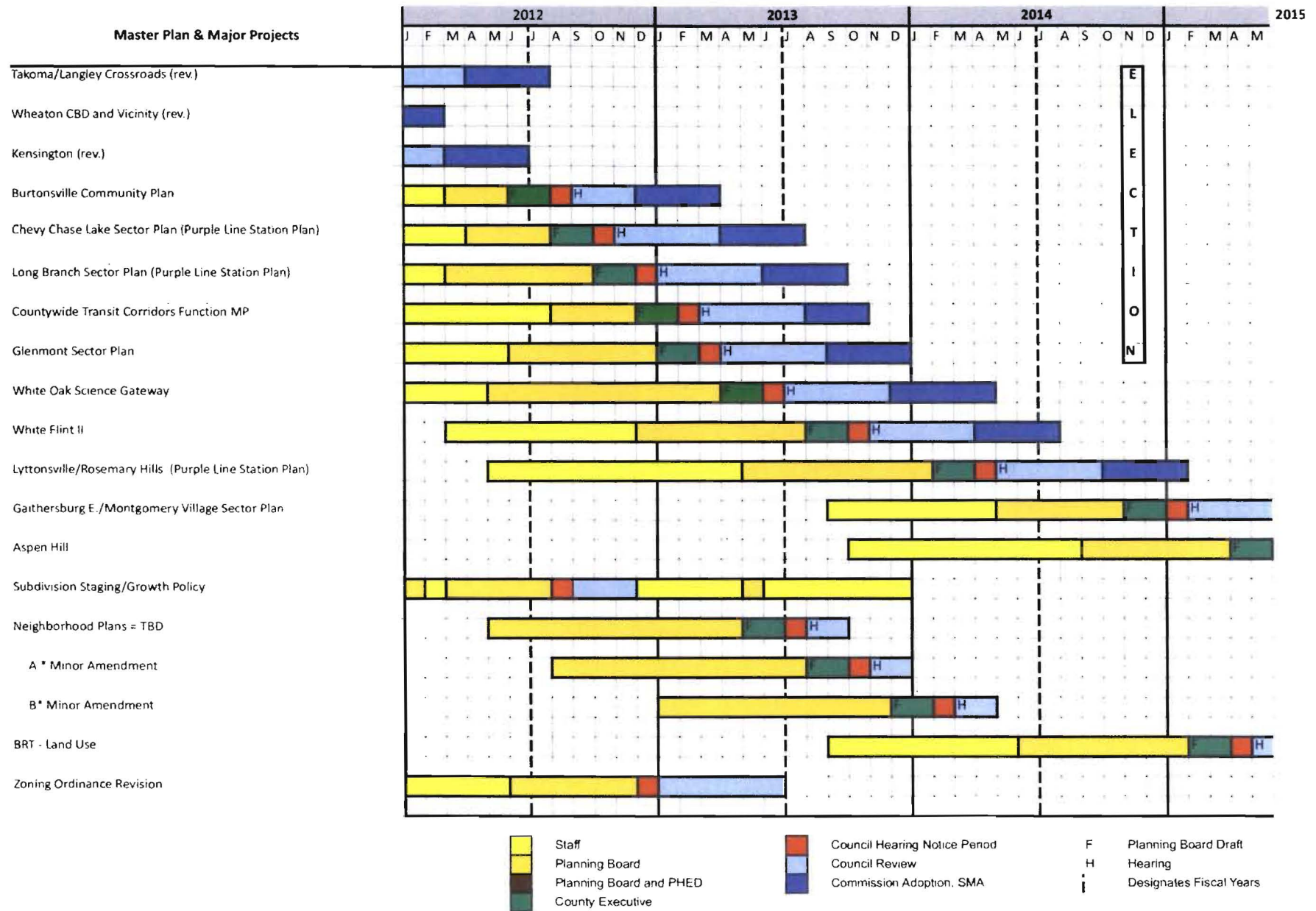
Maryland-National Capital Park and Planning Commission



*Internal Audit Division reports to Chair and Vice Chair of the Commission and the Audit Committee.

Spring Semi-Annual Report: Master Plan and Major Project Schedule

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* Assumes minor amendments start in FY12 and have staggered delivery