

AGENDA ITEM #13  
May 4, 2009

**Worksession**

**MEMORANDUM**

April 30, 2009

TO: County Council

FROM: Marlene Michaelson, Senior Legislative Analyst 

SUBJECT: Maryland-National Capital Park and Planning Commission FY10 Operating Budget

*Those expected for this worksession:*

Royce Hanson, Chairman, Montgomery County Planning Board  
Rollin Stanley, Director of Planning Department  
Alison Davis, Chief, Management Services Division/Planning  
Mary Bradford, Director, Department of Parks  
Mike Riley, Deputy Director of Administration, Department of Parks  
Gene Giddens, Acting Deputy Director of Operations, Department of Parks  
MaryEllen Venzke, Chief, Management Services Division/Parks  
Karen Warnick, Budget Manager, Department of Parks  
Doug Alexander, Chief, Park Development Division  
Christine Brett, Chief, Enterprise Division  
Commander Darien Manley, Chief, Park Police Division  
Shuchi Vera, CIP Manager  
Oscar Rodriguez, Executive Director  
Patti Barney, Secretary Treasurer  
Carol Rubin, Legal Counsel  
Holly Sun, Budget Manager (CAS)

This memorandum summarizes the recommendations of the Planning, Housing, and Economic Development (PHED) Committee regarding the FY10 operating budget of the Maryland-National Capital Park and Planning Commission (M-NCPPC) budget, including the Administration Fund, the Park Fund, the Enterprise Fund, the Property Management Fund, the

Advance Land Acquisition Revolving Fund and the Internal Service Funds. The budget for Park Police will be considered by the Public Safety Committee on May 1, and the Council will receive a separate memorandum with their recommendations.

Relevant pages from the County Executive Recommended FY10 Operating Budget are attached on © 1 to 8. Responses to Council Staff questions on the budget are attached at © 9 to 12. **All page references are to the FY10 M-NCPPC recommended budget; Councilmembers may wish to bring a copy to the meeting.**

### COMPENSATION ISSUES

The Executive-recommended budget for M-NCPPC recommended significant decreases in the M-NCPPC budget which are the equivalent of freezing all compensation adjustments and not contributing to Retiree Health Benefits (Other Post Employment Benefits or OPEB). The Management and Fiscal Policy (MFP) Committee will meet on May 8 to make recommendations on compensation issues to the Council. **Since this is after the Council meets with the Prince George's County Council, the Council will have to make some decisions regarding M-NCPPC compensation. With regard to M-NCPPC, MFP Committee members have indicated support for the following FY10 compensation items:**

1. Consistent with the approach taken to all agencies, provide no funding for a General Wage Adjustment (COLA) but provide funding for service increments (steps) at a cost of \$933,900.
2. With regard to the projected 3.75 percent COLA for Park Police in FY10, reduce the M-NCPPC budget by \$212,600, the cost of the COLA, and leave to the Commission the decision as to where this reduction should be taken.
3. With regard to pre-funding retiree health benefits (OPEB), support the Executive's March 16 recommendation and April 20 budget adjustment, which together reduce FY10 funding to zero. The total reduction in OPEB funding is \$2,528,800.

### SUMMARY OF MAJOR PHED COMMITTEE RECOMMENDED CHANGES

The PHED Committee recommendations are presented throughout this memorandum on an issue by issue basis. The Committee's recommendations are summarized below. Note that the PHED Committee has not made any decision on the Executive-recommended reductions to M-NCPPC since these reductions are based on decisions regarding compensation and OPEB.

**ADMINISTRATION FUND:** The Committee recommends a summary study with Prince George's County of the services provided by the CAS of M-NCPPC be undertaken to determine the feasibility of achieving efficiencies within CAS or through restructuring and that spending on all CAS Information Technology and Financial Systems be frozen until the study is complete. The Committee recommends that the Planning Department develop outcome measures to determine whether outreach efforts are successful.

**PARK FUND:** The Committee recommends that the joint review of the recreation programs by the Department of Parks and Department of Recreation include an examination of the existing fee structures including a common definition of cost recovery, cost recovery targets for different activities, options for differentiating fees for different users, among other issues. The Committee recommends the following reductions to the Park Fund Budget:

Increased Lapse	\$ 876,900
Assorted Reductions	\$ 358,700
Reduce Professional Services	<u>\$ 150,000</u>
<b>Total</b>	<b>\$1,385,600</b>

**ENTERPRISE FUND:** Reduce the transfer from the Park Fund from \$599,000 to \$35,000.

**OVERVIEW OF M-NCPPC BUDGET**

The total requested FY10 budget for the agency for **all funds**, including self-supporting funds, debt service, and reserve is \$146.4 million, a decrease of \$23.3 million or 13.7% percent as compared to the FY09 budget (see page 45). The large decrease is based on an assumed reduction of \$25.6 million for the Advanced Land Acquisition Revolving Fund (ALARF).<sup>1</sup> The table below summarizes the **tax-supported** request. In February 2009, the Council approved an FY10 Spending Affordability Guideline (SAG) for M-NCPPC that was a \$3.7 million increase from the \$106.4 million approved FY09 budget. **For FY10, the Commission has requested \$111.3 million (excluding debt service, grants, and reserves), approximately \$1.2 million above the February SAG amount target. The County Executive recommends funding at \$109 million.**

<b>M-NCPPC SUMMARY OF TAX SUPPORTED FUNDS</b>			
(Millions)			
		Increase/Decrease Over Approved FY09 Budget	
		Dollars	Percent
Approved FY09 Budget	\$106.4		
M-NCPPC FY10 Request	\$111.3	\$4.9	4.6%
February Spending Affordability Guideline (SAG)	\$110.1	\$3.7	3.5%
Executive Recommendation	\$109	\$2.6	2.4%

<sup>1</sup> M-NCPPC assumes the ALARF will be spent almost in entirety so that they do not have to seek additional appropriation authority in case of the need for a rapid acquisition. All ALARF purchases still require Council approval, but this can be achieved more quickly than approval of a supplemental appropriation.

## MAJOR CHANGES IN THE FY10 BUDGET

The FY10 budget is one premised on fiscal austerity. **It includes no new initiatives (other than the initiation of new master plans that will replace those that will be completed) and no enhancements of existing programs.** All M-NCPPC departments are requesting staffing levels comparable to FY09. For the Department of Parks, which will have operating costs associated with new parks, the impact is a decrease in service for FY10, following what was a decrease in service for FY09. The Planning Department, based on their many frozen positions, has also been operating with fewer resources than in prior years. The only monetary increases in the FY10 budget are those related to compensation and benefits, increases in contributions for retiree health benefits, limited increases in non-personnel costs, and a requested change in Department of Parks lapse. The self-imposed limits on the FY10 M-NCPPC budget will clearly impact the agency but, in Staff's opinion, are not significant enough to keep them from performing their core functions.

## PROGRAM BUDGET

This will be the third year in which the budgets for the Department of Parks and the Planning Department are presented as program budgets. **The FY10 budget continues to improve the format of the program budget** and now presents information in a manner that can allow decision makers to understand the program goals and impact. It more clearly expresses the long-term goals of each program and delineates between long term goals and specific tasks/products for FY10. There are also significant improvements in the presentation of performance measures. Each program now has a section on performance measures that includes objectives and measures. While some measures are better than others, Staff sees continued progress in the right direction. (The Committee may want to have a detailed review of these measures after budget, but Staff does not believe there is time for a complete review during the budget worksessions.) **Commission budget staff should be commended for these noteworthy improvements in the budget presentation.** Two continuing weaknesses are that there is not a clear rationale when there are significant changes in the resources needed for a program, and the program description pages do not indicate what professional services are needed for each program. (In some cases this information can be found elsewhere in the budget, but in other cases Staff was unable to determine the purpose of the professional service funding.)

## ADMINISTRATION FUND

The Administration Fund of the Maryland-National Capital Park and Planning Commission (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 FY10 is \$28,596,700 (excluding grants and reserves), representing a \$1.3 million or 4.7% increase over the FY09 budget (see page 50). The Executive recommends \$27,942,000, which is \$654,700 less than the agency request and 2.3% above the approved budget.** While this is a significant decrease in the request, the Fund's increase over FY09 will exceed that of most departments within County Government, most of which will see a **decrease** in funding from FY09, some by double digits.

<b>ADMINISTRATIVE FUND BUDGET HIGHLIGHTS (Millions)</b>	
FY09 Approved Budget	\$27.31
FY10 Request	\$28.59
FY10 Executive Recommendation	\$27.94
Difference Between Request and Executive Recommendation	\$0.65

## **REDUCTIONS TO MEET THE EXECUTIVE RECOMMENDED FUNDING LEVEL**

**Committee Recommendation:** Since the Executive recommended reductions are all linked to compensation, the PHED Committee could not make a final recommendation on whether they should be supported. The MFP Committee’s recommendation regarding compensation would require an addition of \$244,100 to the Administration Fund over the Executive recommended funding level to fund increments.

The attached memorandum from the Commission Staff indicates that M-NCPPC can decrease its budget to meet the Executive-recommended funding level by freezing all compensation increases (including cost of living increases and merit increases) and not increasing the funding for contributions to retiree health benefits. Since they are currently in negotiations over union contracts, they cannot commit to compensation adjustments at this time, and have therefore identified other reductions that could be taken instead of compensation adjustments. These reductions have been identified in the narrative for each Department.

The Executive also recommended a reduction in the transfer from the Administration Fund to the Development Review Special Revenue Fund of \$245,000 (from \$1,773,000 to \$1,528,000), indicating that this was the equivalent of the recommended reduction to the Department of Permitting Services. The Committee supported this recommendation, addressed in more detail in the section below on Special Revenue Funds.

If the Executive-recommended reductions were split among the three components of the Administration Fund so that each one received an equal percentage increase in its budget compared to FY09, the different components would face reductions as follows:

Commissioners’ Office	\$23,000
Planning Department	\$444,500
Central Administrative Services	<u>\$187,200</u>
	\$654,700

As the Council is aware, any reduction to CAS must be agreed to by both Prince George’s and Montgomery Counties, or the budget stands as submitted.

In this very difficult budget year, Staff believes that M-NCPPC should be commended for preparing a budget that recognizes the difficult fiscal situation the County faces and keeps expenditures at a minimum, while attempting to protect services. Nonetheless, Staff believes that the Executive-recommended reductions are also reasonable and should be endorsed by the Council. Further reductions to the Planning Department budget could impact their ability to

complete the work program just supported by the Council at the Semi-Annual Report meeting, but could be taken without resulting in a decrease in current staffing levels.

## VACANCIES AND LAPSE

**Committee Recommendation: The Committee supports the assumed lapse in the Planning Department budget.**

The Planning Department has used an assumed lapse of 4.5% for their FY10 budget, which is the same as FY09 and would equate to 8 workyears (based on the recommended 179 workyears in the FY10 budget). Since the Department currently has 26 vacancies, approval of the recommended budget would allow them to hire 18 of the currently vacant positions, resulting in a significant increase in the workforce. Although Staff believes the 4.5% lapse rate is reasonable (and the existing level of vacancies is putting a strain on the Department's employees), the Council could increase the lapse rate as a means of reducing the budget without resulting in the elimination of filled positions. Increasing lapse could impact the Department's ability to increase the work program just approved by the Council. Each 1% increase in lapse corresponds to an approximately \$193,000 reduction or 1.8 workyears. For example, a 2% increase in lapse would save \$386,000, while still allowing the department to fill 14 vacancies. **The Committee does not recommend any further increase in lapse at this time but recognized that lapse could be increased if there was a need for further reductions. The Committee asked the Planning Department to provide further information on frozen positions by program.**

Regarding the other parts of the Administration Fund, the Commissioners' office currently has no vacancies and has not assumed any lapse, which is reasonable given the size of the office. In CAS, the Department of Human Resources and Management (DHRM) assumed 9.6% lapse; the Finance Department 3.6%; and the Legal Department, like the Commissioners' Office, did not assume lapse; however, the legal department has 3 vacancies.

## PLANNING DEPARTMENT FY10 EXPENDITURE ISSUES

### CHANGES FROM FY09

The chart on pages 152 to 153 provides a comparison between the Planning Department's FY09 and FY10 workyears, and summary information about the FY10 costs for personnel and other costs. The chart shows the allocation by program in the adopted FY09 budget, the adjusted FY09 budget (which reflects the reorganization), and the requested FY10 budget. As the chart highlights, there is only one new program proposed for FY10 (the Purple Line Corridor Plan, which is discussed below) and 5 projects that are either being completed in FY09 or will otherwise not be funded in FY10. In total, there is no change in staffing between the adjusted FY09 budget and the FY10 budget; however, the workyears assigned to several programs will change.

## PLANNING DEPARTMENT PROGRAMS

A description of each Planning Department program appears on pages 162 to 254 of the budget. The Council received program updates at the Semi-Annual Report meeting and approved minor changes in the workprogram at that time (including asking the Department not to delay the Kensington Sector Plan so it can be completed by this Council in 2010 before the election). **The Council approves the M-NCPPC workprogram at the same time it approves the M-NCPPC budget.** (The schedule is attached to the budget resolution.)

Some program highlights in the FY10 budget are as follows:

- The only new program is the Purple Line Corridor Land Use Plan. The Council agreed at the Semi-Annual Report meeting that the Planning Department should prepare a series of Limited Master Plan Amendments for different stations, rather than a single plan that covers the entire length of the line.
- Work will continue on several functional master plan amendments, including the following:
  - Green Infrastructure Master Plan
  - County-wide Water Resources Plan
  - Housing Policy Element of General Plan
  - Purple Line
  - Master Plan for Historic Preservation
  - Highway Plan Update (work on this plan will increase in FY10 as the Department works toward a targeted October 2010 date for a Public Hearing Draft)
- Workyears devoted to Special Projects (including the Growth Policy, Sustainability Indicators, Agriculture Initiative, and miscellaneous Special Projects) will increase in FY10 by close to 2 workyears (from 9.95 to 11.8 – see page 152 for summary information).
- An increasing amount of staff resources will be devoted to the Zoning Ordinance review in FY10, which Staff believes is appropriate due to the Council's interest in completing this effort.
- The Information Resources Program will see an increase in staffing for research and a decrease in IS/GIS. The Planning Department explanation for this change appears on © 22.

The Planning Department indicates that the Executive recommended reductions, if not achieved by limits on compensation and retiree health benefit contributions, would be equivalent to 4.5 workyears for the \$440,500 reduction to the Planning Department and 2.4 workyears for the reduction in the transfer from the Administration Fund to the Development Review Special Revenue Fund.

## PARKING MANAGEMENT STUDY

**Committee Recommendation:** The Committee recommends placing the study on the reconciliation list and exploring different funding options.

Attached on © 34 to 37 is a request from the Planning Department for a \$75,000 addition to their FY10 operating budget to fund participation in a parking management study. The need for the study was discussed in March 2009 in a joint Planning, Housing, and Economic Development (PHED) Committee and Transportation, Infrastructure, Energy and Environment (T&E) Committee meeting. The Planning Department and the County Government Department of Transportation (DOT) jointly recommend a \$150,000 parking study to be conducted by DOT and funded jointly by the two agencies (\$75,000 for each agency). The justification for the study is summarized on © 34.

## COMMISSIONERS' OFFICE

**Committee Recommendation:** The Committee supports the budget for the Commissioners' Office. The MFP Committee recommends eliminating funding for COLAs and OPEB as described under compensation above.

The Montgomery County Commissioners' Office includes the Chairman's Office and the technical writers unit. Community Outreach and Media Relations, which were formerly part of this office, have been moved as part of the reorganization to the Planning Department's Management Services Division. The description of this Office and the requested budget appears on pages 63 to 64 of the M-NCPPC budget. The requested budget for FY10 is \$1,252,100. This is a \$353,200 or 22% decrease from the FY09 budget, due primarily to the transfer of the 3 positions to Management Services.

To meet its prorated share of the Executive recommended reductions to the Administration Fund, this office would need to reduce its FY10 budget by \$23,000. If they are not able to achieve these savings by freezing compensation, they have identified an \$8,100 reduction in Services and Charges that would "eliminate or severely impact the Commissioners' Office's ability to provide assistance to the Parks and Planning departments in the printing of public documents, purchasing giveaways for events, providing supplies for meetings, and assisting with other contributions as requested." It appears that these may be items that can be sacrificed this year.

## CENTRAL ADMINISTRATIVE SERVICES

**Committee Recommendation:** The PHED Committee supports the budget for the Central Administrative Services, but recommends freezing any expenditures for information technology (IT) or finance systems (see discussion of study below). The MFP Committee recommends eliminating funding for COLAs and OPEB as described under compensation above.

Central Administrative Services (CAS) provides the administrative functions for both the Montgomery and Prince George's portions of this bi-county agency through three departments: Human Resources and Management (DHRM), Finance, and Legal. The FY10 Montgomery County portion of the proposed CAS budget is \$8,230,900 (after chargebacks), an increase of **\$674,100 or 8.9% over the approved FY09 budget**. The requested personnel services show an increase of \$514,650 or 7.4% over the approved FY09 budget. Supplies and Materials show a decrease of \$17,525 (8.4%), and Other Services and Charges increase by \$210,475 (12.5%). The budget document indicates that this is a same services budget. In fact, the total CAS workyears are slightly less than in FY09, and the budget indicates various reductions in cost. Nonetheless, CAS increases are significantly greater than those requested by the Parks and Planning Departments. **While CAS costs are 3.5% of the total Commission budget (which the budget indicates is less than the 5% administrative overhead considered to be standard), they are 6.9% of the Montgomery portion of the budget.**

The significant changes to the CAS budget are a merger of the Information Technology (IT) staff in DHRM and Finance who are to be centrally located in Finance, but report to the Executive Director. They have also decided to allocate the Support Services portion of the budget to the departments.

If the Executive-recommended reduction to the Administration Fund were split evenly among the components of the Fund so that each experienced the same increase in growth over FY09, then CAS would need to take a \$187,200 reduction from the Montgomery County portion of their budget (\$51,600 in DHRM, \$100,500 in Finance, and \$35,100 in Legal). Attached on © 14 is their response to Staff's request that they identify their portion of the savings necessary to reach the Executive-recommended funding target. As with the other parts of the Commission, the reductions are the equivalent of denying increases associated with compensation and the increase in funding for retiree health benefits. If they are not able to take these reductions, they have identified alternative reductions on © 12, including the following:

- DHRM: \$12,700 by eliminating professional development training programs
- Finance: \$34,500 by increasing lapse from 3.6% to 4%
- Legal: \$600 reduction in supplies and materials and \$13,100 by trimming the allocation for outside counsel for Montgomery County

Clearly, these reductions are nowhere close to the \$187,200 recommended by the County Executive. Should M-NCPPC not be able to implement the compensation recommendations, the Council will have to consider how to achieve the additional reductions.

As of the preparation of this memorandum, the Prince George's County Council had not yet met to discuss CAS. **The two Councils must agree on any changes to the CAS budget, or the Commission's budget will stand as submitted.**

Staff notes that the Bi-County meeting will occur before the Council has completed its review of other department and agency budgets (May 4); therefore, it is not possible to consider any reductions or additions to the **CAS portion** of the M-NCPPC budget at the end of the budget process.

## RECOMMENDED STUDY OF CENTRAL ADMINISTRATIVE SERVICES

**Committee Recommendation:** The Committee supports the recommendations of the staffs of the Montgomery and Prince George's County Councils to undertake a summer study of Central Administrative Services.

The following is a joint recommendation of the staffs of the Prince George's and Montgomery County Council originally suggested by Prince George's County Council Staff based on their analysis of CAS operations.

### Recommendation for a Study of Central Administrative Services

*The current economic climate has forced many organizations to re-examine their operations and responsibilities and to identify opportunities for cost savings and other efficiencies. The Prince George's County Council's Planning, Zoning, and Economic Development (PZED) staff, in reviewing the operations of M-NCPPC, believes that there may be an opportunity for cost savings and efficiencies in that organization's Central Administrative Services (CAS), possibly through restructuring within the Commission or with other agencies of County Government.*

*The staff of the two County Councils recommend that a careful examination of the services provided by the CAS of M-NCPPC be undertaken to determine the feasibility of achieving efficiencies within CAS or through restructuring. The study should be prepared by a group consisting of staff from the Commission, the Councils, and the Executive Branch of each government. The study should be completed by October 1, 2009.*

## FLEET MANAGEMENT

**Committee Recommendation:** The Committee recommends that M-NCPPC prepare a report on the Commission's fleet of vehicles in time for the Planning Board to consider during its review of the FY11 budget.

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 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. 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. Staff understands that the Department of Parks has already begun to look at some of these issues and should be ready to report to the Planning Board before their fall review of the FY11 Operating Budget.

## SPECIAL REVENUE FUNDS

**Committee Recommendation: Support an overall decrease in funding of \$245,000 (see next recommendation). Request that the Planning Board review all Special Revenue Funds during its review of the FY11 budget and make recommendations for those funds that are projected to have negative net revenues and small or negative fund balances in FY11.**

“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 407 to 415 in the budget). All of the Special Revenue Fund programs in the FY10 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. The FY10 budget shows higher than typical negative net revenues and a lower than typical balance for the entire fund, and the Committee reviewed the trends in some of the individual funds. FY10 projected expenditures, revenues, and fund balance are shown below.

<b>SPECIAL REVENUE FUNDS</b>				
	<b>Proposed FY10 Expenditures</b>	<b>Proposed FY10 Revenue</b>	<b>Net FY10 Revenue</b>	<b>Proposed Ending Fund Balance</b>
Traffic Mitigation	\$20,000	\$20,000	\$0	\$22,073
Historic Preservation (County non-departmental account)	\$315,800	\$315,800	\$0	\$1,500
GIS Data Sales	\$203,000	\$75,000	-\$128,000	-\$9,939
Environmental/Forest Conservation Penalties Fund	\$107,000	\$100,000	-\$7,000	\$1,474
Development Automation Process and Development Review Special Revenue Fund*	\$3,657,800	\$3,633,000	-\$24,800	-\$40,778
Forest Conservation Fund	\$500,000	\$100,000	-\$400,000	\$218,903
Historic Renovations (Property Management)	\$39,133	\$35,000	-\$4,133	\$0
Park Police - Drug Enforcement Fund	\$42,089	\$0	-\$42,089	\$0
Park Police - Federally Forfeited Property	\$57,464	\$0	-\$57,464	\$0
Interagency Agreements	\$235,000	\$230,200	-\$4,800	\$9,015
Archeological Programs	\$30,000	\$13,000	-\$17,000	\$5,587
Special Events	\$140,300	\$80,000	-\$60,300	\$2,601
Special Donations and Programs	\$165,814	\$115,000	-\$50,814	\$0
<b>TOTAL ALL FUNDS</b>	<b>\$5,513,400</b>	<b>\$4,717,000</b>	<b>-\$796,400</b>	<b>\$210,436</b>
* Note that revenues include a \$1.8 million transfer from the Administration Fund.				

In some cases the funds show a large expenditure that will spend a significant portion of the fund balance to achieve the objectives of the fund. For example, in FY10 there is a proposal to increase spending from the Forest Conservation Fund from \$50,000 to \$500,000. This is appropriate as long as there is a fund balance.

Both special events and archeological programs are expected to spend more than the revenues they will generate in FY10. While existing fund balances from prior years will allow these efforts to continue without subsidy, continuation of the FY10 trend would mean that the County would have to subsidize these activities, which may not be advisable. (The issue of whether to subsidize archeological day camps may come up during the forthcoming review of recreational programs offered by the Department of Recreation and Department of Parks.) GIS data sales revenues will not cover expenditures in FY10, nor is there a sufficient fund balance to cover costs. Since this trend is not likely to change, the Committee asked the Planning Board to reconsider how to handle this fund for the FY11 budget.

## Development Review Special Revenue Fund

**Committee Recommendation:** The Committee supports the Executive-recommended reduction in the Special Revenue Funds of \$245,000 and believes that this can be achieved by freezing vacant positions. (The determination of which positions to freeze should be at the discretion of the Planning Department.)

For the last 2 years and again in FY10, the Planning Department has recommended providing a transfer from the Administration Fund to the Development Review Special Revenue Fund, since projected revenues are less than expenditures. For FY10, the budget requests a transfer of \$1,773,000, the same amount as FY09. The Council has discussed the need for this transfer in the past and has agreed with the Planning Board that, in years in which development activity is slow, there needs to be an Administration Fund contribution to the cost of the Development Review program. It is important to keep trained staff, rather than hiring and firing staff each year based on the level of development activity.

The Planning Department has provided an update on the Development Review Special Revenue Fund attached at © 38 to 42. As of March 2009, revenues for FY09 are approximately \$27,000 **greater** than budgeted. Since revenues fluctuate from month to month, it is not possible to determine how they will finish the fiscal year. At this time they are still clearly dependent on a significant subsidy from the Administration Fund.

The Executive has recommended reducing the size of the transfer by \$245,000 to \$1,528,000, which he indicated is equivalent to his recommended budget reduction in the Department of Permitting Services. The Planning Department has indicated that the reduction is equivalent to 2.5 workyears. Since there are currently 4 vacancies in the staff assigned to the development review process, this reduction can be absorbed without the need to lose any trained employees, and Staff therefore supports the reduction. However, Staff believes the Department should retain the ability to shift frozen positions between divisions as the need arises.

## 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 FY10 funding of \$82,714,500, excluding debt service, grants, and reserves. **The Executive recommends funding the Park Fund at \$81 million. This is \$1.7 million or 2% less than the M-NCPPC request.**

There are 10 major divisions in the Parks Department, and this budget recommends the creation of two new divisions. In addition to the Office of Director of Parks, the existing divisions include Park Development, Facilities Management, Management Services, Park Police, Central Maintenance, Horticultural Services, Enterprise, Park Planning and Stewardship, the Northern Region, and the Southern Region. The FY10 budget also includes funding for Special Programs and Park Information and Customer Service divisions. 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:

<b>FY09 AND FY10 PARK FUND BUDGET</b>				
<b>(before chargebacks and lapse)</b>				
	Approved FY09	FY10 Request	Change from FY09 to FY10	% Change from FY09 to FY10
Director of Parks (\$)	\$ 2,678,800	\$ 851,600	\$ (1,827,200)	-68%
workyears	23.37	5.80	-17.57	-75%
Special Programs (\$)	0	\$ 829,700	\$ 829,700	
workyears	0	7.00	7	
Park Information and Customer Service (\$)	0	\$ 1,191,600	\$ 1,191,600	
workyears	0	10.8	10.8	
Management Services (\$)	\$ 886,700	\$ 941,600	\$ 54,900	6%
workyears	7.73	8.00	0.27	3%
Facilities Management (\$)	\$ 1,750,200	\$ 2,129,100	\$ 378,900	22%
workyears	7.43	7.50	0.07	1%
Research & Technology (\$)	\$ 1,995,000	\$ 2,061,700	\$ 66,700	3%
workyears	12.74	12.90	0.16	1%
Park Planning and Stewardship (\$)	\$ 3,759,200	\$ 3,933,300	\$ 174,100	5%
workyears	35.93	35.90	-0.03	0%
Park Development (\$)	\$ 5,648,200	\$ 5,416,800	\$ (231,400)	-4%
workyears	49.53	49.25	-0.28	-1%
Park Police (\$)	\$ 12,046,700	\$ 12,979,700	\$ 933,000	8%
workyears	123.82	124.61	0.79	1%
Horticultural Services (\$)	\$ 6,339,600	\$ 6,603,900	\$ 264,300	4%
workyears	71.84	69.70	-2.14	-3%
Central Maintenance (\$)	\$ 11,572,700	\$ 12,529,000	\$ 956,300	8%
workyears	120.46	120.25	-0.21	0%
Northern Region (\$)	\$ 9,046,300	\$ 9,488,800	\$ 442,500	5%
workyears	125.95	125.92	-0.03	0%
Southern Region (\$)	\$ 13,184,500	\$ 13,852,900	\$ 668,400	5%
workyears	193.81	194.04	0.23	0%

## CHANGES FROM FY09 TO FY10

The FY10 Department of Parks budget provides a level of service substantially similar to FY09. Other than compensation and benefit increases, the only increases are \$195,000 in non-personnel costs, and an \$876,900 increase to allow for decreased lapse (from 7.5% to 6.0%) resulting in 10.5 additional workyears.<sup>2</sup> Lapse recommendations are addressed in more detail below. The only major change to the Department of Parks is the creation of two new divisions. This issue is also addressed in more detail below.

### PRODUCTIVITY

**For many years, the PHED Committee has grappled with the issue of trying to determine whether the Department of Parks is properly staffed and as efficient as possible. While it is still difficult to determine the answers to these questions, and Staff believes that far more work needs to be done, there is some encouraging information regarding efforts to increase efficiency (see © 44 to 45). In particular, the Department finally appears to be using data from Smart Parks to better manage the use of personnel.**

Page 287 of the budget describes the work backlog in the Department of Parks, including 500 maintenance work requests, 300 preventative maintenance work orders, and 570 tree maintenance requests. Staff asked the Department how they were dealing with backlog and whether they could lessen it without an increase in resources (i.e., by increasing efficiency). Their answer appears on © 44 to 45. Examples of efforts to increase efficiency include the following:

- Using Smart Parks to determine that resources could be shifted from ballfields at Cabin John and custodial crews at Meadowbrook to playground crews.
- Using Smart Parks data with GIS data to study least-cost routes and scheduling for trash collections.
- Switching all thermostats to year-round programmable thermostats.

The Committee plans to schedule a more detailed status report on Smart Parks after budget.

### LAPSE

**Committee Recommendation: The Committee majority recommends keeping the Department of Parks lapse at the existing 7.5% rather than decreasing it to 6% at a cost of close to \$900,000. Councilmember Floreen opposed this increase and supported the Department's request.**

The FY10 budget proposes to reduce lapse from 7.5% to 6%, resulting in 10.5 additional workyears over FY09. As of March 2009, there were 73 vacancies in the Department; 44 of

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<sup>2</sup> The FY10 budget includes the same number of workyears as FY09 prior to lapse. The recommended reduction in lapse would increase net workyears from 688.2 to 698.7.

those vacancies were frozen for budget savings. A 6% lapse equates to 43.5 workyears. Approving the lapse rate in the budget as submitted would allow the Department to hire staff equivalent to 30 workyears.

Staff questions the rationale for the decreased lapse, given that the Department has historically averaged a higher than 6% vacancy and has not been able to fill all the recruitable vacancies. As the chart on © 26 indicates, the vacancy rate reached a low of 6.11% in June 2007, but has otherwise generally been 8 or 9 percent. In the past year, the Department has held many positions vacant for fiscal reasons but has still failed to fill the positions described as recruitable. If the Department retained its 7.5% lapse, it would need to keep 54.5 workyears unfilled, still allowing it to fill 18 vacancies and improve the level of service.

Each one percent increase in lapse equates to \$584,600. **The Committee recommends keeping lapse for FY10 at 7.5% at a savings of \$876,900.** Should the Council believe that further reductions are needed to the Department of Parks budget, it would be possible to increase lapse further without decreasing the size of the existing workforce. Freezing **all** vacant positions would be the equivalent of a 10% lapse and would save \$2,338,400.

## NEW DIVISIONS

**Committee Recommendation: The Committee supports the Department stated intent to reexamine the number of divisions in the coming year.**

The FY10 Budget includes the creation of two new divisions in the Department of Parks: Special Programs, and Park Information and Customer Service. These additions increase the number of divisions over a two year period from 8 to 12. Since the budget did not provide a rationale for the creation of these new divisions, Staff asked Department of Parks staff to address this issue. Their response is attached at © 47. While Staff believes that the Council should provide great deference to department directors on organizational issues, Staff believes the unique nature of this recommendation is worth bringing to the Committee's attention. The new organization creates some distinct anomalies within County government.

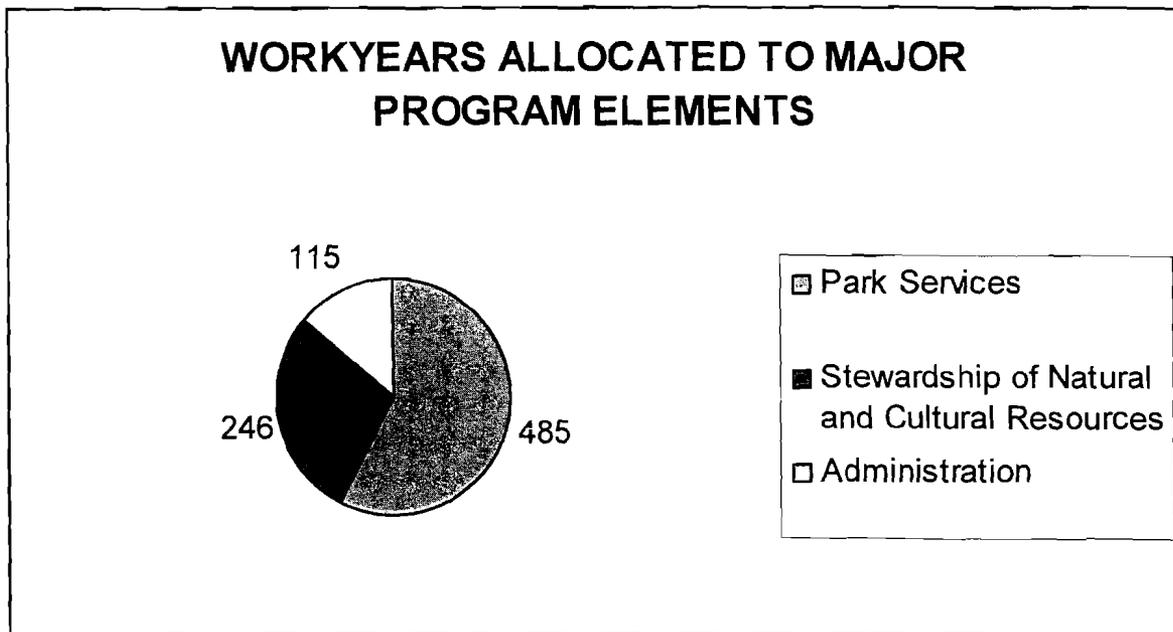
- With 12 divisions, the Department of Parks would have more divisions than any other department in the County.
- Four of the divisions have less than a dozen people. It is unclear what critical mass of staff justifies the creation of a division and the employment of a division chief.
- Four other divisions have over 100 employees, creating a great disparity in the size of divisions and responsibilities of division chiefs.
- While the response to Staff's questions indicate that there is a very limited cost in FY10 for creating the new divisions (approximately \$8,000), Staff cannot help but believe there are more significant longer term costs to having 12 division chiefs in the Department of Parks.

It is unclear at this time whether there will be any change in the structure or size of the Department of Parks (larger or smaller) as a result of the upcoming study of recreational

programming, and it therefore may be premature to focus on organizational issues. The Committee may revisit this issue after the completion of the recreational programming study.

### 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 FY10 budget does not include any new programs or growth in programs, and eliminates all workyears associated with the Adventure Sports program. This new program was added last year, but the Department now believes the functions should be moved into the Park Planning program element. While the total number of workyears is unchanged other than for lapse, the Department has redistributed the workyears assigned to different programs as shown in the table that appears below.

<b>DEPARTMENT OF PARKS WORKYEARS BY PROGRAM</b>			
	<b>FY09</b>	<b>FY10</b>	<b>% Change</b>
<b>PARK SERVICES</b>			
<b>ORGANIZED SPORTS</b>			
Baseball and Softball	45.40	41.49	-8.61%
Field Sports	39.00	42.38	8.67%
Multi-Use Courts	7.60	9.72	27.89%
Tennis	25.30	29.44	16.36%
Adventure Sports	0.90	0.00	-100.00%
<b>Subtotal Organized Sports</b>	<b>118.20</b>	<b>123.03</b>	<b>4.09%</b>
<b>REGIONAL ATTRACTIONS</b>			
Boating	6.90	9.16	32.75%
Camping	12.00	10.83	-9.75%
Ice Skating	51.00	49.31	-3.31%
Mini Golf, Splash Playground, Driving Range	9.20	7.35	-20.11%
Trains, Carousel	9.10	10.31	13.30%
<b>Subtotal Regional Attractions</b>	<b>88.20</b>	<b>86.96</b>	<b>-1.41%</b>
<b>MEETING AND GATHERING PLACES</b>			
Community Open Space	87.49	81.59	-6.74%
Permitted Picnic Facilities	23.60	23.65	0.21%
Playgrounds	30.30	32.59	7.56%
Dog Exercise Areas	4.53	3.76	-17.00%
Park Activity Buildings	48.10	41.46	-13.80%
Event Centers	33.80	27.54	-18.52%
<b>Subtotal Meeting and Gathering Places</b>	<b>227.82</b>	<b>210.59</b>	<b>-7.56%</b>
<b>TRAILS AND PARKWAYS</b>			
Scenic Parkway Experiences	28.30	27.27	-3.64%
Trails-Paved Surface	37.80	37.64	-0.42%
<b>Subtotal Trails and Parkways</b>	<b>66.10</b>	<b>64.91</b>	<b>-1.80%</b>
<b>SUBTOTAL PARK SERVICES</b>	<b>500.32</b>	<b>485.49</b>	<b>-2.96%</b>

<b>STEWARDSHIP OF NATURAL AND CULTURAL RESOURCES</b>			
<b>LAND AND RESOURCE MANAGEMENT</b>			
Arboriculture	36.20	36.00	-0.55%
Horticulture	51.40	62.70	21.98%
Natural Resource Management	31.90	30.89	-3.17%
Cultural Resources	15.00	13.78	-8.13%
Streams	11.40	13.45	17.98%
Trails- Natural Surface	15.50	17.46	12.65%
Agriculture Support	6.20	5.44	-12.26%
<b>Subtotal Land and Resource Management</b>	<b>167.60</b>	<b>179.72</b>	<b>7.23%</b>
<b>EDUCATION AND INTERPRETATION</b>			
Nature Centers	39.50	35.24	-10.78%
Public Gardens	31.80	31.46	-1.07%
<b>Subtotal Education and Interpretation</b>	<b>71.30</b>	<b>66.70</b>	<b>-6.45%</b>
<b>SUBTOTAL STEWARDSHIP OF NATURAL AND CULTURAL</b>	<b>238.90</b>	<b>246.42</b>	<b>3.15%</b>
<b>ADMINISTRATION</b>			
<b>ADMINISTRATION</b>			
Management and Administration	44.60	59.03	32.35%
Partnerships	7.50	9.79	30.53%
Property Management (inc. equestrian)	10.30	11.37	10.39%
Third Party Support (inc. golf)	19.70	12.75	-35.28%
Park Planning	27.40	21.89	-20.11%
<b>SUBTOTAL ADMINISTRATION</b>	<b>109.50</b>	<b>114.83</b>	<b>4.87%</b>
<b>TOTAL SERVICE DELIVERY</b>	<b>848.72</b>	<b>846.74</b>	<b>-0.23%</b>
<b>CIP</b>	<b>37.60</b>	<b>38.13</b>	<b>1.41%</b>
<b>PROGRAM TOTAL</b>	<b>886.32</b>	<b>884.87</b>	<b>-0.16%</b>

The 7 most labor intensive programs are as follows:

<b>Program</b>	<b>FY10 Workyears</b>
Community Open Space	81.59
Horticulture	62.70
Management and Administration	59.03
Ice Skating	49.31
Field Sports	42.38
Baseball and Softball	41.49
Park Activity Buildings	41.46
Total Workyears	377.96

### **POTENTIAL REDUCTIONS**

#### **Executive Recommended Reductions:**

**Committee Recommendation:** Since the Executive recommended reductions are all linked to compensation, the PHED Committee could not make a final recommendation on whether they should be supported. The MFP Committee's recommendation regarding compensation would require an addition of \$244,100 to the Administration Fund over the Executive recommended funding level to fund increments.

The Executive has recommended reducing the Department of Parks budget by **\$1,686,600**. This is less than the M-NCPPC request but still provides the Department a 2.4% increase over the FY09 budget. (By contrast, the Executive has recommended a 5.1% **decrease** in the budget for the Department of Recreation.) As with the other parts of the Commission, the Department of Parks has indicated that it can decrease its budget to meet the Executive-recommended funding level by freezing all compensation increases (including cost of living increases and merit increases) and not increasing the funding for contributions to retiree health benefits. As indicated at the last worksession, they cannot commit to compensation adjustments at this time, and have therefore identified other reductions that could be taken instead of compensation adjustments.

#### **M-NCPPC Recommended and Non-Recommended Park Reductions**

**Committee Recommendation:** The Committee supports each of the M-NCPPC recommended reductions that appear below related to decreased Risk Management, utility, and rental costs. The Committee does not support any of the non-recommended reductions and recommends further work on Park Activity Buildings as described below.

<b>POTENTIAL REDUCTIONS TO PARKS DEPARTMENT</b>		
<b>Recommended Reductions:</b>		<b>M-NCPPC Description of Impact:</b>
Reduce annual contribution to Risk Management Fund	\$288,700	Reduce the annual contribution to the Risk Management Fund which would reduce the available reserves for future claims. This is the equivalent to the FOP Merit and COLA.
Reduction in utility costs	\$60,000	Reduce the utility budget in Support Services based on re-evaluation of utility costs for FY10.
Reduce rental costs for Northern Region	\$10,000	The Northern Region Headquarters has moved to Park owned space. This rent payment is no longer needed.
<b>Total Recommended Reductions</b>	<b>\$358,700</b>	
<b>Non-recommended Reductions:</b>		
Eliminate contract to relocate mature Pope Farm Nursery trees	\$87,000	Most of the current mature trees will be moved in FY09. This would eliminate the contract to move overgrown trees from Pope Farm to Parks. Deferring the contract one year could result in more expense in future years.
Reduce capital outlay for replacement equipment	\$163,700	This reduction will require equipment which is nearing, or has already reached, the end of its useful life to remain in service. Because of the age and condition of the equipment, downtime will increase and maintenance frequency will suffer. Additionally, the cost of keeping these pieces in service will increase dramatically and replacement parts may no longer be available. Ultimately the equipment may deteriorate to the point of compromising operator safety and will need to be removed from service. Deferring the purchases now will only add to an already significant backlog of equipment replacement and upgrade.
Reduce contract to treat non-native invasive species by 50%	\$60,000	The 50% cut of this contract would reduce the number of parkland acres treated each year from 400 acres 200 acres allowing the degradation of our natural resources. This setback will allow areas that received some treatment over the past two years to re-
Reduce Deer Management Contract by 50%	\$30,000	The impacts of cutting this contract by 50% include 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
Close four activity buildings	\$180,000	Close buildings that are 25% or below utilization and in Poor Condition. This is a reduction in expenditures only. Revenues would also be reduced. Reduction in positions, contracts and utilities.
<b>Total Non-recommended Reductions:</b>	<b>\$520,700</b>	
<b>TOTAL</b>	<b>\$879,400</b>	

## Park Activity Buildings

**Committee Recommendation:** The Committee does not support any reduction of funding for Park Activity Buildings, but instead recommends that the Department of Parks assess whether the underutilized facilities could be converted to day care centers.

As the Council is aware, the upcoming study of recreational programming will provide the Department of Parks and the Committee the opportunity to review several of their most labor intensive recreational activities. While Staff believes that any consideration of changes to most of these programs should be delayed until after the study is complete, Staff suggested the Committee consider reductions to the Park Activity Building program at this time. As the Council 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. **For FY10, the project cost of this program is \$4,875,500 with an associated 41.5 workyears.** The Committee did not support either the Staff recommendation to reduce funding for this program or the Planning Board's non-recommended reduction, but instead asked the Department of Parks to explore options for converting these buildings for alternative uses, particularly as day care centers.

## Professional Services

**Committee Recommendation:** The Committee majority recommends reducing the funding for professional services by \$150,000 and allowing the Department of Parks to determine which contracts to reduce. Councilmember Elrich supported a \$300,000 reduction in professional services.

The FY10 Department of Parks budget showed an 85% increase in the cost of professional services, from \$501,000 to \$928,700; however, at the Committee worksession, Department of Parks staff indicated that there were errors in the chart in the budget and the total amount actually decreases. A revised professional services chart is attached at © 57. While none of the services listed on © 57 appear to be unwarranted, there are some that should be deferred in light of the fiscal issues the County is facing. Rather than have the Council conduct a line by line review of each service, the Committee majority recommends a \$150,000 reduction to be taken as determined by the Planning Board. After reviewing the list of professional services, Councilmember Elrich believes that additional reductions in professional services are appropriate and recommends a reduction of \$300,000.

## SCHOOL BALLFIELDS

**Committee Recommendation: Continue to explore whether there is a better way to fund the maintenance of school ballfields than with the Park Tax.**

The M-NCPPC FY10 budget includes \$755,000 for the maintenance of Montgomery County Public Schools (MCPS) ballfields. The responses to Council Staff questions reiterate the Department of Parks view that maintenance of school fields should not be funded by the Park Tax. The Committee and Council have discussed the problems with including this money in the MCPS budget (primarily because there is no guarantee that money allocated for field maintenance will be used for this purpose, and MCPS has in a history of failing to allocate appropriate funds for this purpose). The Council has consistently decided not to put funding for this purpose in the MCPS budget. Based on the concerns raised by Department of Parks Staff, particularly that Metropolitan District tax payers are subsidizing general county tax payers, the Committee asked the agencies to explore whether there is an alternative way of funding the costs of the school ballfield maintenance, rather than with the Park Tax. At the last meeting of the PHED Committee Executive staff indicated that they did not have sufficient time to explore all the options and implications of changing funding sources and the Committee encouraged them to do so before the Council worksession.

## PARK FEES AND REVENUES

**Committee Recommendation: The Committee does not recommend any change in park fees or revenues at this time but believes that an examination of these issues should be part of the Department of Recreation and Department of Parks study of recreational programming.**

The Committee considered two issues regarding park fees and revenues: whether to refine the existing system of fees to better differentiate between different user groups and whether there should be fees associated with additional services.

The Department of Recreation charges a higher fee for non-residents and this may be appropriate for some parks fees as well. The Department of Parks would have to assess whether increased fees could decrease participation and have the unintended consequence of reducing total revenues and this could vary depending on the activity and the availability of other providers. (The Department assessed this option for Enterprise Fund activities but did not present the results to the Council.)

Other issues that deserve further attention are the cost recovery goals for different activities and the determination of discounts for certain user groups based on factors such as income or age. Staff believes there should 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 could be used to predetermine which users should receive discounted or waived fees and to provide annual passes for frequent users. The Committee recommends that further exploration of this idea be part of

the assessment of the delivery of recreational programs about to be undertaken by the Department of Recreation and Department of Parks.

The second issue relates to the range of services for which fees are charged. In prior years, the Council considered whether there may be potential to increase the number of services for which fees are charged, and the Committee may be interested in reconsidering some of these ideas in light of the current fiscal condition. Staff offers the following considerations.

- It would not be feasible or desirable to have fees at all for most parks or park facilities. As a practical matter, fees could only be charged at facilities where the point of entry could be limited and manned by staff who could collect the fee (e.g., Brookside Gardens, Nature Centers). As a policy matter, Staff believes that most parks should be accessible without charge.
- For special parks where some fee may be appropriate, but entry points are not limited, parking meters may be a better way to collect fees. This may be appropriate for regional and/or recreational parks which provide special facilities and amenities.

While there are advantages and disadvantages to new fees, they do provide potential for additional revenue. For example, over 400,000 people visit Brookside Gardens each year. If there was a \$1 entrance fee, and assuming that 25% were exempt from paying the entrance fee, this could generate \$300,000 per year. Meters could also generate new revenue. For example, assuming that the 12 regional and recreational parks combined would have 312,000 hours of metered time each year for 6 months each year (an average of 100 cars per park, for 10 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 \$78,000). Obviously, each of these revenue raising techniques also has costs associated it, and staff did not have the information available to make a more precise estimate of revenues or an estimate of costs.

## THE ENTERPRISE FUND

**Committee Recommendation: The Committee commends Enterprise Staff on progress made thus far to reduce operating costs and recommends approval of the Enterprise Fund budget with the decrease in the subsidy discussed below.**

The Enterprise Fund accounts for various park facilities and services that are entirely or predominantly supported by user fees. (See pages 371 - 392 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 FY10 budget projects overall Fund revenue over expenditures of \$371,500, but this net gain is based on an assumed subsidy of \$599,000 from the Park Fund, which is \$20,000 less than the FY09 subsidy.**

The proposed expenditures for the Enterprise Fund for FY10 are as follows:

<b>FY09 and FY10 ENTERPRISE FUND EXPENDITURES</b>			
FY09 Budget	FY10 Request	Change from FY09 to FY10	% Change from FY09 to FY10
\$10,399,100	\$10,397,000	-\$2,100	-0.02%
104.6 WY	113.1	8.5	8.1%

### 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 FY07 through FY10. 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). Net revenues without the subsidy are highlighted below.

<b>ENTERPRISE FUND REVENUE OVER/(UNDER) EXPENDITURES</b>					
	Actual FY07	Actual FY08	Budget FY09	Estimate FY09	Proposed FY10
<b>GOLF COURSES</b>	(\$18,365)	(\$116,015)	\$41,600	\$49,100	\$44,900
<b>ICE RINKS (including subsidy)</b>	(\$409,750)	(\$509,288)	(\$776,000)	(\$376,500)	(\$624,700)
<b>ICE RINKS (excluding subsidy)</b>	(\$738,750)	(\$1,052,288)	(\$1,319,000)	(\$919,500)	(\$1,147,700)
<b>INDOOR TENNIS</b>	\$173,801	(\$133,137)	\$411,000	\$84,900	\$511,800
<b>EVENT CENTERS</b>	\$43,261	(\$169,429)	(\$116,100)	(\$110,100)	(\$128,700)
<b>PARK FACILITIES</b>	\$896,213	\$264,489	\$397,700	\$372,700	\$533,000
<b>TOTAL (including ice rink subsidy)</b>	<b>\$685,160</b>	<b>(\$663,380)</b>	<b>(\$41,800)</b>	<b>\$20,100</b>	<b>\$336,300</b>
<b>TOTAL (excluding ice rink subsidy)</b>	<b>\$356,160</b>	<b>(\$1,206,380)</b>	<b>(\$584,800)</b>	<b>(\$522,900)</b>	<b>(\$186,700)</b>

As the summary chart indicates, both indoor tennis and the park facilities are projected to generate significant profits for the Enterprise Fund in FY10, almost offsetting the losses created by the ice rinks and event centers. This year, for the first time in several years, the proposed FY10 expenditures are projected to decrease at the same time that total revenues show a small increase, reversing the trend of having expenditures grow at a far greater rate than revenues.

Staff notes that the program budget highlights the fact that there are several services provided by the Park Fund to the Enterprise Fund that are not considered as Enterprise Fund expenditures and, therefore, represent a greater subsidy to the Fund than indicated by the \$599,000 subsidy shown on page 378 of the budget. For example, repairs performed by the Central Maintenance Division and Park Police services are generally paid for by the Park Fund. As Staff has previously noted, maintenance costs should be charged to the appropriate Fund.

## Enterprise Fund Subsidy

**Committee Recommendation: The Committee recommends decreasing the subsidy to the Enterprise Fund from \$599,000 to \$564,000.**

For the past several years, M-NCPPC has asked for a subsidy to the Enterprise Fund from the Park Fund because revenues were not expected to cover costs. The Council has supported the subsidy, but has not agreed with the M-NCPPC assumption that a subsidy will be needed on an ongoing basis and, instead, continued to believe that the Fund's goal should be to be self sustaining. The Council had previously asked M-NCPPC to develop a plan for phasing out the subsidy altogether over time.

This FY10 budget includes a subsidy of \$599,000, which is \$20,000 less than the FY09 subsidy. This includes \$25,000 for public service events at the Event Centers and \$10,000 for a Therapeutic Ice Skating Program. The remainder is for debt service and losses at the ice rinks and event centers. **The Executive did not support the subsidy**, but did not provide any further guidance as to how this reduction could be accommodated without impacting programs.

**The Committee believes that the Park Fund should continue to subsidize both the Therapeutic Ice Skating Program and the public service events at the Event Centers for a total of \$35,000, but supports reducing the Enterprise Fund transfer by the remaining amount (\$564,000).** To the extent possible, the Enterprise Division should continue to make every effort to increase revenues and further decrease costs. If this is not possible, the ultimate impact will be a reserve that is less than the current goal (which is 10% of operating costs and one year of debt service or approximately \$2 million).

## THE ADVANCED LAND ACQUISITION REVOLVING FUND (ALARF)

**Committee Recommendation: The Committee supports the budget for the ALARF as submitted.**

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 419-420 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 over \$19 million, but the State legislature recently approved a bill allowing for a

transfer of \$5 million from ALARF to fund 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.

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 \$649,600, a decrease of \$27,400 or 4%. 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).

**THE PROPERTY MANAGEMENT FUND**

**Committee Recommendation:** The Committee supports the budget for the Property Management Fund as submitted.

The Property Management Fund provides for the oversight, management, maintenance, administration, and leasing of parkland and facilities located on parkland (see pages 335 and 373). A private property management firm handles the day-to-day management of approximately residential properties, agricultural leases, and a variety of other uses on park land. M-NCPPC projects a decrease in revenues of \$65,700 due to a decrease in the number of leased facilities and properties, and a decrease of \$45,000 in interest income for a total decrease of \$110,700 or 9.7%. The Executive recommends approval of the Property Management Fund as submitted. The funding request is as follows:

<b>FY09 and FY10 PROPERTY MANAGEMENT FUND</b>			
<b>FY09 Budgeted</b>	<b>FY10 Request</b>	<b>Change from FY09 to FY10</b>	<b>% Change from FY09 to FY10</b>
\$1,137,400	\$1,026,700	-\$110,700	-9.7%
3.5 WY	3.5 WY	0	0%

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

**INTERNAL SERVICE FUNDS**

**Committee Recommendation:** The Committee supports the budget for the Internal Service Funds as submitted, but recommends a freeze in expenditures for any new CAS information technology or financial systems.

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 decrease by \$136,500 or 4% (page 423).

Expenditures associated with the development of SilverPlace have been allocated to the SilverPlace Internal Service Fund (page 425). The budget proposes to allocate \$100,000 from the Administration and Park Funds to offset the cost of future debt service. Staff questions whether this is appropriate since the Council has decided not to fund the design and construction of the project at this time and there will not be debt service associated with the project in FY10 or in the near future.

The Capital Equipment Service Fund was established to provide an economical method of handling large purchases of equipment (see page 427). The Fund spreads the cost of an asset over its useful life instead of burdening any one fiscal year with the expense. Expenditures in FY10 are projected to increase by \$813,400 or 44%, due in part to an increase in the cost of the Financial System Replacement Project. Based on its previous recommendation to study CAS this summer, the Committee recommends deferring any expenditure on any major CAS information technology or financial systems. (This should not limit the ability of the Planning Department or the Department of Parks to acquire IT or financial systems to be used by the departments.)

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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](http://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 2009, the Council approved FY10 Spending Affordability Guidelines (SAG) of \$110,100,000 for the tax-supported funds of the M-NCPPC, which is a 3.5 percent increase from the \$106,424,200 approved FY09 budget. For FY10, the Commission has requested \$111,311,200 excluding debt service, \$1,211,200 above the total SAG amount of \$110,100,000. The County Executive recommends approval of \$108,969,900.

The total requested budgets for the Enterprise Fund, Property Management Fund, Special Revenue Funds, ALA Debt Service Fund, and Grant Fund, are \$18,161,700, a 4.9 percent increase from the \$17,307,500 total FY09 approved budget. The County Executive recommends approval of \$17,871,500.

## **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.

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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 FY10 level of expenditure for M-NCPPC is \$108,969,900, 2.4 percent over the FY09 approved budget for tax supported funds, exclusive of debt service. The Executive's recommended total is \$1,130,100 or 1.0 percent under Council Spending Affordability Guidelines (SAG).

### **Park Fund**

The County Executive recommends a Park Fund budget of \$81,027,900, excluding debt service. This proposed funding represents a \$1,918,200 or 2.4 percent increase over the FY09 approved budget. The Executive recommends a reduction of \$401,200 from the Commission's request for the projected increase to prefund retiree health insurance and a reduction of \$1.3 million for requested General Wage Adjustment increases and other operating expenditures to be determined by the Commission. The Executive does not recommend the Commission's requested transfer of \$599,000 from the Park Fund to the Enterprise Fund. Park Fund debt service increased by \$298,600 from \$4,005,800 in FY09 to \$4,304,400 in FY10.

### **Administration Fund**

The County Executive recommends an Administration Fund budget of \$27,942,000. This represents a \$627,500 or 2.3 percent increase over the FY09 approved budget. The Executive recommends a reduction of \$197,300 from the Commission's request for the projected increase to prefund retiree health insurance and a reduction of \$457,400 for requested General Wage Adjustment increases and other operating expenditures 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, a decrease of \$245,000 from the Commission's request of \$1,773,000.

### **ALA Debt Service**

The County Executive recommends ALA debt service funding of \$649,600 a decrease of \$27,400 or 4.0 percent from the FY09 approved budget. The cost decrease is due to lower bond interest.

### **Enterprise Fund**

The County Executive recommends an Enterprise fund budget of \$10,351,800. This represents a \$47,300 or 0.5 percent decrease from the FY09 approved budget of \$10,399,100. The Executive recommends a reduction of \$6,200 from the Commission's request for the projected increase to prefund retiree health insurance and a reduction of \$39,000 for requested General Wage Adjustment increases and other operating expenditures to be determined by the Commission. The Executive does not recommend the Commission's requested transfer of \$599,000 from the Park Fund to the Enterprise Fund. Without the requested transfer, the Enterprise Fund is projected to have a FY10 ending cash balance of \$1.6 million or 13.0 percent of resources.

### **Property Management Fund**

The County Executive concurs with the M-NCPPC request for funding of \$1,026,700. This represents a \$110,700 or 9.7 percent decrease from the FY09 approved budget of \$1,137,400.

### **Special Revenue Fund**

The County Executive recommends a Special Revenue Fund budget of \$5,268,400. This represents a \$749,400 or 16.6 percent increase from the FY09 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, a decrease of \$245,000 from the Commission's request of \$1,773,000. The Executive also recommends a decrease of \$245,000 in expenditures in the development review Special Revenue Fund from the Commission's request, which is equivalent to the Executive's recommended budget reduction in the Department of Permitting Services.

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

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## **Consolidation of Recreation Programs**

The Montgomery County Department of Recreation and the Maryland-National Park and Planning Commission (M-NCPPC) Department of Parks offer recreation programming to the residents of Montgomery County. The recent Office of Legislative Oversight report, Organization of Recreation Programs across the Department of Parks and Department of Recreation, looked at recreation programming across both departments and recommended that the County consider consolidation of recreation programming into one department.

The County Executive strongly supports consolidation of the Parks Department's recreation programs into the County Government Department of Recreation. There would be many benefits to this consolidation including:

- improved customer service;
- elimination of duplicative functions;
- improved utilization of capital and operating assets with fewer conflicts on space and time; and
- generation of savings based on the economies of scale realized through consolidation.

In addition, recreation programming is tied directly to four of the County's priority objectives: preparing children to live and learn, safe streets and secure neighborhoods, healthy and sustainable communities, and ensuring vital living for all. Consolidation in the direction of the Recreation Department would more effectively support attainment of these objectives, since the Recreation Department is one of the lead agencies within the County's social service network as a participant in the Positive Youth Development Initiative, Senior Services Initiative, the Cultural Diversity Center, the Sports Council, the Maryland Senior Olympics, and extended learning opportunities with Montgomery County Public Schools (MCPS).

Further, having these programs under the same County leadership allows the Department of Recreation to more easily collaborate and coordinate their efforts with other County departments, such as the Department of Health and Human Services, the Police Department, and Public Libraries. Accountability will also be improved because the County Council and the County Executive will be more directly responsible for the operations and management of the County's recreation activities and facilities. Also, short-term and long-term planning, budgeting, and resource allocation for recreation programming will be improved, as the focus will be on a single entity, the County Department of Recreation.

There are significant logistical issues to be worked through in the consolidation of recreation programming including human resources, financial, information technology, and budget and management issues. While all of these complex matters need to be addressed in detail, this is the appropriate time to begin this process. As a first step, the County Council, the County Executive, and the Park Commission should jointly name a Work Group to identify, evaluate, and resolve transition issues with the goal of consolidating all recreation programming in the Department of Recreation during FY11. This work group should be charged with:

- identifying all action items required to complete the consolidation;
- determining the precise strategy and methodology to complete each action item;
- proposing a specific timeline for all action items; and
- completing assigned work within six months.

Because of the significant issues involved in implementing this consolidation, the FY10 budget does not include any budgetary or organizational changes in anticipation of this consolidation.

## **PROGRAM CONTACTS**

Contact Holly Sun of the M-NCPPC at 301.454.1741 or Christopher M. Mullin of the Office of Management and Budget at 240.777.2772 for more information regarding this agency's operating budget.

# BUDGET SUMMARY

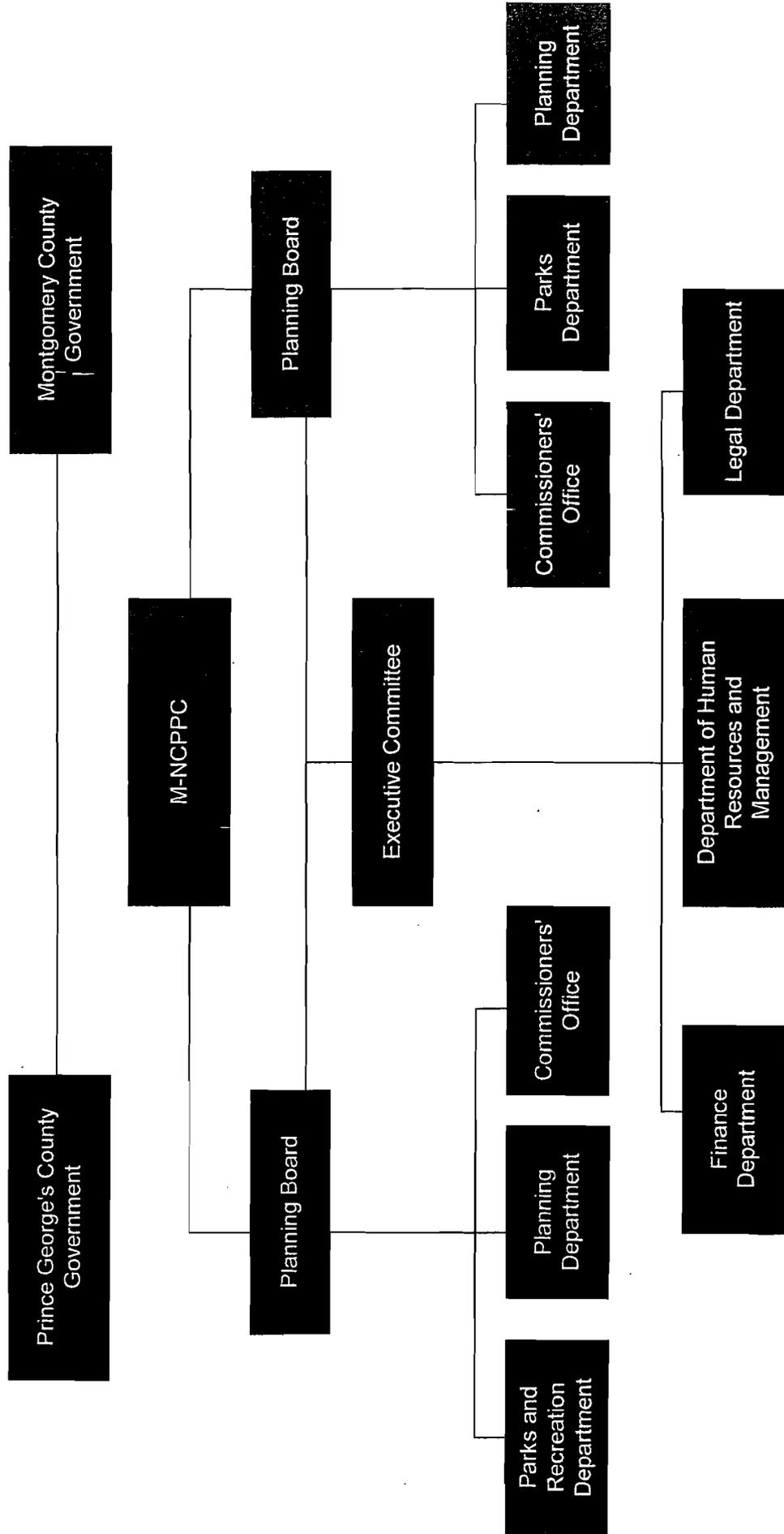
	Actual FY08	Budget FY09	Estimated FY09	Recommended FY10	% Chg Bud/Rec
<b>ADMINISTRATION FUND</b>					
<b>EXPENDITURES</b>					
Salaries and Wages	0	0	0	0	—
Employee Benefits	0	0	0	0	—
<b>Administration Fund Personnel Costs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>—</b>
Operating Expenses	26,234,794	27,314,500	26,664,340	27,942,000	2.3%
Capital Outlay	0	0	0	0	—
<b>Administration Fund Expenditures</b>	<b>26,234,794</b>	<b>27,314,500</b>	<b>26,664,340</b>	<b>27,942,000</b>	<b>2.3%</b>
<b>PERSONNEL</b>					
Full-Time	0	0	0	0	—
Part-Time	0	0	0	0	—
Workyears	207.2	211.4	211.4	215.7	2.0%
<b>REVENUES</b>					
Intergovernmental	458,385	818,500	737,500	0	—
Property Tax	25,057,657	27,460,120	27,404,000	27,709,310	0.9%
User Fees	367,161	400,000	422,500	287,500	-28.1%
Investment Income	373,624	250,000	100,000	90,000	-64.0%
Miscellaneous	6,471	0	0	0	—
<b>Administration Fund Revenues</b>	<b>26,263,298</b>	<b>28,928,620</b>	<b>28,664,000</b>	<b>28,086,810</b>	<b>-2.9%</b>
<b>PARK FUND</b>					
<b>EXPENDITURES</b>					
Salaries and Wages	0	0	0	0	—
Employee Benefits	0	0	0	0	—
<b>Park Fund Personnel Costs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>—</b>
Operating Expenses	71,126,214	79,109,700	77,280,520	81,027,900	2.4%
Debt Service Other	3,817,466	4,005,800	4,005,800	4,304,400	7.5%
Capital Outlay	0	0	0	0	—
<b>Park Fund Expenditures</b>	<b>74,943,680</b>	<b>83,115,500</b>	<b>81,286,320</b>	<b>85,332,300</b>	<b>2.7%</b>
<b>PERSONNEL</b>					
Full-Time	0	0	0	0	—
Part-Time	0	0	0	0	—
Workyears	679.3	688.2	688.2	698.7	1.5%
<b>REVENUES</b>					
Property Tax	76,339,969	76,628,030	76,471,560	80,049,110	4.5%
Facility User Fees	1,586,581	1,701,800	1,701,800	1,879,800	10.5%
Investment Income	774,783	450,000	210,000	180,000	-60.0%
Investment Income: CIP	133,635	130,000	30,000	30,000	-76.9%
Intergovernmental	512,650	0	0	0	—
Miscellaneous	129,077	33,500	33,500	74,100	121.2%
<b>Park Fund Revenues</b>	<b>79,476,695</b>	<b>78,943,330</b>	<b>78,446,860</b>	<b>82,213,010</b>	<b>4.1%</b>
<b>ALA DEBT SERVICE FUND</b>					
<b>EXPENDITURES</b>					
Salaries and Wages	0	0	0	0	—
Employee Benefits	0	0	0	0	—
<b>ALA Debt Service Fund Personnel Costs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>—</b>
Operating Expenses	1,048,030	0	0	0	—
Debt Service Other	545,000	677,000	677,000	649,600	-4.0%
Capital Outlay	0	0	0	0	—
<b>ALA Debt Service Fund Expenditures</b>	<b>1,593,030</b>	<b>677,000</b>	<b>677,000</b>	<b>649,600</b>	<b>-4.0%</b>
<b>PERSONNEL</b>					
Full-Time	0	0	0	0	—
Part-Time	0	0	0	0	—
Workyears	0.0	0.0	0.0	0.0	—
<b>REVENUES</b>					
Property Tax	1,543,383	1,691,200	1,689,620	1,800,840	6.5%
Miscellaneous	52,022	0	0	0	—
<b>ALA Debt Service Fund Revenues</b>	<b>1,595,405</b>	<b>1,691,200</b>	<b>1,689,620</b>	<b>1,800,840</b>	<b>6.5%</b>
<b>GRANT FUND MNCPPC</b>					
<b>EXPENDITURES</b>					
Salaries and Wages	0	0	0	0	—
Employee Benefits	0	0	0	0	—
<b>Grant Fund MNCPPC Personnel Costs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>—</b>

	Actual FY08	Budget FY09	Estimated FY09	Recommended FY10	% Chg Bud/Rec
Operating Expenses	107,156	575,000	575,000	575,000	—
Capital Outlay	0	0	0	0	—
<b>Grant Fund MNCPPC Expenditures</b>	<b>107,156</b>	<b>575,000</b>	<b>575,000</b>	<b>575,000</b>	
<b>PERSONNEL</b>					
Full-Time	0	0	0	0	—
Part-Time	0	0	0	0	—
Workyears	0.0	0.0	0.0	0.0	—
<b>REVENUES</b>					
Administration Fund Grants	0	150,000	150,000	150,000	—
Park Fund Grants	107,156	425,000	425,000	425,000	—
<b>Grant Fund MNCPPC Revenues</b>	<b>107,156</b>	<b>575,000</b>	<b>575,000</b>	<b>575,000</b>	
<b>ENTERPRISE FUND</b>					
<b>EXPENDITURES</b>					
Salaries and Wages	0	0	0	0	—
Employee Benefits	0	0	0	0	—
<b>Enterprise Fund Personnel Costs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
Operating Expenses	8,088,137	9,070,000	8,182,000	9,045,820	-0.3%
Debt Service Other	1,372,287	1,329,100	1,329,100	1,305,980	-1.7%
Capital Outlay	0	0	0	0	—
<b>Enterprise Fund Expenditures</b>	<b>9,460,424</b>	<b>10,399,100</b>	<b>9,511,100</b>	<b>10,351,800</b>	<b>-0.5%</b>
<b>PERSONNEL</b>					
Full-Time	0	0	0	0	—
Part-Time	0	0	0	0	—
Workyears	110.3	104.6	104.6	113.1	8.1%
<b>REVENUES</b>					
Intergovernmental	102,906	0	0	0	—
Rentals	2,418,125	2,709,700	2,559,100	2,691,300	-0.7%
Fees and Charges	4,786,151	6,087,200	5,819,500	6,542,800	7.5%
Merchandise Sales	631,448	754,500	755,700	797,400	5.7%
Concessions	88,777	96,900	93,600	88,000	-9.2%
Non-Operating Revenues/Interest	101,154	90,000	30,000	50,000	-44.4%
<b>Enterprise Fund Revenues</b>	<b>8,128,561</b>	<b>9,738,300</b>	<b>9,257,900</b>	<b>10,169,500</b>	<b>4.4%</b>
<b>PROP MGMT MNCPPC</b>					
<b>EXPENDITURES</b>					
Salaries and Wages	0	0	0	0	—
Employee Benefits	0	0	0	0	—
<b>Prop Mgmt MNCPPC Personnel Costs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
Operating Expenses	1,178,399	1,137,400	992,040	1,026,700	-9.7%
Capital Outlay	0	0	0	0	—
<b>Prop Mgmt MNCPPC Expenditures</b>	<b>1,178,399</b>	<b>1,137,400</b>	<b>992,040</b>	<b>1,026,700</b>	<b>-9.7%</b>
<b>PERSONNEL</b>					
Full-Time	0	0	0	0	—
Part-Time	0	0	0	0	—
Workyears	3.5	3.5	3.5	3.5	—
<b>REVENUES</b>					
Investment Income	54,646	70,000	36,000	25,000	-64.3%
Miscellaneous	1,180	0	0	0	—
Rental Income	1,020,274	1,067,400	956,040	1,001,700	-6.2%
<b>Prop Mgmt MNCPPC Revenues</b>	<b>1,076,100</b>	<b>1,137,400</b>	<b>992,040</b>	<b>1,026,700</b>	<b>-9.7%</b>
<b>SPECIAL REVENUE FUNDS</b>					
<b>EXPENDITURES</b>					
Salaries and Wages	0	0	0	0	—
Employee Benefits	0	0	0	0	—
<b>Special Revenue Funds Personnel Costs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
Operating Expenses	3,939,515	4,519,000	4,510,870	5,268,400	16.6%
Capital Outlay	0	0	0	0	—
<b>Special Revenue Funds Expenditures</b>	<b>3,939,515</b>	<b>4,519,000</b>	<b>4,510,870</b>	<b>5,268,400</b>	<b>16.6%</b>
<b>PERSONNEL</b>					
Full-Time	0	0	0	0	—
Part-Time	0	0	0	0	—
Workyears	36.6	38.5	38.5	29.5	-23.4%
<b>REVENUES</b>					
Intergovernmental	470,490	198,000	513,800	545,800	175.7%

	Actual FY08	Budget FY09	Estimated FY09	Recommended FY10	% Chg Bud/Rec
Miscellaneous	276,157	0	0	0	—
Investment Income	82,088	60,000	10,000	10,000	-83.3%
Service Charges	1,881,903	2,032,400	1,947,800	2,398,000	18.0%
<b>Special Revenue Funds Revenues</b>	<b>2,710,638</b>	<b>2,290,400</b>	<b>2,471,600</b>	<b>2,953,800</b>	<b>29.0%</b>
<b>DEPARTMENT TOTALS</b>					
Total Expenditures	117,456,998	127,737,500	124,216,670	131,145,800	2.7%
Total Full-Time Positions	0	0	0	0	—
Total Part-Time Positions	0	0	0	0	—
Total Workyears	1,036.9	1,046.2	1,046.2	1,060.5	1.4%
Total Revenues	119,257,853	123,304,250	122,097,020	126,825,660	2.9%

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# Maryland-National Capital Park and Planning Commission





**MONTGOMERY COUNTY PLANNING BOARD**  
THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

**OFFICE OF THE CHAIRMAN**

March 27, 2009

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

FROM:   
Royce Hanson, Chairman, Montgomery County Planning Board

SUBJECT: Materials for Budget Worksession

For the upcoming worksession on April 13<sup>th</sup>, we have analyzed thoroughly the effects of the County Executive recommendations on our FY10 Proposed Budget and have prepared responses to Council Staff questions. The Board submitted a fiscally prudent budget that is designed to keep us from falling behind by maintaining services at a reduced but not desirable level. While further reductions may ultimately be necessary, they are not recommended.

The material in the packet for the Administration Fund discussion on April 13 includes responses to general questions from each Department and answers to specific questions for the Planning Department. The Department of Parks will anticipate questions for the Park Fund discussion on April 20<sup>th</sup>.

The Planning Board recognizes the very difficult fiscal choices the Council is facing and is prepared to work with PHED and the Council.

Attachments

1. Memorandum from Commission Budget Manager
2. Response from the Commissioners' Office
  - a. Response to Question 2 - Impact of County Executive Recommendation
  - b. Response to Question 4 - Vacancies
3. Response from Central Administrative Services Departments
  - a. Response to Question 2 - Impact of County Executive Recommendation
  - b. Response to Question 4 - Vacancies
4. Response from Planning Department
  - a. Response to Question 2 - Impact of County Executive Recommendation
  - b. Response to Question 4 - Vacancies with Chart
  - c. Response to Departmental Questions
5. Response from Department of Parks
  - a. Response to Question 2 - Impact of County Executive Recommendation
  - b. Response to Question 4 - Vacancies with Chart

**Attachment 1**

DATE: March 27, 2009

TO: Royce Hanson, Chairman

VIA: Patti Barney, Acting Executive Director for Oscar Rodriguez

FROM: Holly Sun, Budget Manager

SUBJECT: Questions for All Departments

This memo includes responses to questions from Marlene Michaelson, Senior Legislative Analyst of the County Council which are to be answered by all departments

1. *Provide the cost of COLAS and service increments by Department for the entire Commission.*

**The following chart presents the requested information and the amount shown includes both salary and associated benefit impact:**

	Service Increment	COLA	Total
MC Commissioner's	\$ 8,100	\$ 5,900	\$ 14,000
MC Planning	175,100	148,900	324,000
MC Parks			
NonFOP	590,700	406,000	996,700
FOP	76,100	212,600	288,700
Enterprise Fund	23,000	16,000	39,000
Central Administrative Services			
Finance	34,500	30,200	64,700
DHRM	12,700	18,600	31,300
Legal	13,700	9,700	23,400
<b>Total Commission</b>	<b>\$ 933,900</b>	<b>\$ 847,900</b>	<b>\$ 1,781,800</b>

2. *What reductions would be necessary to achieve the Executive-recommended level of funding? What is the impact of those reductions?*

**Executive-recommended reductions to the Proposed Budget total \$2.6 million, based on assumptions of (1) no OPEB prefunding increase, (2) no COLA (all employees), and (3) no merit (all employees):**

- **Total Admin. Fund** - \$ 654,700
- **Park Fund Operations:** - \$ 1,686,600
- **Enterprise Fund Operations:** - \$ 52,880
- **Special Revenue Fund:** - \$ 245,000

The Executive recommendations also include reducing by \$245,000 the transfer from the Administration Fund to the Special Revenue Fund, eliminating the \$599,000 transfer from the Park Fund to the Enterprise Fund, and reducing the Park Fund transfer to CIP by \$30,000.

The Executive's current assumptions create a funding gap of \$288,700 in the Park Fund given the ratified FOP contracts. In addition, the other targeted compensation reductions will only work theoretically given the fact that the Commission is still in labor negotiations (MCGEO) and any compensation or OPEB funding decisions need joint approval by both planning boards and county councils. Given that the Commission is still at the bargaining table, it must continue to negotiate in good faith over subjects such as compensation.

Again theoretically if all three Executive assumptions are realized, the Administration Fund could generate the targeted reductions, as shown in the example schedule below:

<b>Administration Fund (Executive Assumptions)</b>				
	<b>Targeted Reduction</b>	(I) no OPEB increase	(II) no COLA	(III) no Merit
Commissioners' Office	(23,000)	(9,000)	(5,900)	(8,100)
Planning	(444,500)	(120,500)	(148,900)	(175,100)
DHRM	(51,600)	(20,300)	(18,600)	(12,700)
Finance	(100,500)	(35,800)	(30,200)	(34,500)
Legal	(35,100)	(11,700)	(9,700)	(13,700)
Merit Bd	-	-	-	-
<b>Total</b>	<b>(654,700)</b>	<b>(197,300)</b>	<b>(213,300)</b>	<b>(244,100)</b>

Given the uncertainties with regard to the OMB assumptions, each department has prepared other possible reductions to be considered if the OMB assumptions are not realized. Attachments 2a -5a provide these possible alternatives and associated impacts for individual departments.

3. *Does M-NCPPC plan to continue the early retirement incentive? What savings were achieved last year?*

There is no plan under discussion at this time to continue this incentive. Actual savings totaled \$836,200 in the Parks Department and \$625,380 in the Planning Department. Budgeted savings were \$350,000 in Parks and \$328,500 in Planning.

4. *What have the vacancy rates been for each quarter of the past 3 years? Please distinguish between positions that have been frozen for budgetary reasons and those that are vacant which you hope to fill.*

Attachments 2b-5b presents the above information for all departments.

## Commissioner's Office

## Attachment 2a

2. *What reductions would be necessary to achieve the Executive-recommended level of funding? What is the impact of those reductions?*

The County Executive recommendation deletes the funding requests equal to \$23,000 for the Commissioner's Office. The Office of Management and Budget has indicated that the amount of reduction is equivalent to the funding request for COLA, the increase to OPEB, and merit increments for career employees. Given the uncertainties on union negotiation outcome and council decisions on both compensation adjustment and OPEB funding, some alternatives are listed below:

One option will be reducing costs in Services and Charges (-\$8,100). This will eliminate or severely impact the Commissioner's Office's ability to provide assistance to the Parks and Planning departments in the printing of public documents, purchasing giveaways for events, providing supplies for meetings, and assisting with other contributions as requested.

**Commissioners' Office**

Authorized Positions		13		Authorized Positions		12		Authorized Positions		11		Pre-Reorg				
										7		With Reorg				
Quarters		Vacancies	Vacancy Rate	Quarters		Vacancies	Vacancy Rate	Quarters		Vacancies	Vacancy Rate					
2007	1	Sept.2006	1	7.69%	2008	1	Sept.2007	0	0.00%	2009	1	Sept.2008	0	0.00%		
	Recruitable Vacancies		1	7.69%		Recruitable Vacancies		0	0.00%		Recruitable Vacancies		0	0.00%	Frozen Vacancies	
	Lapse			0.00%		Lapse			0.00%		Lapse			0.00%	Contract Working Against Vacancy	
	2	Dec.2006	1	7.69%		2	Dec.2007	0	0.00%		2	Dec.2008	0	0.00%		
	Recruitable Vacancies		1	7.69%		Recruitable Vacancies		0	0.00%		Recruitable Vacancies		0	0.00%	Frozen Vacancies	
	Lapse			0.00%		Lapse			0.00%		Lapse			0.00%	Contract Working Against Vacancy	
	3	Mar.2007	0	0.00%		3	Mar.2008	1	8.33%		3	Mar.2009	0	0.00%		
	Recruitable Vacancies		0	0.00%		Recruitable Vacancies		1	8.33%		Recruitable Vacancies		0	0.00%	Frozen Vacancies	
	Lapse			0.00%		Lapse			0.00%		Lapse			0.00%	Contract Working Against Vacancy	
	4	Jun.2007	0	0.00%		4	Jun.2008	2	16.67%		4	Jun.2009				
	Recruitable Vacancies		0	0.00%		Recruitable Vacancies		2	16.67%		Recruitable Vacancies		0.00%		Frozen Vacancies	
	Lapse			0.00%		Lapse			0.00%		Lapse			0.00%	Contract Working Against Vacancy	

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## CAS Departments

## Attachment 3a

2. *What reductions would be necessary to achieve the Executive-recommended level of funding? What is the impact of those reductions?*

The County Executive recommendation deletes the funding requests equal to \$187,200 for CAS Departments (-\$51,600 in DHRM, -\$100,500 in Finance, and \$35,100 in Legal Department). The County Executive recommended reductions are equivalent to the funding request for COLA (\$58,500), the increase to OPEB (\$67,800) and merit increments for career employees (\$60,900). Given the uncertainties on the outcome of union negotiations and council decisions on both compensation adjustments and OPEB funding, alternative options are under consideration.

**DHRM:** The department's FY10 Proposed Budget already assumes freezing four positions (2 in Montgomery County), or 9.5% of its total positions. There is little room for reductions in personnel costs. A reduction of \$12,700 can be achieved by eliminating professional development training programs. This will reduce commission wide equitable opportunity for education, and could have an impact on retention, employee development, and morale. This action will result in a total budget reduction of \$25,400 for DHRM due its bi-county nature and the service reductions will impact both sides of the Commission.

**Finance:** The Department currently is freezing two positions and has a third filled by a contract employee. A reduction of \$34,500 could be achieved by increasing salary lapse to 4%. This reduces the department's recruitable vacancies to zero. The programs impacted by these staff reductions are Internal Audit, which will reduce their audit staff from four to three possibly resulting in increased fraud, waste and abuse; Disbursements which will impact timeliness of vendor payments and Information Technology reducing support for utility software, investment software and the personnel/payroll system upgrade. Resources will be severely stretched as staff is planning to cover for other staff during the ERP implementation for the Financial System Replacement project.

**Legal Department:** \$600 of reductions can be achieved through holding Supplies and Materials at zero growth. (Total impact to budget will be \$1,200 due to bi-county allocation). \$13,100 of reduction might be generated by trimming Montgomery County funding for outside counsel. Decreasing the outside counsel funding adversely impacts the ability to defend employees from various civil law claims in Montgomery County. This will result in shifting internal resources in order to mitigate the gap. This cut is applied to Montgomery County only.

**DHRM**

Authorized Positions		22.0		Authorized Positions		22.0		Authorized Positions		24.5								
Quarters		Vacancies	Vacancy Rate	Quarters		Vacancies	Vacancy Rate	Quarters		Vacancies	Vacancy Rate							
<b>2007</b>	1	Sept.2006	0.5	2.3%	<b>2008</b>	1	Sept.2007	1.5	6.8%	<b>2009</b>	1	Sept.2008	2	8.2%				
	Recruitable Vacancies		0.5	2.3%		Recruitable Vacancies		1.5	6.8%		Recruitable Vacancies		0.5	2.0%	Frozen Vacancies		1.5	6.1%
	2	Dec.2006	2	9.1%		2	Dec.2007	1.5	6.8%		2	Dec.2008	2	8.2%				
	Recruitable Vacancies		2	9.1%		Recruitable Vacancies		1.5	6.8%		Recruitable Vacancies		0.5	2.0%	Frozen Vacancies		1.5	6.1%
<b>2007</b>	3	Mar.2007	3	13.6%	<b>2008</b>	3	Mar.2008	2	9.1%	<b>2009</b>	3	Mar.2009	2	8.2%				
	Recruitable Vacancies		3	13.6%		Recruitable Vacancies		2	9.1%		Recruitable Vacancies		0.5	2.0%	Frozen Vacancies		1.5	6.1%
	4	Jun.2007	2	9.1%		4	Jun.2008	1	4.5%		4	Jun.2009	2.5	10.2%				
	Recruitable Vacancies		2	9.1%		Recruitable Vacancies		1	4.5%		Recruitable Vacancies		1	4.1%	Frozen Vacancies		1.5	6.1%

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### Finance Department

Authorized Positions		30		Authorized Positions		30.5		Authorized Positions		30.5		
Quarters		Vacancies	Vacancy Rate	Quarters		Vacancies	Vacancy Rate	Quarters		Vacancies	Vacancy Rate	
<b>2007</b>	1	Sept.2006	2.5	8.33%					1	Sept.2008	1	3.28%
	Recruitable Vacancies		2.5	8.33%					Recruitable Vacancies		0	0.00%
									Frozen Vacancies		0.5	
									Contract Working Against Vacancy		0.5	
<b>2008</b>	2	Dec.2006	2	6.67%	1	Dec.2007	1	3.28%	2	Dec.2008	2.5	8.20%
	Recruitable Vacancies		2	6.67%	Recruitable Vacancies		1	3.28%	Recruitable Vacancies		1	3.28%
									Frozen Vacancies		1	
									Contract Working Against Vacancy		0.5	
<b>2009</b>	3	Mar.2007	2	6.67%	3	Mar.2008	3	9.84%	3	Mar.2009	2	6.56%
	Recruitable Vacancies		2	6.67%	Recruitable Vacancies		3	9.84%	Recruitable Vacancies		0.5	1.64%
									Frozen Vacancies		1	
									Contract Working Against Vacancy		0.5	
	4	Jun.2007	2	6.67%	4	Jun.2008	2	6.56%	4	Jun.2009		0.00%
Recruitable Vacancies		2	6.67%	Recruitable Vacancies		2	6.56%	Recruitable Vacancies				
								Frozen Vacancies				
								Contract Working Against Vacancy				

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**Attachment 3b**

**Legal Department**

		Vacant WorkYears	Total WorkYears	Vacancy Rate
	FY07	01-Jul-06	30-Jun-07	
1st Qtr	2006 Sept		<b>8</b>	0%
2nd Qtr	2006 Dec			0%
3rd Qtr	2007 Mar	1		13%
4th Qtr	2007 Jun			0%

		Vacant WorkYears	Total WorkYears	Vacancy Rate
	FY08	01-Jul-07	30-Jun-08	
1st Qtr	2007 Sept	2		23%
2nd Qtr	2007 Dec	2		23%
3rd Qtr	2008 Mar	2		23%
4th Qtr	2008 Jun	3		34%

		Vacant WorkYears	Total WorkYears	Vacancy Rate
	FY09	01-Jul-08	30-Jun-09	
1st Qtr	2008 Sept	2		23%
2nd Qtr	2008 Dec	3		34%
3rd Qtr	2009 Mar	3		34%
4th Qtr	2009 Jun			

2. *What reductions would be necessary to achieve the Executive-recommended level of funding? What is the impact of those reductions?*

The County Executive recommendation deletes the funding requests equal to \$444,500 in the tax-supported Administration Fund and \$245,000 in the Development Review Special Revenue Fund by cutting this amount out of the transfer from the Administration Fund. The Office of Management and Budget has indicated that the amount of reduction is theoretically equivalent to elimination of the funding requests for COLA (\$148,900), the increase to OPEB (\$120,500) and merit increments for career employees (\$175,100). The Executive's recommendation can be achieved theoretically by not granting COLA and merit increases and delaying the increase for OPEB.

If the reductions are not accomplished through adjustments to compensation, reductions would have to come out of programs. The FY10 proposed work program and schedule is predicated on full staffing. The County Executive's recommendation is approximately equivalent to 4.5 workyears or five positions. Significant adjustments on specific program elements would have to be made if cuts are to be taken from staffing.

The recommended reduction to the Development Review Special Revenue Fund is due to the decrease in the number of development applications. This reduction is the same as the Executive has made for the Department of Permitting Services. The short history of this fund reflects a great deal of volatility with the current fiscal year being no exception.

All but a small fraction of the Development Review Special Revenue Fund expenditures are for staff salaries. Reductions to this fund means elimination of staffing. The nature of the regulatory program requires a stable workforce to meet the caseload. As discussed in our quarterly reports on this fund, a drop in caseload does not correlate necessarily to a drop in work load. Smaller, in-fill applications are complex and often time's contentious.

Recent past history shows the dire consequence of understaffing the regulatory function. The County Executive's recommended reduction equates to approximately 2.4 workyears (3 positions). The Council's emergency actions in 2006 created new positions necessary to perform our regulatory function. This reduction starts a reversal trend of the Council actions and would reach the staff that is the future of the County. They are young, talented and diverse.

Another equally important factor not considered in this recommendation is the likelihood that fee revenue will continue to drop until the construction industry recovers. This recommendation seriously jeopardizes the regulatory function.

4. *What have the vacancy rates been for each quarter of the past 3 years? Please distinguish between positions that have been frozen for budgetary reasons and those that are vacant which you hope to fill.*

The Planning Department's current vacancy rate is the result of several actions. The Department entered FY09 having to abolish four positions, accommodate eleven unfunded positions and achieve the 4.5% lapse rate (approximately eight positions). At the beginning of the fiscal year we offered a retirement incentive. Nine staff took advantage of the incentive and vacated their positions the last group leaving as of December 31. The number of employees taking the incentive exceeded our budget estimates. Also at the beginning of the fiscal year we experienced a higher than usual "normal" turnover. However, this has stopped in recent months. Finally, the full implementation of the reorganization has produced some unexpected outcomes.

Ordinarily these factors would have allowed the Department to recruit robustly, however economic forecasts and the 2.5% savings plan directive indicated that caution and prudent decisions were needed in order to protect current staffing and meet work program challenges for FY10. We froze hiring except for a few of the most mission-critical positions. We have asked current staff to work more efficiently and effectively and they responded admirably. Many are making personal sacrifices by working longer hours without relief of any "down" time. It is true professionalism and dedication to the community. With this has come renewed rigor in the management of our performance system. We are using alternatives to hiring career staff by using temporary or term staffing arrangements and on-site staffing partnerships with area universities.

The FY10 proposed work program anticipates normal staffing level. We will be entering the new fiscal year with a large number of vacancies. There are areas of the work program that are suffering. We need to assure that the work program is adjusted as we go through deliberations.

### Planning Department

Authorized Positions			169			Authorized Positions			176			Authorized Positions			173			Pre-Reorg				
															177			With Reorg				
Quarters		Vacancies	Vacancy Rate	Quarters		Vacancies	Vacancy Rate	Quarters		Vacancies	Vacancy Rate	Quarters		Vacancies	Vacancy Rate	Quarters		Vacancies	Vacancy Rate			
2007	1	Sept.2006	25	14.79%					1	Sept.2007	24	13.64%	1	Sept.2008	18	10.40%						
			Recruitable Vacancies	15	8.88%							Recruitable Vacancies	10	5.68%					Recruitable Vacancies	-3	-1.73%	
			Lapse	10	5.92%							Lapse	14	7.95%					Frozen Vacancies	11		
																			Contract Working Against Vacancy	2		
	2	Dec.2006	23	13.61%					2	Dec.2007	8	4.55%	2	Dec.2008	24	13.87%						
			Recruitable Vacancies	13	7.69%							Recruitable Vacancies	-6	-3.41%					Recruitable Vacancies	2	1.16%	
			Lapse	10	5.92%							Lapse	14	7.95%					Frozen Vacancies	12		
																			Contract Working Against Vacancy	2		
	3	Mar.2007	17	10.06%					3	Mar.2008	8	4.55%	3	Mar.2009	26	15.03%						
			Recruitable Vacancies	7	4.14%							Recruitable Vacancies	-6	-3.41%					Recruitable Vacancies	3	1.73%	
			Lapse	10	5.92%							Lapse	14	7.95%					Frozen Vacancies	12		
																			Contract Working Against Vacancy	2		
4	Jun.2007	14	8.28%					4	Jun.2008	9	5.11%	4	Jun.2009		0.00%							
		Recruitable Vacancies	4	2.37%							Recruitable Vacancies	5	2.84%					Recruitable Vacancies				
		Lapse	10	5.92%							Lapse	14	7.95%					Frozen Vacancies				
																		Contract Working Against Vacancy				

Note: The second half of the fiscal year reflects the full implementation of the reorganization and transfer of staff from the Commissioners' Office.

**Questions for all Departments**

1. *Provide the cost of COLAS and service increments by Department for the entire commission.*
2. *What reductions would be necessary to achieve the Executive-recommended level of funding? What is the impact of those reductions?*
3. *Does M-NCPPC plan to continue the early retirement incentive? What savings were achieved last year?*

**Questions for Planning**

1. *Does the "FY09 Adjusted" budget just show changes due to the reorganization or does it include any other changes (e.g., the savings plan - I did not have the opportunity to look back to check whether your savings plan reduced workyears).*  
Adjustments to the workyears are due solely to the reorganization. We did freeze additional vacancies to accommodate the savings plan and kept lapse static to position the Department for the protecting current staff in light of the FY10 economic forecasts, as described in Attachment 4b.
2. *List all major costs elements included in "other operating costs"*  
The expenditures which are attributable directly to a work program element are the personnel costs, professional services and publication costs. The other operating costs are expenditures that are spread based on workyears.
3. *I do not understand the chart on page 145 but suspect it would be easiest to have someone explain this to me by phone or in person.*  
Changes are due to the reorganization and consolidation of some functions that used to be in the Commissioners' Office; we will walk through this chart when we meet.
4. *The budget assumes increased sales for GIS (page 146). What is the basis for the assumed increase?*  
The estimate for FY10 was based on the actual sales which were showing a sharp upward trend at the time the budget was prepared. The trend has slowed the past several months. If it keeps at the current level or drops off, the \$15,000 increase may not be achievable. An immediate correction can be made. In expenditures, there is no need to increase this authority to \$200,000. It can be dropped to \$100,000. This correction will lessen any risk of the fund's reserve dropping into the negative level.
5. *Provide more information on the implementation of the Green Infrastructure Plan: the tasks, the needed resources and how long implementation will last (does it have a limited time frame or will it be ongoing)?*  
The Green Infrastructure Plan will be forwarded to the County Executive and Council in July. There will be a hearing and work sessions with the Council to get approval of the functional master plan. The level of effort for the Green Infrastructure Plan will be

reduced but not as much as the sustainability indicators because of the level of effort to get it through Council. After it is approved the Green Infrastructure Plan will be implemented through individual master plans and development review processes. It will be ongoing. Once in the implementation phase there should be little funding needed beyond that for normal support staff contributions.

6. *Describe the rationale for the increase in staff in research and decrease in Staff working on GIS.*

The program budgeting process includes two Work Program Elements called "Research" and "IS/GIS" that are umbrella items for several smaller projects, some interdivisional support activities, and otherwise general support for other agencies. As we work on program budgeting, we continue to refine our labor tracking and forecasting process with particular attention toward directing resources to specific work products and to understanding what efforts are required for maintenance of service and general database R&D as opposed to the development of planning or policy recommendations.

During the reorganization, we made two adjustments to the manner in which research and IS/GIS staff applied their time to work program elements. First, we recognized that many research and GIS efforts are most effectively performed countywide. So for the FY 09 Adjusted and FY 10 budgets, some of the IS/GIS mapping and research efforts for demographic analysis previously applied to the support of individual master plans were shifted to the Research work program element (reducing the stated "cost" of the master plans). Similarly, the balance of work between IS/GIS and Research was adjusted, as we recognized many of our staff assigned to GIS were performing research activities rather than maintenance or R&D activities identified in the IS/GIS work program element.

7. *Clarify which technology functions are staying in the Research and Technology Division and which have been transferred to management services.*

As a result of the reorganization, RTC is composed of the Information System/GIS Unit, the Research Unit and the IT unit. The Web Team was moved to Management Services to be in the main stream of the communications and outreach efforts. This unit still supports both Parks and Planning Departments.

8. *List all of the functions that have been moved into Management Services as a result of the reorganization.*

The reorganization moved the following functions into Management Services:

- Media Relations
- Outreach
- Web Services
- Graphics Services
- Mapping Services

These functions combined with the already existing editing and reproduction services compose a new unit to form a "one-stop" communications and publication team for the entire department.

9. *There is funding in the budget for the Purple Line Corridor Land Use Plan, but the T&E Committee recommended that this plan not be completed at this time. This is probably an issue to be addressed at the Semi-Annual Report meeting.*

The Purple Line functional master plan will address the preferred alignment and station locations; it does not address land uses in the transit corridor. This has raised a concern in some communities that the functional plan will be followed by local map amendments by developers seeking to increase densities at the proposed stations.

Whereas the land uses around the CCT stations are being addressed through ongoing master plans, there is presently no vehicle to address land uses around the Purple Line stations. (Neither transit facility is currently funded.) The Planning Board has proposed a Purple Line corridor land use plan in order to:

- forestall piecemeal rezoning applications in advance of comprehensive station area planning;
- reduce opposition to the Purple Line that might result from the threat of potential local map amendments;
- provide for appropriate mixed-use development and redevelopment in station areas, as we are already doing in the ongoing Takoma/Langley Crossroads Sector Plan;
- encourage revitalization (e.g., by preparing a revitalization plan for the Long Branch station area that will build upon the work of the Long Branch Task Force and the Urban Land Institute); and
- take advantage of specific opportunities, such as the opportunity to plan for more appropriate land uses at the proposed 16<sup>th</sup> Street station.

The proposed budget does not call for work on the Purple Line corridor land use plan to begin until January 2010, after the locally preferred alternative has been identified. A public hearing draft plan would not be produced until Fall 2010.

Discussion of this program is anticipated at the Semi Annual and may result in modifications.

10. *Is the sustainability indicators program one with a finite ending date or is it expected to continue? What is the role of the Planning Department versus DEP for FY10 and beyond?*

The indicators program will be an annual effort to assemble the information from DEP and many other sources. The County Executive has developed a draft of a larger set of indicators that monitor and benchmark a wider range of indicators. We are most interested in the indicators that will help us measure the effectiveness of our master planning and growth policy. We will use the information the Executive collects and supplement it with local information that more fully informs land use and environmental planning.

Even the indicators we have already identified are not sufficient to give us as many measures as we need to assess our effectiveness. We will continue refine and develop a few additional indicators as directed by the Board, and eventually (when the Council discusses the indicator program) the County Council.

We have always explained that indicators require annual maintenance to remain effective tools; however, the level of effort should be less each year.

11. *The Department has mentioned the intent to temporarily reassign staff working on regulatory programs to other programs during the downturn in construction. Is that happening and, if so, is it reflected in the budget?*

While plans are not going to the Board at the same rate as they were during the “boom years,” we are still taking in plans, many of which are complex and are keeping our review staff quite busy. However, we are also detailing staff in a number of ways. For example, two plan reviewers are making contributions to the Zoning Code Revision and other Development Review staff are spending a time working with Environmental and Legal staff on a new enforcement initiative in which we are drafting new enforcement rules, amending all necessary legislation (Chapter 22, Forest Conservation, Chapter 50, the Subdivision Regulations, and Charter 59 (the zoning code), actively pursuing existing violations and preparing cases for the Board, and designing appropriate training for inspection staff. Several Development Review staff are working on the new Growth Policy in coordination with the Zoning Code Revision, and another site plan reviewer is working to develop the design guidelines that will accompany new Master Plans.

12. *Where were mapping and graphics relocated? Was there any evaluation of merging mapping and GIS?*

This design was considered during the reorganization and finally determined that the coordination with the communication and production team was a better fit. There is, however, heavy emphasis on cross-training, coordination and migration to the GIS environment for the mapping staff particularly in light of the Zoning Ordinance Revision.

13. *Provide more information on the tasks of staff devoted to work program management and work program support.*

The efforts included in Work Program Management include Intra-Agency Activities, Intergovernmental Activities, work program direction and oversight, budget preparation and management, human resources management, procurement and purchasing oversight, major improvement projects, and diversity initiatives.

Efforts included in Work Program Support are general administrative work, building services, budget processing and administration, human resource processing and administration, procurement processing and administration, notice compliance activities, reproduction and binding services, maintenance and administration of databases and records, document scanning and storage, and training.

## Parks Department

## Attachment 5a

2. *What reductions would be necessary to achieve the Executive-recommended level of funding? What is the impact of those reductions?*

The County Executive recommendation deletes the funding requests equal to \$1,686,600 in the tax-supported Park Fund, \$45,200 in the Enterprise Fund, and cutting the transfer of \$599,000 from the Park Fund to the Enterprise Fund.

For the Park Fund, the County Executive has indicated that the amount of reduction is theoretically equivalent to the funding request for the COLA for Non-FOP employees (\$406,000), the COLA for FOP employees (\$212,600), the increase to OPEB (\$401,200) and merit increments for Non-FOP career employees (\$590,700) and FOP employees (\$76,100).

For the Enterprise Fund, the County Executive's recommended reduction is theoretically equivalent to the funding request for the COLA (\$16,000), the increase to OPEB (\$6,200) and merit increments for career employees (\$23,000).

If the County Executive's recommendations on wages can be achieved in collective bargaining and if his recommendation on OPEB increase is approved by both Planning Boards, then the funding recommendations can be achieved. If they cannot, then the Park Fund will need to look at other alternatives to close gaps in the Park Fund and Enterprise Fund through reductions in programs and services and/or facility closures.

The measure of cutting the \$599,000 transfer from the Park Fund to the Enterprise Fund would result in keeping the Enterprise Fund balance well below the policy limit of 10% of operating expenditures plus one year of debt service, and, if revenue targets are not met, further reductions in programs and services as well as facility closures.

Details regarding the Parks recommended alternatives will be provided next week.

## Department of Parks

Authorized Positions		687		Authorized Positions		722		Authorized Positions		727		
Quarters		Vacancies	Vacancy Rate	Quarters		Vacancies	Vacancy Rate	Quarters		Vacancies	Vacancy Rate	
<b>2007</b>	1	Sept.2006*	59	8.59%								
	Recruitable Vacancies		59	8.59%								
	Lapse			7.50%								
	2	Dec.2006*	61	8.88%								
Recruitable Vacancies		61	8.88%									
Lapse			7.50%									
3	Mar.2007*	51	7.42%									
Recruitable Vacancies		51	7.42%									
Lapse			7.50%									
4	Jun.2007*	42	6.11%									
Recruitable Vacancies		42	6.11%									
Lapse			7.50%									
<b>2008</b>	1	Sept.2007*	67	9.28%								
	Recruitable Vacancies		67	9.28%								
	Lapse			7.50%								
	2	Dec.2007*	67	9.28%								
Recruitable Vacancies		67	9.28%									
Lapse			7.50%									
3	Mar.2008	59	8.17%									
Recruitable Vacancies		24	3.32%									
Frozen Vacancies		26										
Contract Working		9										
Lapse			7.50%									
4	Jun.2008	63	8.73%									
Recruitable Vacancies		36	4.99%									
Frozen Vacancies		21										
Contract Working		6										
Lapse			7.50%									
<b>2009</b>	1	Sept.2008	72	9.90%								
	Recruitable Vacancies		23	3.16%								
	Frozen Vacancies		42									
	Contract Working		7									
Lapse			9.22%									
2	Dec.2008**	94	12.93%									
Recruitable Vacancies		51	7.02%									
Frozen Vacancies		36										
Contract Working		7										
Lapse			9.22%									
3	Mar.2009	73	10.04%									
Recruitable Vacancies		21	2.89%									
Frozen Vacancies		44										
Contract Working		8										
Lapse			9.22%									
4	Jun.2009		0.00%									
Recruitable Vacancies												
Frozen Vacancies												
Contract Working												
Lapse			9.22%									

\*FY07 and first two quarters of FY08 the vacancy rate was not adjusted for contracts or frozen positions.

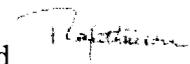
\*\* Vacancy rate spiked in the second quarter of FY09 due to Retirement Incentive Program

Note: FY09 Normal lapse rate was 7.5%, additional lapse added for program element reductions.

April 2, 2009

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 – CAS Questions

For the upcoming worksession on the Administration Fund on April 13<sup>th</sup>, attached please find staff responses to CAS questions.



# MEMO

## THE MARYLAND-NATIONAL CAPITAL PARK & PLANNING COMMISSION

DATE: April 1, 2009  
TO: Montgomery County Planning Board  
VIA: Patti Barney, Acting Executive Director for Oscar Rodriguez  
FROM: Holly Sun, Budget Manager  
SUBJECT: Montgomery County Council Questions – CAS

The Commission received the first round of CAS questions from Marlene Michaelson, Council Senior Legislative Analyst. Questions and proposed responses are listed for your review and guidance.

1. Please explain how the responsibility for IT (including managing M-NCPPC's web site) is split among CAS, the Planning Department and the Department of Parks.

**Each department manages its specific IT work programs and their responses to this question with regard to those systems are included in Attachment A.**

### CAS Department Specific Functions–

**The CAS IT unit is responsible for the corporate systems including financial systems, human resource systems, legal and records retention systems, and pc and e-mail support. CAS IT also oversees IT needs of the Employees' Retirement System. General functions include the following: managing hardware, operating systems, applications, network, security, disaster recovery and business continuity.**

### Commission-wide Functions –

**CAS IT is also responsible for coordinating and facilitating the efforts of the Senior Technology Management Group with regard to Commission-wide policies and projects. The SMTG consists of representatives from each department within the Commission. CAS also administers Commission-wide IT contracts.**

**A more detailed listing of the CAS IT functions, the SMTG responsibilities as well as the CAS web-related services are also presented on Attachment A.**

2. How many vehicles are owned by the Commission? Are they assigned to specific departments or shared by all commission employees?

**As each department manages their own fleet, they will be providing separate responses to this question. CAS currently has five take-home vehicles, one vehicle for building maintenance, and one pooled car. The number of pooled car was reduced from 11 after implementing the new program called Zipcar in late 2008 to improve efficiency. (Details please refer to #3)**

3. Is the new “rent a car by the hour or day” available to the entire Commission? What are the anticipated savings/benefits from this approach?

**The Zipcar program, initiated in August 2008, is a pilot program at CAS. Its cost savings and expansion potential will be assessed later. Its applicability for the parks operations might be limited given the specialized vehicles that park maintenance requires. Zipcar is a car-sharing program that uses fuel-efficient vehicles, and access/reservations to cars are available on-line. It reduces capital outlay (no replacement of unsafe old vehicles), provides easy access to newer and more energy efficient vehicles, and efficiently monitor and track usage and mileage. Currently, two Zipcars are available at the CAS parking lot. Zipcars are also available at Zipcar designated sites. The rental cost plus membership fee is projected to be less than the gasoline and maintenance cost for the CAS fleet by about \$10,000 annually. However, this won't transfer to savings in CAS departments because the CAS fleet was previously maintained by Prince George's County Department of Parks and Recreation. Now the Zipcar cost is born by the CAS departments.**

4. Page 83 appears to indicate that CAS costs will increase based on the relocation of Prince George's County Parks and Recreation Staff. Please provide additional detail.

**Prince George's Department of Parks and Recreation plans to move out most of its staff currently housed on the 2<sup>nd</sup> floor of the Executive Office Building by mid-2009. The Montgomery County share of the FY 10 rent remained level as we were able to offset the \$44,000 cost increase by reducing janitorial services and other costs. The CAS Departments are all in need of additional space and the Finance Department was looking for leased space. Floor plans are being developed to utilize the space in the most efficient manner.**

5. Explain why the cost of the new financial system is expected to triple (\$3.9 million instead of \$1.4 million).

**At the start of this project, the Finance Department had little information on actual costs associated with implementing a new financial system and little price information was publicly available. When exploring the current state of technology, by getting a limited number of product demos, we asked for ballpark pricing. One vendor provided a price list, which we used as an estimate. When we contracted with Government Finance Officers Association (GFOA) to help us with the project, we quickly found that our estimate was grossly understated based on the GFOA's experience negotiating**

contracts for many other government agencies. While our \$1.4 million figure would have been in the ballpark for software cost, it will not cover the implementation costs, which typically run three to four times the cost of the software. We conservatively increased the total cost based on GFOA's recommendation. GFOA consultants felt that we should be able to find an acceptable tier 2 vendor product in this price range. The tier 1 products, such as Oracle, Peoplesoft, CGI, etc., would likely be well beyond even this increased budget as they typically run in the \$10 million+ range and have higher total cost of ownership. The Montgomery County share of the cost of this project is 33%, and we plan on financing the cost over a five year period.

6. Clarify the change in staffing for the Legal Department. I understand that there is a 0.5 workyear increase to change a law clerk from part to full time. Is the additional 1.0 workyear an existing filled position that is just being charged to a different department, a new position of existing but vacant position you are planning to fill?

The total workyears in the Legal Department decrease from 12.75 in FY09 budget to 12.25 in FY10. The change is attributed to one term law clerk position. The position used to be funded 50/50 between Montgomery County and Prince George's County. During FY09 budget review, Montgomery County cut its share of funding for this position. In FY10 proposed budget, this position becomes 100% funded by Prince George's County. As a result, total workyears in Montgomery County decrease by 0.5.

**Central Administrative Services:**

1. All IT Hardware, Software, Network, Security, Services, Functions and Applications associated with the following departments:
  - a. FINANCE
    - Performance series (general ledger, budget, purchasing and fixed asset modules)
    - MFD
    - Evare (investment software)
    - WORKS
    - Contract Routing- contract management
    - EnergyCap- electronic payment of recurring monthly invoices.
  - b. DHRM
    - Personality 2000 / e-Personality- personnel / payroll.
    - Risk management- disaster recovery, teleworker, remote access
    - Benefits – file transfer of sensitive data
    - Exec. Directory Office
    - Recruitment- NeoGov,
    - Public Relations- Insite (Intranet website) and MNCPPC.org (Internet website)
    - Records Retention- microfiche and future technologies
  - c. LEGAL
    - eCounsel- legal matter content system
    - Records Retention, e-Discovery
  - d. MERIT BOARD
  - e. Employee Retirement System (ERS)
    - Personality 2000 / e-Personality
    - Document retention
  - f. Executive Office Building (EOB)
    - Conference IT services
    - Teleworker IT services
    - Wireless Internet IT services
  
2. Coordinates and facilitates the efforts of the Senior Management Technology Group (SMTG) with regard to such responsibilities as providing governance and strategic planning for the use of Commission-wide information technology, developing Commission-wide technology policies and standards and ensuring their implementation, directing the work program of the Senior Technological Group (STG) for Commission-wide projects/initiatives, and providing or assisting in project management of Commission-wide technology initiatives, etc.

### **CAS Web Related Services:**

- The M-NCPPC.org website is developed and managed by CAS' webmaster.
- Planning and Parks staff maintain their respective departmental pages and websites.
- CAS handles all CAS departments' web pages and Commission online services (Recruitment, Classifications, benefits, budget, finance, etc.).
- CAS is responsible for establishing policy and standards in collaboration with departments for all web pages.
- CAS provides consulting services as needed for departmental staff developing and maintaining departmental pages.
- CAS is responsible for providing Web performance measures for all Commission web pages.
- CAS is responsible for maintaining the domain name, security, quality assurance, hosting, 24x7 support, disaster recovery and redundancy for mncppc.org central Website

### **The Planning Department and Department of Parks:**

The Planning Board, Planning Department and Department of Parks have shared resources for the development of strategic direction, management and implementation of both Departments' information technology programs.

The IT Unit in the Research and Technology Center functions as the IT hub for the Planning Board, Planning Department and the Department of Parks. They have a common WAN infrastructure with the MC Fibernet backbone. The Montgomery County Departments share an Internet connection through Montgomery County RCN with a single point of entry that has a firewall. The Montgomery County Departments share the common infrastructure for a VOIP. The E-Commerce applications for both Departments are managed by this unit. Both departments jointly use GIS applications of Local and Wide Area Networks and this unit supports the land use and subdivision data (Hansen) and collaborate with Montgomery County Permitting System. This IT unit supports our Park Police and at least three other police agencies on a 24/7 basis. This unit is responsible for:

- Wide Area Network includes 300 communication devices/75 servers/45 buildings operating in two distinct backbone layers – ATM and Fibernet. This includes mobile data terminals in all Park Police cruisers.
- Local Area Network supporting 900+ desktops in Parks and Planning, 70+ servers in 45+ locations.
- Telecommunications provides support for the Avaya Voice Over IP telephone system (in cooperation with Montgomery County Government's VOIP telephone system), PDA's, Radios, Emergency Call Boxes on hiker/biker training, and Video Conferencing as well as Park Police in-car camera system and the 800 mhz radios for Park Police.
- Help Desk is a single point support for both Departments
- IT Training provide end-user training on technology applications.

- This unit represents the both Departments on the ITPCC, ITAG for interagency-technical advisory group for Fibernet, and other Interagency committees

The Information Systems/GIS efforts provide land use and geographic based data and reports to the public, Planning Department, Parks Department and County agencies. These efforts also include information systems for work program processing, service requests and service delivery.

- This includes Basemap layers such property and planimetric.
- This unit manages Hansen System—the county’s development information system in collaboration with the Department of Permitting Services.
- Using the Hansen Software, this unit has development IDEAL – Information for Development And Land Use – which includes generating numerous reports and interfaces with the GIS and other data bases.
- The unit develops, supports, and maintains County addressing system, generates reports on parcel properties and demographic reporting (housing, job, population, forecasting, etc.)
- This unit provides programming for numerous and growing number of in-house applications
- MCAtlas, DAIC (Development Activity Information Center) and Locator Wizard are examples of on-going, in-house grown applications.
- This unit support growth policy, master plan, development pipeline, zoning and housing work programs.

The Department of Parks has a variety of stand-alone systems, some that require dedicated staff for system administration, database management and programming. The two major systems are:

- **ParkPass** is the on-line registration, facility booking and point-of-sale system. The majority of revenue and facility booking for Park activities are now captured within this system.
- **SmartParks** is Facility Focus system which includes work order management, capital planning, and park inventory.

The M-NCPPC – Montgomery County Web Team provides services to the Planning Board, Planning Department and the Department of Parks. It is composed of Web support specialists, each having an area of expertise. These areas include:

- Web design including creation of page styles, home page features and enhanced design for special projects
- Web content management, programming and development;
- Web audio and video production including weekly live streaming of the Planning Board; convert and post Montgomery Plans and Growing Right cable shows, provides home and link to The Parks Show.
- Provides capability to access archived Planning Board sessions and cable shows.
- Web page maintenance, usage trends study, and user testing.
- Photography for Web content.
- Training for staff to make contributions to web pages.
- Liaison and coordination with Montgomery County government agencies.
- Develop design and content for the employee’s Intranet including The Park e-Bench to provide Montgomery Parks employees with direct access to the information that most impacts their work programs.



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

April 17, 2009

**MEMORANDUM**

TO: Marlene Michaelson, Senior Legislative Analyst  
Montgomery County Council

VIA: Rollin Stanley, Director *RS*  
Montgomery County Planning Department

FROM: Dan Hardy, Chief *DKH*  
Move/Transportation Planning Division

SUBJECT: Request for FY 10 Operating Budget Reconciliation List Addition

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The Montgomery County Planning Department requests a \$75,000 addition to our FY 10 operating budget for participation in a parking management study to inform revisions to Chapter 59-E of the Zoning Ordinance.

The value and need for this study was discussed at a joint PHED and T&E Committee meeting on March 16. At that meeting the Committee members reviewed the attached Council staff packet, including the \$150,000 parking study scope developed by M-NCPPC and DOT staff on page circle-4 of the attached memorandum. This study is needed to address complex shared parking formulas in order to justify reduced commercial parking requirements and develop business community support for reduced parking, consistent with recommendations in OLO Report 2009-6 and Recommendation T-1 in the 2009 Climate Protection Plan.

The Committee members directed M-NCPPC and DOT to propose study funding resources. M-NCPPC and DOT have concurred that the study should be conducted by DOT, based on their ability to expedite consultant services procurement, and funded jointly by the two agencies.

We look forward to continuing the discussion of this important study with you and the County Council members. Please let me know if you have any questions.

cc: Al Roshdieh, DOT  
Rick Siebert, DOT  
Alison Davis  
Rose Krasnow

*34* *34*

T&E/PHED COMMITTEE #1  
March 16, 2009

Worksession

MEMORANDUM

March 12, 2009

TO: Transportation, Infrastructure, Energy, and Environment Committee  
Planning, Housing, and Economic Development Committee

FROM: Aron Trombka<sup>AT</sup>, Senior Legislative Analyst  
Office of Legislative Oversight

SUBJECT: Follow Up on Office of Legislative Oversight 2009-6, *Transportation Demand Management Implementation, Funding, and Governance*

On February 2, the Transportation, Infrastructure, Energy, and Environment (T&E) Committee and the Planning, Housing, and Economic Development (PHED) Committee met jointly to discuss Office of Legislative Oversight (OLO) Report 2009-6, *Transportation Demand Management Implementation, Funding, and Governance*. Transportation demand management refers to strategies aimed at providing alternatives to commuting by single-occupant vehicle, such as public transit, biking, or carpooling. At that worksession, the Committees discussed:

- The consistency of County transit and parking policies;
- Parking requirements in the County Zoning Ordinance;
- Parking pricing strategies;
- Strategies to improve transit accessibility; and
- Master Plan and Growth Policy standards for parking and transit use.

The Committees asked staff from the Department of Transportation (DOT) and the Planning Department to return in March with a recommended work program to revise County parking policies and other transportation demand management strategies. DOT and Planning Department staff will present the recommendations at the March 16 worksession.

DOT and Planning Department staff will attend the worksession.

~~16~~ 35

## Discussion Items

Based on the T&E/PHED discussion on February 2, OLO suggests that the Committees consider the following items:

### 1. Proposed Parking Management Study

The OLO report concluded that County parking policies work at cross purposes to County transportation demand management objectives. Although the County actively promotes alternative commuting modes, it simultaneously offers single-occupant drivers easy access to parking in urban centers. OLO recommended that the Council assess whether current Zoning Ordinance parking requirements are appropriate for urban centers served by transit. In addition, OLO recommended that Council consider establishing criteria for determining the supply and pricing of County-owned parking spaces. At the February worksession, Committee members asked DOT and Planning staff to report back on what information would be needed to prepare an amendment to Zoning Ordinance parking requirements and to develop a pricing policy for County-owned parking spaces.

Over the past six weeks, DOT and Planning Department staff have worked together to develop a joint recommendation on modifying County parking policies. The two departments prepared a proposal for a parking management study that would provide information needed to prepare a zoning text amendment addressing parking requirements in urbanized areas of the County.

The Planning Board reviewed the proposal and directed their staff to present the parking management study concept to the T&E and PHED Committees. A copy of the Planning Department memo to the Board appears on © 1 – 4. The proposed scope of work for the parking management study appears on © 4.

OLO has asked Planning Department and DOT staff to be prepared to discuss the need, cost, funding source, and timing of the proposed study at the T&E/PHED worksession.

### 2. Master Plans, Growth Policy, and the Zoning Ordinance

At the February worksession, Committee members discussed how to advance transportation demand management objectives through master plans, the Growth Policy and the Zoning Ordinance. The attached memorandum addresses the Planning Department's intentions for using these policy documents to promote non-auto travel (see © 1 -2).

### 3. Transit Signal Prioritization

The OLO report identified transportation demand management practices used in other jurisdictions that may be suitable for implementation in Montgomery County. One of the practices described in the report is called "transit signal prioritization." Transit signal prioritization refers to a traffic management strategy that gives precedence to transit vehicles at signal controlled intersections. In one common form of transit signal prioritization, buses are equipped with transponders that signal traffic lights to remain on green until the bus passes through the intersection. Multiple communities have instituted the use of transit signal

prioritization including Chicago, Illinois; Fairfax County, Virginia; King County, Washington; Los Angeles, California; Portland, Oregon; and Tacoma, Washington.

DOT operates the County's Advanced Transportation Management System (ATMS). ATMS is a computer system designed to monitor and control traffic signals in real-time to reduce traffic congestion, travel time, and accidents. Several years ago, DOT conducted a limited demonstration of transit signal prioritization for Ride On buses. At that time, DOT found transit signal prioritization generally feasible but refrained from implementing the system pending completion of the current multi-year replacement of major ATMS technology.

DOT has provided an update on its implementation of transit signal prioritization. As detailed on © 5, DOT plans to program ATMS to provide preferential treatment at signals for buses that are running behind schedule.

#### **4. Employer-Based Transit Passes**

The OLO report also described an alternative transit pricing method used in other jurisdictions known as "employer-based transit passes." With employer-based transit passes, a transit agency sells an employer passes for all of its employees to ride public transit for free. The transit agency can price passes at a highly discounted rate because an employer pays for all employees regardless of how often they ride transit.

Transit systems in the Dallas, Denver/Boulder, Portland, Salt Lake City, San Jose, and Seattle areas offer employer-based transit passes. These programs, known as "EcoPass" programs, have increased transit usage by offering all employees – particularly commuters who do not need to drive every day – an incentive to ride transit on occasion. A study of EcoPass programs found that employer-based transit benefits reduce commuter parking demand by as much as 19 percent.<sup>1</sup>

As detailed in comments from DOT appearing on © 6, the Division of Transit Services has begun discussions with WMATA about implementing employer-based pricing possibly as early as next year.

#### **5. Transit Subsidy Tax-Free Limits**

The OLO report also discussed the Internal Revenue Service ruling that considered employer-provided transit, vanpool, and carpool subsidies in excess of \$120 per month as taxable under Federal law. OLO found that the \$120 limit would cover only about one-half of monthly commuting costs for many County transit riders. OLO had suggested that the Council and the Executive team with transit advocacy groups and other local and state governments to persuade Congress to raise the maximum tax-free transit benefit amount.

As reported by DOT beginning on © 6, the recently approved Federal stimulus package raised the tax-free transit allowance to \$230 per month.

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<sup>1</sup> Donald C. Shoup, *Eco Passes: An Evaluation of Employer-Based Transit Programs*, Department of Urban Planning, University of California, Los Angeles, 2004.



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

April 20, 2009

TO: Marlene Michaelson, Senior Legislative Analyst

FROM: Alison B. Davis, Management Services Chief

SUBJECT: Development Application Activity and Fee Report as of March 31, 2009

Pursuant to the Planning, Housing and Economic Development Committee's discussion on the FY10 proposed budget, following is presented detailing the performance of the Development Review Special Revenue Fund through March 31, 2009.

**Major Findings**

- Revenue for the Development Review Special Revenue Fund consists of fees projected at \$1.8 million and a transfer from the Administration Fund of \$1,773,000.
- In the fall the Planning Board raised certain fees with the expectation of increasing revenue by approximately \$200,000.
- As of March 30, 2009 projected revenues for FY09 are \$1,836,850 which is \$26,850 or approximately 1% above the budgeted revenues. The fee revenue is based on a straight line projection method.
- The fee revenues as of March 31, 2009 are \$100,137 or 8% higher than in March of FY08.
- Without the transfer from the Administration Fund, there would be a revenue gap of \$1,746,150.
- For the nine months of FY09, the number of applications is approximately 18% below the same period for the past fiscal year.
- Using a straight line projection, the number of applications for FY09 is estimated at 283. This is 25% below FY08.
- Comparing the fund's performance in FY08 and FY09, the correlation between the number of applications and amount of fee revenue does not track.
- As reported in the past, there is continued volatility from month to month.
- Reliability on projections is hampered by the unknowns of the current economic climate.
- Estimates are based on a straight line projection. A trend analysis is not valid at this time since the fund only has two viable fiscal years of experience.
- Comparing the March projection to those of last January, there is a decrease of nearly \$200,000 or 9.6%.
- It is expected that the development community will be relying on projects that have been approved but not yet built until economic conditions show improvement. A review of two noteworthy indicators in the chart below shows this to be true:

24 38

Type	Inventory
Non-Residential	32,555,694 square feet
Residential	29,984 units

Source: *Pipeline of Approved Commercial Development and Residential Development*, Research & Development Center as of February, 2009

- A further indication is the 31% drop in record plat applications which indicates that builders are not proceeding with existing projects leading to the strengthening of the assumption that fee revenue may plummet at any time.
- These are reliable indicators that further drops in fee revenues for the Development Review Special Revenue Fund must be expected.

### Recommendation

For FY10, the Department has proposed a transfer from the Administration Fund into the Development Review Special Revenue Fund based on the following:

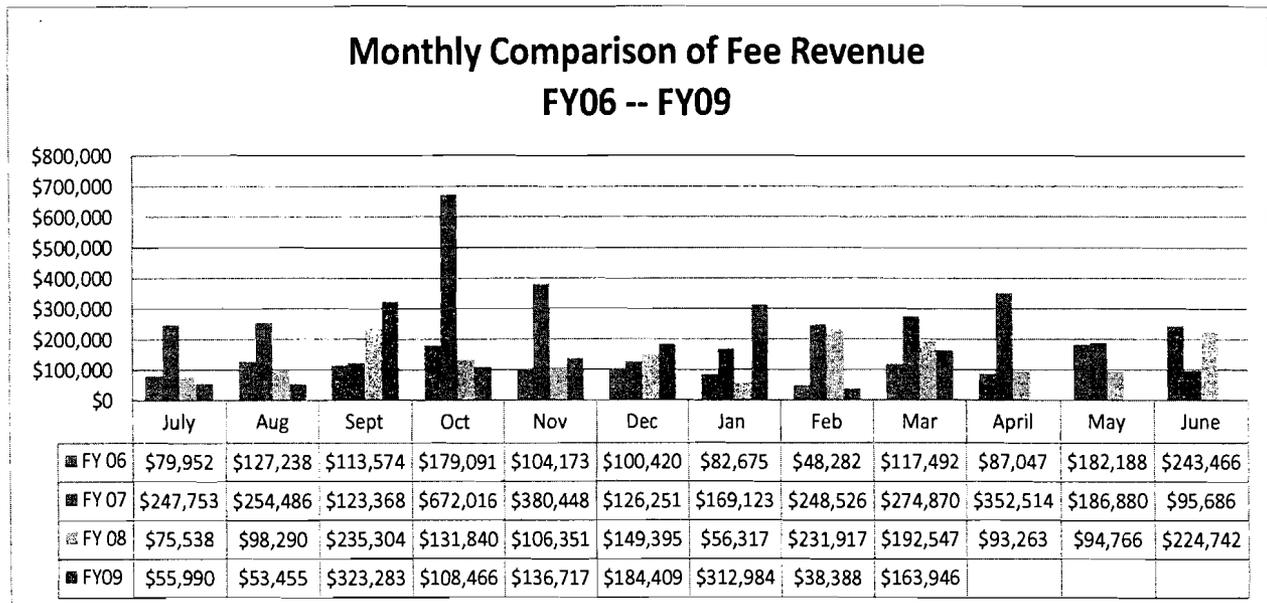
- Public policy requires a fair and equitable distribution of development review costs to both public and private sectors.
- These activities require a stable source of funds.
- Funding for review staff must not be so volatile as to require periodic reduction in staff to stay within funding levels.
- In recognition of the above points, the Department's approved FY09 budget includes a transfer of \$1.77 million from the Administration Fund to the Special Revenue Fund.

The County Executive has recommended a decrease of \$245,000 from the FY10 Proposed Budget. Should the PHED agree with the Executive, it is recommended that decrease be absorbed through frozen positions.

The Department continues to monitor and report on the fund's performance. Attached are detail comparative charts of fund's performance both in the current and past fiscal years.

## Details of the Fund's Performance

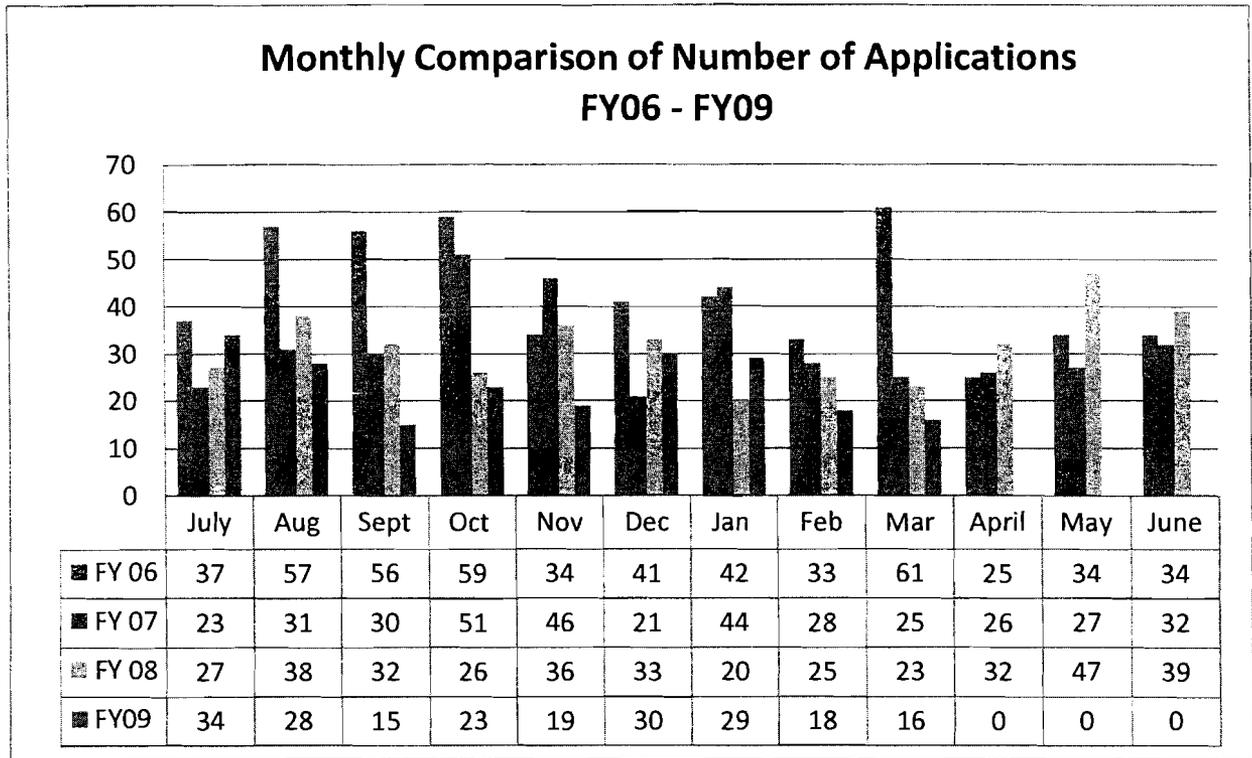
The estimates for the performance of this fund continue to be based on a straight line projection method because there are not sufficient data points to calculate a trend analysis or regression analysis.



<b>DEVELOPMENT REVIEW SPECIAL REVENUE FUND</b>						
<b>Fee Revenue</b>						
<b>Four Year Comparison of Revenue by Plan Type</b>						
<b>Through March 31, 2009</b>						
Application Type	FY06	FY07	FY08	FY09	FY09 to FY08	
					#	%
Subdiv Reg Waivers	\$2,775	\$1,390	\$4,170	\$2,390	(\$1,780)	-43%
Project Plans	\$69,452	\$439,091	\$34,149	\$124,119	\$89,970	263%
Preliminary Plans	\$367,748	\$1,140,571	\$318,465	\$406,266	\$87,800	28%
Site Plans	\$374,547	\$691,919	\$643,631	\$665,777	\$22,147	3%
Record Plats	\$138,375	\$223,870	\$277,085	\$179,085	(\$98,000)	-35%
<b>Total Revenues</b>	<b>\$952,897</b>	<b>\$2,496,841</b>	<b>\$1,277,500</b>	<b>\$1,377,637</b>	<b>\$100,137</b>	<b>8%</b>

3  
26 40

<b>DEVELOPMENT REVIEW SPECIAL REVENUE FUND</b>			
<b>FY09 Budgeted to Projected Revenues</b>			
	<b>FY09 Budget</b>	<b>FY09 Projected</b>	<b>Budget to Projected</b>
			<b>\$                      %</b>
<b>Total</b>	<b>\$1,810,000</b>	<b>\$1,836,850</b>	<b>\$26,850            1%</b>



<b>DEVELOPMENT REVIEW SPECIAL REVENUE FUND</b>						
<b>Development Applications by Type</b>						
<b>Four Year Comparison</b>						
<b>For the period ending on March 31, 2009</b>						
<b>Application Type</b>	<b>FY06</b>	<b>FY07</b>	<b>FY08</b>	<b>FY09</b>	<b>FY09 to FY08</b>	
					<b>#</b>	<b>%</b>
Subdivision Reg. Waivers	3	2	4	1	-3	-75%
Project Plans	10	15	2	3	1	50%
Preliminary Plans	117	92	39	53	14	36%
Site Plans	84	63	61	58	-3	-5%
Record Plats	206	127	154	97	-57	-37%
<b>Total</b>	<b>420</b>	<b>299</b>	<b>260</b>	<b>212</b>	<b>-48</b>	<b>-18%</b>

**DEVELOPMENT REVIEW SPECIAL REVENUE FUND**

**Development Applicatons**

**FY09 Projected to Prior Years' Actuals**

	FY06	FY07	FY08	FY09	FY09 to FY08	
	Actual	Actual	Actual	Projected	#	%
<b>Total</b>	513	384	378	283	-95	-25%

5  
~~38~~ 42

Park Questions:

1. Several of the park programs show an increase or decrease in staffing with no explanation for the change. Please provide the rationale for work year changes for any program for which there has been a significant change?

*The majority of increases and decreases in staffing were small adjustments (1 WY or less) across multiple divisions which added up to significant changes. The work years and costs associated with a program element change each year as the Department continues to refine what is included in a specific element. One example is the oversight of the MCRA golf lease which was in a separate Golf program element under Regional Attractions/Park Services in FY09 and was moved to Third Party Support under Administration of Parks in FY10. Other changes occur as the Department makes adjustments to work schedules based on the analysis of SmartParks data and adjusts the work year allocation accordingly. In some cases, work year changes were housekeeping changes between program elements to correct entries from previous years such as horticultural staff at Brookside Gardens who were allocated to Public Gardens in FY09 when they should have been allocated to Horticulture. Another example of multiple changes occurred in the Park Police allocation of work years as they reevaluated their methodology for allocating work years to specific program elements and made some significant changes based on their new understanding of what was included in the program element.*

2. Page 285 provides a chart on growth in parkland. Can you provide the data used to prepare this chart and indicate how many acres are undeveloped parkland and how many acres are developed parkland?

*By the end of FY00, the Department of Parks had 6,368 acres of developed parkland and 23,903 acres of undeveloped parkland for a total of 30,271 acres. At end of FY08, Parks had 7,194 acres of developed parkland and 26,771 acres of undeveloped parkland for a total of 33,965 acres. This represents an increase of 3,694 acres, of which 826 acres have been developed adding 5 local, 2 urban, 1 neighborhood, 1 special, and 1 conservation park. This represents multiple ballfields, courts, playgrounds, trails, and other park amenities to maintain. Also included in this developed acreage were 4 historic structures in need of stabilization and renovation. All these new parks and facilities require additional care and maintenance and significantly add to the Parks work load being performed by a shrinking staff complement.*

*Attachment 1 is a land transaction report from the Park Inventory System listing all the land acquired by the Parks by year since 1999.*

*This growth in parkland, without the accompanying work years to maintain them, has produced a situation that cannot be properly managed with fewer resources, even with substantially increased efficiencies.*

	<i>Developed Acres Acquired</i>	<i>Undeveloped Acres Acquired</i>	<i>New Park Acreage</i>	<i>Total Park Acreage</i>	<i>% Change</i>
<i>FY00</i>				30,271	
<i>FY01</i>	47.0054	191.4950	238.5004	30,510	1%
<i>FY02</i>	126.2466	1,062.0587	1,188.3053	31,698	4%
<i>FY03</i>	32.9981	328.8528	361.8509	32,060	1%
<i>FY04</i>	138.7061	264.4600	403.1661	32,463	1%
<i>FY05</i>	113.8500	54.3102	168.1602	32,631	1%
<i>FY06</i>	296.1471	308.8487	604.9958	33,236	2%
<i>FY07</i>	38.3376	496.6866	535.0242	33,771	2%
<i>FY08</i>	33.1659	160.5811	193.7470	33,965	1%
<b>TOTAL</b>	826.6850	2,778.8990	3,693.7499		12%

*\* Note: Chart on page 342 shows total acres as 34,040 as opposed to 33,965 shown here. The difference is the number of acres acquired from the end of FY08 to December FY09.*

- Am I correct in assuming that the Department will continue to freeze some positions in FY10? Does the 6% lapse recommended for FY10 include both positions likely to be frozen and recruitable vacancies?

*Yes, the Department will continue to freeze some positions in FY10. We continued the program cuts adopted in FY09 through FY10. The total unfunded positions in FY09, including normal lapse was 9.22% which equates to 67.6 WYs. A 6% lapse is above our normal attrition rate and will likely require holding a certain amount of positions open to achieve the required savings. A successful response to the retirement incentive and freezing certain positions allowed us to meet the lapse and savings target in FY09, although reductions in maintenance and police patrols were required.*

- What is your strategy for dealing with the backlog in maintenance requests given the current fiscal realities? Is there any way to lessen the backlog without increasing resources (i.e., how can you improve efficiencies)?

*We are currently addressing our backlog by reallocating staff to priority tasks based on tracking maintenance frequencies in SmartParks. Whenever possible, we utilize volunteers or seasonal staff for routine tasks and redeploy skilled employees to address*

*more complicated work requiring park maintenance expertise. Given the drastic reductions in funded positions in FY09, each division was required to develop efficiencies to meet the most mission-critical work program. Examples are: reduced frequency of mowing in low use areas, replace mowers to more nimble Z-turn mower to save time, contract out tree work, managed seven day a week operations by changing schedules, etc.*

*In the Southern Region, most of the backlog is related to two main areas, inspections (courts, bridges, culverts, etc.) and playground repairs. This spring, we are tasking our managers to redouble efforts in inspections. In previous years we had large backlogs in playground inspections and trail work. We used SmartParks data to identify these problems and to justify the staff efforts to address them. Both of these areas are significantly improved.*

*We have used SmartParks data to justify the reduction in ballfield crews at Cabin John and custodial crews at Meadowbrook. As a result of those savings, we were able to create a playground repair crew in those areas. We have two ongoing studies to look deeper at the custodial function as well as the trash truck routes. We are combining the use of SmartParks data, and GIS data to study least-cost routes and schedules to make these two functional areas more efficient.*

*In Central Maintenance there were a number of measures used to reallocated resources to address the back log of building maintenance. Examples are:*

- 1. Began installing waterless urinals which eliminate flush valves, eliminating the need for maintenance and service on the flush valves.*
- 2. Switched all thermostats to year around programmable thermostats eliminating the need to send mechanics building by building to set temperature ranges for each season.*
- 3. Re-engineered the preventive maintenance programs for all buildings based on the recommendation from Consultant (FEA). This has allows us to be proactive in making repairs as opposed to waiting for things to break before making the repairs and incurring more expenses related to the break.*

*The Department is continuing to study the buildings in the park inventory which are not critical to our mission. This includes park activity buildings and leased buildings. Many of these buildings are in poor condition and do not serve a large segment of the population. We are hopeful that those buildings with interested constituencies can be transferred in some fashion to those with the means to support them.*

*These measures assist in managing our backlog, but do not bring the park system where it should be. The bottom line is that we have 410 parks and a large inventory of physical assets to maintain and manage. If the backlog continues to grow, we need to consider reducing the growth of developed parks to maintain the current parks at an acceptable level.*

5. What improvements in web management are associated with the \$25,000 professional contract (page 289) and are these specific to the Department of Parks or for all Departments?

*This professional contract would establish a web services support team for the Department of Parks. This team would be dedicated to the creation of new pages, services and functionality, the design of web banners, buttons and other promotional features, the development of new content and features, the editing and maintenance of existing pages, features and functions, and the timely posting and removal of dated information. There are literally thousands of pages of information within the Department of Parks website, and much of it is event- or date-specific. In addition, the Department is shifting away from print advertising and publications and focusing more on digital media and communications. Traditional advertising is expensive and growing less effective each year. Improved web services would aid the Department in making this shift and improve online access to information about programs, services, rentals and other Park offerings.*

*Though valuable support is provided by the Planning Department's web team, no one person is devoted to developing and maintaining the information on the Parks website. This means some information may remain posted longer than it should and other information may never be posted at all. While there is demonstrated need for a dedicated staff position to control the content of our site, we do not have the money or work years to fund this position. This contract fills in that gap, and will allow for stricter monitoring of information and improved access to timely information for our customers.*

6. What are the specialized professional services listed on page 289 (\$60,000)?

*The \$60,000 is budgeted in Support Services and includes \$5,000 for legal services for special cases that require outside legal counsel and \$55,000 for departmental education and training services for the Department such as diversity initiatives, Microsoft training, conflict resolution, and core competency training.*

7. What facilities will be reviewed as part of the infrastructure condition assessment in FY10 (\$200K listed on page 289)?

*The Infrastructure Condition Assessment project will move to cover the remainder of the park system geographically rather than by specific facility group. This year we will begin regional parks and any structures within those parks (remainder of buildings and components not previously covered) and continue in FY10. After regional parks, we would move to recreational parks.*

8. What is the rationale for creating the 2 new divisions (Park Information and Customer Service and Special Programs)? What are the cost implications (e.g., the cost of 2 new chiefs)?

*In order to streamline the number of units reporting directly to the Director of Parks, four units within the Director's Office were consolidated into the two new divisions. This consolidation provided improved oversight specifically for the Volunteer Services and Park Permit functions. This has resulted in more effective marketing, customer relations, and permitting and partnership processes, which will in turn improve the Department's ability to leverage its assets, generate more revenue, and increase efficiencies and services. No new positions were added as a result of these actions, and only one person was promoted at a total cost of \$8,700. All other increases were normal increase in supplies and other services based on an inflation factor.*

9. The cost of "other operating expenses" for each program rises significantly and I assume this is related to the decision to allocate support services by program. Were these costs shared among the programs on a prorated basis or was there an attempt to determine the specific costs associated with specific programs? (Since they all increase by very different percentages, it appears it was the latter.)

*In FY09, Support Services was included in Management and Administration. The Department felt it was more accurate to allocate these costs across all of the program elements based on the number of Park Fund work years associated with the particular element.*

10. Are there any programs for which there is a greater than 10% increase in support services for reasons other than the reallocation?

*No. All support services were allocated based on work year percentages.*

11. Several programs show a significant increase in professional services where it is not clear which professional service is associated with the program (e.g., the professional services associated with Baseball/Softball, Field Sports, Multi-use courts and Tennis programs are requested to increase significantly but it is unclear what new professional services are being provided). Please clarify what the additional professional services are for each program.

*Some of the increases are for the new web management contract addressed above in question#5 where the cost was distributed over multiple program elements that would benefit from the online access to information about programs, services, rentals and other Park offerings related to the various program elements. .*

*The large increases in professional services in certain program elements pertain primarily to the infrastructure condition assessment contract. The Department of Parks has used a consultant to conduct infrastructure condition assessments for the past several years to evaluate the condition of specific Park facilities such as park activity buildings, various structural elements in parks, and Enterprise facilities. In FY10, the*

*assessments will shift from specific facilities to a holistic geographic approach evaluating multiple park amenities in one park. As such, the \$200,000 projected in FY10 for these assessments has been spread across eleven program elements representing the park amenities that will be evaluated including baseball/softball, field sports, multi-use courts, tennis courts, permitted picnic facilities, playgrounds, etc.*

12. Where are the costs of maintaining school fields reflected in this budget? Has there been any change in the cost?

*The costs were split equally between the multi-use fields and baseball/softball program elements. A 6% inflation factor was added to the FY09 costs based on increases in gas prices and supplies. We must continue to point out this item is really not appropriate in the Park Fund budget and part of the Park Tax because it causes the taxpayers in the smaller Metropolitan District to bear a cost benefiting taxpayers of the entire county. If the Department must continue to administer this contract, it should be moved to a Special Revenue fund and shown as a reimbursement for services to MCPS. The cost of maintaining all school fields should be included in and shown as an expenditure in the MCPS budget and as revenue in the Park Special Revenue fund—as are other services provided to outside entities.*

13. Is the cost estimate for the Park Activity Buildings based on an assumed average cost per building or are there different costs associated with each building. (If the latter, please provide the cost estimates for each building used to prepare this total.)

*The personnel costs in the program budget are calculated based on estimated work years and the average cost of a work year. This does represent the exact cost to operate the buildings. There are some direct costs i.e. custodian costs and supplies which apply to all of the park activity buildings. There are also indirect costs e.g. police patrol, permitting and associated IT support, Central Maintenance, and facility management which are estimated each year. The utility costs are paid from Support Services and spread throughout the program elements.*

14. The budget indicates that the Department of Parks has set cost recovery targets less than 100% for some Enterprise Fund activities such as camping, ice skating and trains/carousels. Did the Planning Board discuss and approve these new cost recovery targets?

*The Planning Board reviewed and approved the program elements and the Enterprise Fund budget, both of which included the numbers indicating that certain facilities were not covering all the day-to-day operating expenditures in addition to chargebacks, major repairs or renovations, or significant one-time costs. In the new program element forms, we established minimum cost recovery targets which will be refined before the FY11 budget.*

*The Enterprise Fund facilities are, for the most part, traditional park services and amenities which happen to lend themselves to a business approach. They are special*

*attractions in a park which have a controlled entry. We are able to charge a fee to recover part or all of the operating cost to provide these amenities, whereas it would be more difficult to charge a fee for teeter-totters and swings, for example.*

*Three program elements - camping, ice skating, and event centers - have recovery targets less than 100% due to the specialty nature of the services provided and the policy to keep public costs reasonable.*

*For camping, the Little Bennett Campground, the only full service campground in the county, is an outdated facility that has difficulty accommodating today's RVs. Without major upgrades, this facility will continue to struggle to meet costs. Due to some efficiencies gained through the implementation of an on-line reservation system, Parks has proposed to reduce the career complement by 0.5 WY to meet the County Executive's recommendation of cutting the Park Fund transfer. With this reduction, the cost recovery will be at the 97% level.*

*For ice skating, Cabin John, a 2½ sheet facility in an affluent part of the county, has operating revenues budgeted to exceed expenditures by 6%. Wheaton, on the other hand, a single-sheet indoor facility plus an outdated outdoor facility in a economically diverse portion of the county, is budgeted to cover 75% of its operating costs. The cost of utilities to operate ice rinks has risen dramatically in recent years and based on experience and a reasonable expectation of marketing efforts, the Parks believes these cost recovery targets are realistic. These are operating recovery targets. These percentages do not include the budgeted Park Fund transfer as that transfer is slated to cover a portion of the debt service payments for these facilities.*

*The recovery cost target for the buildings included in event centers program element is 80%. This is consistent with the Department's goal of these facilities "to provide rentals of well maintained gathering spaces in the parks where our clients can meet, learn, socialize or just relax and to raise revenues to offset the cost to the Parks to provide these benefits to the public." Woodlawn Manor, a historic building, is included in this program element and, while it does not cover all the costs to operate this facility, it is an historic building that is maintained at a limited cost to the tax payers. Over 20 years ago, it was determined that these facilities could not cover their operating costs and a Park Fund transfer of \$76,000 per year was included in the budget. These facilities were kept in the Enterprise Fund to provide business principles to their operations, and that has been effective in controlling costs to the taxpayer. This transfer amount has not increased in over 20 years yet the cost to provide these facilities has increased faster than the revenues. Without the Park Fund transfer, the cost recovery will drop to 70%.*

*As a point of clarification, the trains/carousel recovery target on page 309 indicates the "% of operating revenues over operating expenditures meets or exceeds target of 45%" meaning that the revenues will not only cover the expenditures but will exceed them by 45%.*

7  
15 49

15. For the public gardens, break down the costs associated with Brookside Gardens, McCrillis Gardens and other programs.

*The FY10 proposed operating budget for Brookside Gardens was \$2,407,118. Of that amount, the cost associated with McCrillis Garden was approximately \$95,000. This figure for McCrillis Garden includes career staff salaries (1WY), materials and supplies.*

16. What is the annual number of visitors to McCrillis Gardens?

*The annual number of visitors to McCrillis Gardens is difficult to calculate, given that the garden is open daily from sunrise to sunset year-round, but only staffed 40 hours per week. We know anecdotally that many neighbors stroll the garden as part of their daily exercise routine; the garden is used by photographers and artists; that visitation is dependent on the vagaries of the weather; and that when the school across the street has activities, many of their students and families make a trip to see the gardens. McCrillis Gardens also houses the Brookside Gardens School of Botanical Art and Illustration, a comprehensive 2-year certificate program. Students enroll for a series of multi-session core classes and electives that are held throughout the week and throughout the year.*

17. What data has Smart Parks produced about the amount of time to perform routine maintenance activities such as grass cutting or trash removal?

*SmartParks accumulates data including labor hours and labor costs on all routine park maintenance tasks. The information can be accumulated by park code (park name or facility) and work code (mowing, trash collection, inspections). We will provide a hard copy of all SmartParks work codes. The following are examples of typical activities tracked by the divisions in SmartParks:*

- *Mowing*
  - *Ball fields verse other areas*
- *Custodial*
- *Ball field maintenance*
- *Maintenance and repair of facilities and park components*
- *Playground inspections*
- *Snow removal*
- *Bridge inspections*
- *Preventative building maintenance*
- *Vehicle and equipment maintenance and inspections*

*Although each park is different in size, location, usage, and park amenities, we do compare average costs by park type i.e. regional, recreational, local, neighborhood and urban. We also compare costs for parks similar in size and amenities for differences.*

*The divisions use this information to research the differences and adjust practices if appropriate. If desired, we can provide details on our analyses at a later date.*

18. Is the estimated 13% increase in utility and fuel costs still valid or has that number changed since the budget was produced?

*By re-evaluating the utilities costs for FY10, the utilities budget will be reduced by \$60,000. The fuel budget is still on target.*

19. Program revenues associated with the Property Management Fund appear to cover all costs (see page 373), but page 335 shows the full costs of the program and indicates that the Park Fund covers more than 50% of the program costs. For the past two years the Committee has commented on this and asked that the full costs of property management activities shown in the program budget be reflected in the property management budget shown on page 373 but this change has still not been made. The same problem appears to occur with Park Facilities since the Enterprise Fund chart on page 389 shows no subsidy and indicates positive net revenues, but the program descriptions show Park Fund contributions for several of these programs that are not reflected on page 389.

*The program elements in the program budget are not synonymous with the fund budgets.*

*The Property Management Fund accounts for the revenues and expenditures to manage and maintain residential park houses, radio towers, agricultural leases, and commercial leases. These leases are, for the most part, self-sufficient and cover their costs, including the personnel costs for the Property Management Office staff.*

*The property management program element, as distinguished from the Property Management Fund, includes not only the work listed above under the Property Management Fund but also the administration of leases and licenses that generate little or no revenue for the Department. These leases include private partnerships, historic and/or culturally significant properties, equestrian centers, alternative uses for closed and/or under-utilized facilities, and therapeutic services. Many of these leases were previously administered by other Park divisions and have been consolidated under the Property Management Office to take advantage of that staff's expertise. The program budget also captures the maintenance, police patrols, marketing, and oversight of these properties by Park staff and these costs are reflected in the Park Fund budget.*

*The same concept is true for Enterprise Fund budget versus the program elements in the program budget. The Enterprise Fund budget accounts for the revenues and expenditures for the facilities and includes a chargeback to the various divisions to offset the work they provide to the facilities. The program budget itself, however, does not include chargebacks. Also, other divisions or units, such as Park Police and Central Maintenance mechanics, spread their work program across the program elements to indicate they service all the amenities when they patrol a park or when they*

*repair a vehicle assigned to a facility. As a result, some work years and associated costs are allocated to program elements because they are part of the functions provided by the Parks Department and are not accounted for by the Enterprise Fund.*

20.

21. On page 415, the expenditures associated with the Special Donations and Programs Special Revenue Fund exceeds revenues. Please explain. (I assume this special revenue fund was set up to allow the expenditures of donations and that the expenditures would not exceed the donations.)

*The Special Donations and Programs have grown over the past few years as revenues have exceeded expenditures. We expect this trend to continue. Some of the expenditures estimated in FY10 are the result of prior year donations. We are budgeting to spend down the balance in FY10 and have estimated to spend future collections.*

## CAS Question #2

How many vehicles are owned by the Commission? Are they assigned to specific departments or shared by all Commission employees?

*The Department of Parks owns 561 vehicles. The vehicles are assigned across the 12 divisions based on need. For FY10, the Department is analyzing the usage of passenger vehicles and light trucks, and consolidating fleets where possible and practical. The following is a breakdown of the types of vehicles.*

65     *automobiles (12 hybrids)*  
108    *police cruisers*  
276    *light trucks/SUVs/vans (14 hybrids)*  
98     *heavy trucks*

## ***Reductions to achieve County Executive recommended level of funding***

### **Parks Department**

- 2. What reductions would be necessary to achieve the Executive-recommended level of funding? What is the impact of those reductions?*

The County Executive recommendation deletes the funding requests equal to \$1,686,600 in the tax-supported Park Fund, \$45,200 in the Enterprise Fund, and cutting the transfer of \$599,000 from the Park Fund to the Enterprise Fund.

For the Park Fund, the County Executive has indicated that the amount of reduction is theoretically equivalent to the funding request for the COLA for Non-FOP employees (\$406,000), the COLA for FOP employees (\$212,600), the increase to OPEB (\$401,200) and merit increments for Non-FOP career employees (\$590,700) and FOP employees (\$76,100).

For the Enterprise Fund, the County Executive's recommended reduction is theoretically equivalent to the funding request for the COLA (\$16,000), the increase to OPEB (\$6,200) and merit increments for career employees (\$23,000).

If the County Executive's recommendations on wages can be achieved in collective bargaining and if his recommendation on OPEB increase is approved by both Planning Boards, then the funding recommendations can be achieved. If they cannot, then the Park Fund will need to look at other alternatives to close gaps in the Park Fund and Enterprise Fund through reductions in programs and services and/or facility closures.

The measure of cutting the \$599,000 transfer from the Park Fund to the Enterprise Fund would result in keeping the Enterprise Fund balance well below the policy limit of 10% of operating expenditures plus one year of debt service, and, if revenue targets are not met, further reductions in programs and services as well as facility closures.

### **Park Fund Recommended Reductions Not Affecting Service Delivery**

If the County Executive's recommendations on wages cannot be achieved in collective bargaining, the Department of Parks would take the following measures to reach the recommended reductions.

The annual contribution to the risk management fund may be reduced this year as some claims have not been as extensive as projected. This would reduce the available reserves for future claims. The FY10 utility budget in Support Services has been re-evaluated and may be reduced to offset the cuts recommended by the County Executive. Also, the Department's Northern Region headquarters has moved out of rented space into Park owned space, thus eliminating the rent payment.

Park Fund Non-Recommended Reductions Affecting Service Delivery

To further meet the County Executive's recommendations, the Parks would eliminate or severely reduce program services provided by three contracts, reduce the capital outlay request, and close four park activity buildings. All of these program reductions would set back progress that has been made and will cause a greater impact on future budgets.

The trees grown at the Pope Farm Nursery are nurtured until they are large enough to successfully move them to various parks around the county. The more mature trees must be moved with specialized equipment. By eliminating this contract, more trees will grow beyond the capacity of the Parks equipment to move them and will result in a forest growing in the nursery. This will result in greater expenses in future years.

The Department of Parks will reduce the capital outlay budget for replacement equipment. This reduction will require equipment which is nearing, or has already reached, the end of its useful life to remain in service. Because of the age and condition of the equipment, downtime will increase and maintenance frequency will suffer. Additionally, the cost of keeping these pieces in service will increase dramatically and replacement parts may no longer be available. Ultimately the equipment may deteriorate to the point of compromising operator safety and will need to be removed from service. Deferring the purchases now will only add to an already significant backlog of equipment replacement and upgrade.

Non-native invasive plants are degrading our natural resources. Reducing the contract to treat parkland for non-native invasives by 50% would reduce the number of acres treated each year from 400 to 200. This set back will allow areas that received some treatment over the past two years to re-grow thus losing the progress that has been made with FY08 and FY09 funding.

The deer management program controls the number of white tailed deer in Montgomery County. The impacts of reducing this contract by 50% include 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, this program would lose much of the momentum of the past 14 years of work. We manage this program for the entire county, not just parks.

The Parks provides small park activity buildings for community use for small social gatherings, meetings, and for the Department of Recreation use. In FY07, the Department of Parks hired a consultant to perform a condition assessment of these buildings. Four of these buildings that deemed to be in poor condition also have utilization of less than 25%. The buildings in poor condition required an immediate and long term investment to keep this open. By closing these buildings, the Parks could reduce the FY10 budget through a reduction in positions, contracts, utilities and supplies. A closed building, however, must eventually be reopened (if the community or another supporter can be found to maintain

it) or demolished rather than become an eyesore and susceptible to vandalism and vagrancy. By closing these buildings, the real savings would be in future cost avoidance as demolition would offset any savings during that year. This measure could also result in a reduction in revenue to the Park Fund, however, due to rental income losses.

**Montgomery County Public School (MCPS) Ball Field Maintenance**

*The residents of Montgomery County pay a metropolitan tax which provides for the operation and maintenance of parks. Currently, the Department of Parks is maintaining the MCPS ball fields. By using funds from this tax to maintain those fields, the metropolitan tax payers are in effect subsidizing the general county tax payers. It would seem appropriate that all County tax payers contribute to the maintenance of MCPS ball fields.*

*The Department of Parks requests that this housekeeping item be corrected and that the maintenance of MCPS ball fields be included in the MCPS budget so that it is accounted for in the general county tax. The Department of Parks would still maintain the MCPS ballfields through a chargeback to MCPS as an interagency agreement. The revenue and expense would be accounted for in a Parks' special revenue fund.*

Enterprise Reductions

If the County Executive's recommendations on wages cannot be achieved in collective bargaining, the Enterprise Fund would achieve the savings by deferring the replacement of the worn-out, 21-year old carpeting in the Agricultural History Farm Park Activity Center.

Regarding cutting the \$599,000 transfer from the Park Fund to the Enterprise Fund, the Enterprise Fund balance will slide further below the fund's policy limit of 10% of operating expenditures plus one year of debt service.

The FY10 proposed budget included an amount to replenish the fund balance after the lost revenue incurred from the closure of the Wheaton Indoor Tennis facility. The fund balance policy ensures the Enterprise Fund is solvent enough to carry through times when revenue targets are not met or expenditures far exceed expectations due to unforeseen circumstances.

In addition, Parks would close the Wheaton Outdoor Rink. This facility is in need of major renovation and this measure would provide some cost avoidance in the future as

well. Current users of the outdoor rink include high school hockey teams, freestyle skaters, and other renters. By closing the facility, the Parks would reduce career staff by 0.5 WYs and seasonal staff by 0.5 WYs and would reduce both revenue and expenditures in the Enterprise Fund.

Due to the efficiencies gained through the recent implementation of ParkPASS, the on-line reservation system, the Parks recommends reducing the career staff presence at the Little Bennett Campground during the winter off-season. There will be some reduction in customer service as patrons call for information throughout the winter. This measure would result in the reduction of 0.5 career WYs in FY10.

The Enterprise Administrative Office would freeze two career positions. Certain functions will be shifted to the Management Services Division and to the Enterprise facilities placing a greater burden on those staff members to monitor and maintain those functions.

Similar to the Park Fund, the Enterprise Fund's annual contribution to the risk management fund may be reduced in FY10 as some claims have not been as extensive as projected which would reduce the available reserves for future claims.

The above recommended reductions in the Enterprise Fund are all predicated on the revenue targets being met. If revenue falls below the budgeted projections or expenses rise due to unforeseen circumstances, further reductions will be needed that will result in limiting programs and services as well as facility closures.

**MONTGOMERY COUNTY DEPARTMENT OF PARKS - PROFESSIONAL SERVICES**

Division	Section	Program	Description	FY09 Budget	FY10 Proposed
<b>Park Fund</b>					
Director of Parks	Director's Office	Management and Administration	Various depositions and legal services	1,000	1,000
Director of Parks (FY09)/ Park Information & Customer Service (FY10)	Park Information & Customer Service	Multiple	Graphic Design Services	30,000	30,000
Director of Parks (FY09)/ Park Information & Customer Service (FY10)	Park Information & Customer Service	Multiple	Photography Services	5,000	5,000
Director of Parks (FY09)/ Park Information & Customer Service (FY10)	Park Information & Customer Service	Multiple	Media Training	10,000	10,000
Park Information & Customer Service	Park Information & Customer Service	Multiple	Web Management	0	25,000
Director of Parks (FY09)/ Special Programs (FY10)	Volunteer Services	Maintained Open Space, Cultural Resources	Continued development of the Web-based Training Initiative for Volunteers	5,000	5,000
Director of Parks (FY09)/ Special Programs (FY10)	Volunteer Services	Maintained Open Space, Management and Administration, Nature Centers	Fingerprint screening	4,000	4,000
Director of Parks	Park Permits		Consultant to assist in streaming permit process	3,000	3,000
Director of Parks	Park Permits		Customer Service Contract	2,200	0
Park Information & Customer Service	Park Permits	Multiple	On Call back up staff for Permit Office	0	5,000
Management Services	Support Services	Management and Administration	Specialized professional services	60,000	60,000
Special Programs	Special Programs	Partnerships	Real Estate Budget Analyst	0	5,000
Park Development (FY09)/ Facilities Management (FY10)	Administration	Multiple	FEA Contract	74,800	200,000
Facilities Management			Demolition of properties	200,000	0
Central Maintenance	Trades Units	Management and Administration	Leak detection system for tanks, Asbestos/Lead/Mold Remediation and Architectural/Engineering Services	5,000	5,000
Central Maintenance	Trades Units	Management and Administration	Energy/Recycling management contract	105,000	105,000
Horticulture Services	Pope Farm Nursery	Horticulture	Contract for large tree removal and afforestation	39,500	39,500
Horticulture Services	Arboriculture	Arboriculture	Tree maintenance	104,300	104,300
Horticulture Services	Arboriculture		Trail and paving maintenance	0	0
Horticulture Services		Horticulture	Stormwater management contract	0	10,000
Horticulture Services	Brookside Gardens/Public Gardens		Comprehensive visitor survey	10,700	10,700
Park Development			Green Design Contract	30,000	0
Park Police	Special Operations, Patrol, Administration	Multiple	LOEBR/Hearing Boards	10,000	10,000
Research and Technology	Technology		Local Area Network Enhancement	60,000	0
Northern Region	Meadowside Nature Center	Nature Centers, Agricultural Support	Veterinary services	2,000	3,000
Northern Region	Meadowside Nature Center, Black Hill Visitor Center	Nature Centers	Licensing agreements	800	800
Northern Region	Rock Creek Regional Park	Streams	Contract maintenance-wireless data transmission for both dams	2,500	2,500
Northern Region	Black Hill Visitor Center	Nature Centers	Professional Kayak Instruction certification	800	800
Southern Region	Administration	Management and Administration	Miscellaneous Consulting for Region (inf. structural/ environmental engineer, legal investigation experts, etc.)	4,000	4,000
Park Planning & Stewardship	Cultural Resources	Cultural Resources	Architectural Services for historic properties	91,500	91,500
Park Planning & Stewardship	Natural Resources Stewardship		Weed control	65,000	65,000
Park Planning & Stewardship		Streams	Ground Water Monitoring	33,600	33,600
<b>Total Park Fund</b>				<b>\$959,700</b>	<b>\$926,700</b>
Facility Management	Property Management Fund	Property Management	Environmental Evaluations	8,000	8,000
<b>Total Property Management</b>				<b>\$8,000</b>	<b>\$8,000</b>
<b>Total Professional Services - All Funds</b>				<b>\$967,700</b>	<b>\$934,700</b>

**ADDENDUM**

**MEMORANDUM**

May 1, 2009

TO: County Council

FROM: Linda McMillan, Senior Legislative Analyst 

SUBJECT: **Worksession: Maryland-National Capital Park and Planning Commission  
FY10 Operating Budget - Park Police**

**Public Safety Committee Recommendation**

The Public Safety Committee met on April 16<sup>th</sup>, April 22<sup>nd</sup>, and May 1<sup>st</sup> to review the FY10 budget for the Park Police. The Committee is recommending a reallocation of some of the funding requested by Park and Planning for the Park Police. The PS Committee has included the PHED Committee's increased lapse in this recommendation. The PS Committee made no adjustment to the Park and Planning request regarding the general wage adjustment. The Park Police have an authorized complement of 97 Police Officers and 25 non-sworn staff. Currently, 13 Police Officer positions are vacant. **Park and Planning's FY10 request for the Park Police before chargebacks and lapse is \$12,979,700. The PS Committee recommends (3-0) the following allocation of these funds:**

Fund all currently filled positions	\$11,168,320
Overtime	469,780
Supplies and Materials	630,800
Other Services and Charges	311,400
Replace of 7 and 8 year old mobile computers	150,000
Fill 2 vacant recruits slots in January	75,000
<u>Additional lapse per PHED Committee</u>	<u>174,400</u>
TOTAL	\$12,979,700

This recommendation will require the Park Police to continue to operate with vacant positions through FY10.

The PS Committee and Park and Planning agreed that Park and Planning will coordinate with the Department of Technology Service on the purchase of the replacement mobile

computers. While the Council had asked several times that Park Police be included in the overall replacement plan for county-funded law enforcement mobile computers, the MFP Committee was told by OMB that the County Government could not purchase these computers as a part of the Desktop Computer Modernization program. The PS Committee is therefore recommending a reallocation of funds so that they can be purchased with the Park and Planning request.

## Overview

For FY10, Park and Planning is requesting funding of \$12.980 million and 117.1 net workyears for the Park Police. The request is a 7.4% increase in dollars and 2.1% increase in workyears from the approved FY09 budget.

<b>M-NCPPC Park Police</b>						
<b>in \$000s</b>	<b>FY06</b>	<b>FY07</b>	<b>FY08</b>	<b>FY09</b>	<b>FY10</b>	<b>%Change</b>
	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Budget</b>	<b>Proposed</b>	<b>FY09-10</b>
Personnel	8,643	9,576	10,487	10,957	12,038	9.9%
Operating	726	783	839	942	942	0.0%
Capital	35	171	66	148	-	-100.0%
(Enterprise Fund)	25	-	-	37	-	-100.0%
(other)	-	-	-	-	-	-
<b>TOTAL</b>	<b>9,429</b>	<b>10,530</b>	<b>11,392</b>	<b>12,084</b>	<b>12,980</b>	<b>7.4%</b>
Workyears	111.2	117.5	112.9	114.7	117.1	2.1%

\$212,600 of increase in personnel cost is from a general wage adjustment of 3.75% per the collective bargaining agreement with the Park Police FOP.

At its April 16<sup>th</sup> session, the PS Committee reviewed the FY10 proposed budget for the Park Police, discussed crime statistics and trends, the current sworn complement, number of vacancies, plans for hiring recruits in FY10, and the need for replacement mobile computers. The Committee also received an update on the Park Ranger program.

The Committee was concerned that the proposed increase in the Park Police budget was higher than the overall increase for the County Police. It was noted that some of the Park Police increase was due to the expectation that there would be a general wage adjustment of 3.75% and that lapse overall for the Parks Department had been decreased. The Committee asked that the Park Police provide information on what the Park Police budget might look like if it was allocated a 2.7% increase or remained at its current FY09 authorized workyears.

At the April 22, the Committee received comments from Chief Manley about the impacts of further reductions to their operating budget, the action of the PHED Committee to increase lapse in the entire Park Fund by 1.5% (to 7.5%) that results in a \$174,400 reduction to the Park Police Division, and the need for fund to replace 31 mobile computers that were purchased in 2001 (29) and 2002 (2). Chief Manley's comments are attached at © 1-4.

**At its May 1<sup>st</sup> worksession, the Committee agreed not to reduce the overall requested amount of funding but to reallocate a portion of the request to ensure that the replacement mobile computers are funded in FY10 and to account for the additional lapse savings already assumed by the PHED Committee. The Committee recommendation is summarized at the beginning of this memo.**

## **Update – Park Police Crime Statistics**

The 2008 Annual Crime Report from the Park Police is attached at © 5-6.

- Total Part 1 Offenses increase by 30 or 13.6% from 2007 to 2008. The increase was seen in two areas, robbery and theft.
- Total Part 2 Offenses also increased by 30 or 13.6% from 2007 to 2008 if the new category of “warrants served” is netted out of 2008. While there was a significant decrease in crimes of destruction, there was a significant increase in narcotics/drug offenses.

Chief Manley told the Committee that the report now has a column for “officer initiated” incidents, which captures those crimes reported as a result of an officer’s actions. This includes: “crimes in progress” arrests and those “occurred earlier” crimes discovered through the proactive patrols of officers. He shared that much of the increase in crime is related to thefts of opportunity and by persons who are entering the parks after dark. Assaults tend to be related to sports events and, unfortunately, Officers are not able to impact these situations the way they would like because they can only make an on-scene arrest if the Officer actually observes the assault. The Park Police are finding more homeless camps in the parks because of the economy. The Park Police move these people out of the parks and provide information on services. The “warrant served” column was added because about a year ago Park Police began serving Failure to Appear Warrants that were previously served by the Sheriff. Chief Manley noted that the increase of reported vehicular collisions now includes Commission vehicle collisions which do not occur on Park property, but now fall under our reporting responsibility as a result of the new MOU/MAA. Of the collisions reported, 61 did occur on Park roadways or property.

Chief Manley also highlighted that the Park Police Investigative Services Section executed 28 search and seizure warrants in 2008, the majority being for gang related vandalism and credit card related crimes which yielded: criminal proceeds, evidence, recovered stolen property and drugs.

## **Update - Park Aides (Park Rangers)**

As a part of the FY07 budget, the Council approved six seasonal positions to assist the park Police with monitoring the use of ballfields and compliance with park regulations. The positions have been referred to as “rangers” however they were seasonal park employees more accurately titled “park aides.” The “Rangers” serve as park ambassadors, checking ball fields,

reporting unsafe conditions, verifying permits, and participating in community outreach programs. They do not have enforcement authority and are not expected to handle confrontational situations (requesting Park Police respond to these types of incidents.) Rangers can also provide in assistance with other types of incidents such as assisting with reports of a missing child, compliance with leash law violations, alcohol violations, vandalism, and after hours use of parks. An evaluation conducted after first year found that the Ranger program increased the park visit to parks with high numbers of complaints and that call had been reduced regarding these parks.

The Parks Department provided the Committee with an update that is attached at © 7-14. The Committee was told that the Park Ranger program is continuing to be successful. The Parks Department is trying to improve the handling of weather related closures of ballfields to prevent damage to the fields.

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

April 22, 2009

To: Public Safety Committee  
Montgomery County Council

From: Darien L. Manley   
Acting Chief, Park Police

Subject: Response to request from April 16, 2009, Public Safety Committee worksession on FY10 Park Police budget.

Council President Andrews,

I would like to thank you and the rest of the Public Safety Committee for the opportunity to come before you and discuss the FY10 Park Police budget.

During the Park Police FY10 Public Safety (PS) Committee operating budget worksession which took place on April 16, 2009, we were asked to outline the effects of maintaining our budget at either an FY09 funding level or a 2.7% increase in budget as was recommended for the Montgomery County Department of Police (MCPD) in FY10.

Prior to calculating these options, the Parks Department's operating budget went before the Planning, Housing and Economic Development (PHED) Committee on April 20, 2009, where Parks was directed to increase lapse to the 7.5% level it operated at last year. The PHED Committee also made other cuts which dropped the Parks Department budget below the level of funding recommended by the County Executive. As a result of the PHED Committee recommendation, the Park Police budget has already been reduced by an additional 1.5% lapse, valued at \$174,400, for a total work year reduction of 9.25 wys.

Following the PHED Committee worksession, discussion between Chairman Hanson, Director Bradford and myself led to our preferred recommendation that the Park Police budget maintain its funding outside of the 7.5% lapse to offset the significant cuts the Park Police took in FY09 and allow the Parks Department as a whole to work within the PHED Committee recommended budget.



April 22, 2009

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Absent approval of this request, we begin at a new point, where the 2.7% increase limit from the FY09 funding level is applied, which results in additional cuts from the Park Police operating budget equaling \$393,600 or 5.56 wys. When the increased lapse imposed by the PHED committee is compounded by the PS Committee FY09 increase limit, the Park Police is facing a budget reduction of 14.81 wys or \$1,048,548, for a total recommended budget of \$11,931,452, which is 1% below FY09 funding.

The FY09 funding level for the Park Police yielded a net of 114.7 wys, with an approved cost of \$12,084,000. At this funding level, we would be forced to continue to freeze approximately 8 wys before the recommended 7.5% lapse is applied for a net of 17.5 wys. Before applying a general wage adjustment for the FOP, the FY10 budget should be \$12,282,495 to incorporate the service increment (merit) steps that will occur in FY10, notwithstanding additional personnel costs due to increased retirement and benefits contributions.

The PS Committee is comparing our increase to that of the MCPD, yet last year when we were cut significantly, resulting in 12 frozen positions out of 97 sworn to meet our budget. MCP was only required to freeze or abolish 13 positions out of a staff of nearly 1200 sworn officers. I mention freeze or abolish, because in reading the final approved budget on OMB website, it appears some of these wys were shuffled into Homeland Security or Animal Services when they moved functions around within MCPD and other County agencies. When you look at the proportional number of frozen positions for FY09, when compared to full-time staff, we took about a 12.3% cut in sworn personnel, versus their 1.0% reduction in sworn staff. For FY10, we will be looking at a reduction of 14.81 wys or 15.3% reduction of sworn personnel versus MCPD reduction of 1.4%.

Additionally, our Park Police salaries are generally lower than those of our MCPD counterparts and allowing the general wage adjustments to stay in the recommended budget will help to reduce that gap. The existing salary gap has always factored into recruitment and the loss of the wage adjustment would only add to the problem and negatively affect our retention of officers, which we all know is so important in a field where we make very large investments in the hiring, training and equipping our officers to serve our community.

I believe the Park Police operate in a very efficient/cost effective manner, by staffing specialty units on a 7 day a week basis to provide service and coverage with minimal use of overtime. By comparison, MCPD traffic, special operations, criminal investigators and gang units generally work M-F with weekends off. The majority of work done on the weekend is programmed OT and is expected.

While I am not a budget analyst, I have prepared the following analysis, based on personnel costs and not total budget with operating included for either agency.

Park Police: FY09 budget of 114.81 wys (97 sworn, 25 civilian before lapse applied) for an average cost of \$95,527/wy. Our sworn to civilian ratio is almost 4:1 and civilian staff generally cost much less due to salary and retirement costs.

April 22, 2009

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MCPD: FY09 budget of 1789 wys (1183 sworn and 606 civilian) at an average cost of \$110,863/wy. This figure also doesn't account for the fact that 202 of the civilian employees are part time and that their sworn to civilian ratio is almost 2:1, which means their sworn costs are significantly more than the average shows.

A better analysis would be to compare sworn workyear costs for the two agencies to see a fair comparison. It is understood that there is error in this analysis, because their civilian staff costs are generally less and they have a much lower ratio of sworn to civilian employees, thus their cost per workyear is believed to be even higher.

Additionally, our staff averages about 45 hours of overtime per year versus 115 hours of overtime by MCPD staff, with their average cost of overtime being \$51.97/hour and our cost at about \$45.00/hour for sworn staff. Our overtime rate would be an even lower average, if the average OT rate for civilian staff were factored in.

Based on historical budget documents, Park Police workyears were at 117 in FY07 and in FY10 we will have funding for 107 wys. If the full Council approves the non-recommended reductions outlined in this document, then we need to be prepared to see increased crime, citizen complaints and reduced customer service. Our staff will not be able to maintain the pace we have set this past year without additional bodies. We strongly believe the following areas will be affected by these cuts; some are still carryovers from FY09:

FY09

1. CALEA (Commission on Accreditation of Law Enforcement Agencies)
2. HIDTA (High Intensity Drug Trafficking Area, MD area 34 participation)
3. Proactive Patrols of 105 parks (no citizen complaints or reportable incidents in 1 year)
4. Limited follow-up on criminal investigations for non-violent crimes
5. Limited plain clothes enforcement
6. Fewer Community Crime Prevention activities and CPTED surveys

FY10 PROPOSED CUTS

1. Re-deploy three (3) Community Services Officers to patrol, eliminating #6 above altogether.
2. Discontinue participation in MC Gang and Secret Service Fraud task forces. Return two detectives, one (1) detective to Park Police Investigations and one (1) re-deployed to Patrol.
3. Do not fill Investigative Services vacancies.
4. Do not hire two additional seasonal Rangers.
5. No special details/tactical teams developed to address current problems. All staff dedicated to patrolling parks.
6. Eliminate/suspend motorcycle patrol and assign half of Special Ops personnel TDY to patrol duties. Results in reduction of horse mounted patrols as well.

Some of the negative impacts:

- More work for less people who are already doing too much.
- Community outreach, youth focused programs and Crime prevention efforts get tabled.
- Reduced trail patrols, loss of skills needed to safely operate police motorcycles. Most agency's (Fairfax, MCPD, PGPD etc) with motors practice every day to maintain proficiency.
- Fewer proactive park patrols
- Reduced traffic, criminal and civil enforcement (citations and arrests) with reduced staff

M-NCPPC Park Police Response to Public Safety Committee Questions

April 22, 2009

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To limit these impacts and promote the safest possible Park system, I would recommend the PS and PHED Committees fund the Park Police at the CE's recommended FY10 level and then apply the 7.5% lapse.

I would also request that the joint PS/MFP Committees approve \$150,000 in additional operating funds to allow Park Police to process a one-time purchase of 29 MDT's. It is then requested that the Committees incorporate funding for the remaining MDT replacements in FY11, with continued funding in subsequent years to follow the DCM plan.

**MARYLAND-NATIONAL CAPITAL PARK POLICE  
MONTGOMERY COUNTY DIVISION  
2008 ANNUAL CRIME REPORT  
JANUARY - DECEMBER  
CRIME STATISTICS**

PART I OFFENSES	2004	2005	2006	2007	2008	Change	Self-Initiated
<b>CRIME</b>							
MURDER	0	1	1	6	1	-5	0
RAPE	1	2	2	0	2	2	0
ROBBERY	8	7	8	8	13	5	1
1ST DEGREE ASSAULTS	10	5	13	5	6	1	1
Gun	4	3	4	3	3	0	
Knife	3	0	3	2	1	-1	
Other	3	2	6	0	2	2	
BURGLARY	18	16	13	13	15	2	1
Force	14	11	12	9	14	5	
No Force	2	4	1	4	0	-4	
Attempts	2	1	0	0	1	1	
THEFTS	154	159	173	180	205	25	10
AUTO THEFTS	6	5	2	8	8	0	0
<b>PART I TOTALS</b>	<b>197</b>	<b>195</b>	<b>212</b>	<b>220</b>	<b>250</b>	<b>30</b>	<b>13</b>

PART II OFFENSES	2004	2005	2006	2007	2008	Change	Self-Initiated
<b>OFFENSE</b>							
DESTRUCTION	200	238	337	290	239	-51	93
Vandalism	87	75	75	47	61	14	
Hate/Violence	11	16	8	12	4	-8	
Graffiti	102	147	254	231	174	-57	
SEX OFFENSES	10	9	11	20	19	-1	5
NARCOTIC DRUG LAWS	111	110	163	104	209	105	190
LITTERING/DUMPING	31	35	32	39	42	3	19
2ND DEGREE ASSAULTS	48	45	43	25	62	37	6
OTHER PART II	228	188	249	204	141	-63	94
WARRANTS SERVED	-	-	-	-	164	164	164
<b>PART II TOTAL</b>	<b>628</b>	<b>625</b>	<b>835</b>	<b>682</b>	<b>876</b>	<b>194</b>	<b>571</b>
<b>TOTAL OFFENSES</b>	<b>825</b>	<b>820</b>	<b>1047</b>	<b>902</b>	<b>1126</b>	<b>224</b>	<b>584</b>

**2008 ANNUAL CRIME REPORT  
JANUARY - DECEMBER  
CRIME STATISTICS (CONTINUED)**

ARRESTS	2004	2005	2006	2007	2008	CHANGE
Adult Physical Arrests	242	170	181	141	244	103
Juvenile Physical Arrests	53	61	58	46	76	30
Adult Criminal Citations	162	166	220	144	275	131
Juvenile Criminal Citations	142	194	244	163	270	107
Outstanding Warrant Arrests	99	79	106	148	176	28
<b>TOTAL ARRESTS</b>	<b>698</b>	<b>670</b>	<b>809</b>	<b>642</b>	<b>1041</b>	<b>399</b>

CITATIONS	2004	2005	2006	2007	2008	CHANGE
Civil	1354	824	1050	899	1051	152
Parking	1280	1526	1166	949	1550	601
State	6359	5156	3535	3153	5469	2,316
DNR	91	125	48	49	46	-3
Warnings	3715	4259	2558	2639	4198	1559
SERO	436	529	339	280	542	262
<b>TOTAL CITATIONS</b>	<b>13,235</b>	<b>12,419</b>	<b>8,696</b>	<b>7,969</b>	<b>12,856</b>	<b>4,887</b>

ACCIDENTS	2004	2005	2006	2007	2008	CHANGE
Fatal	0	0	0	0	0	0
Injury	21	24	28	8	30	22
Property Damage	60	47	46	58	72	14
Hit and Run	-	-	6	6	6	0
<b>TOTAL ACCIDENTS</b>	<b>81</b>	<b>71</b>	<b>80</b>	<b>72</b>	<b>108</b>	<b>36</b>

POLICE ACTIVITIES	2004	2005	2006	2007	2008	CHANGE
Self Initiated Calls	66,414	74,572	79,655	66,926	72,858	5,932
Total Calls for Service	71,454	79,732	85,100	72,502	86,416	13,914
<b>REPORTS WRITTEN</b>	<b>1795</b>	<b>1725</b>	<b>1875</b>	<b>1619</b>	<b>2072</b>	<b>453</b>

# Park Ranger Program FY08 Annual Summary



*Maryland-National Capital Park Police*

*Montgomery County Division*

*April 16, 2009*



Maryland-National Capital Park Police  
Montgomery County Division  
Park Ranger Program  
12751 Layhill Road  
Silver Spring, MD 20906  
301-929-2732

## Mission

**The Mission of the Montgomery County Park Rangers is to improve the quality and safety of our parks for the enjoyment of the community and to serve as a resource to park patrons. The Park Rangers ensure compliance of the Commission's Park Rules and Regulations; review permits; provide community outreach programs; assist with special event and facility support; offer wildlife and natural resources management services; and patrol parks, facilities and trail networks.**

## Introduction

The Montgomery County Parks Department sought approval to establish a Park Ranger program within the Park Police Division during the FY07 budget process. The Montgomery County Council later approved limited funding to create a Pilot Seasonal Ranger Program to address on-going community concerns related to local ball field usage. A group of Rangers were hired as "ambassadors" of the park system and tasked with patrolling a group of "Hot Spot" local parks and ball fields. Their primary functions included: verifying user permits, informing ball field users of park rules and regulations, and participating in various community outreach programs. The Rangers did not have law enforcement authority and they were directed to summon Park Police officers to address situations that required more than a request for compliance.

In FY08, the County Council approved the hiring of two full-time career Rangers and four seasonal Rangers to begin field work in April of 2008. However, due to budgetary issues, the staff for FY08 was limited to one career Ranger and two seasonal Rangers who continued to patrol and monitor the "Hot Spot" areas. The Ranger Program has undergone several changes in the latter half of FY08 to include: a defined Standard Operating Procedures Manual (SOP); Park Ranger website; new professional uniform and identification badges; new Park Ranger vehicles with safety lighting and vehicle emblems (*See Photo*); added duties and responsibilities; and additional training mandates. During this last year, the focus of the Park Ranger Program was to establish a well trained, professional unit that will meet the needs of Montgomery County residents through their educational and patrol efforts.

## Fiscal Report FY08

In FY08, the Montgomery County Council approved the hiring of two (2) full-time, career Rangers and the extension of the two (2) seasonal staff for a total of three (3) work years. Actual staffing was limited to two seasonal Rangers who worked year-round and one (1) career Ranger hired in May 2008.

FY08 ACTUAL	
Total hours worked (Career)	160.00
Total hours worked (Seasonal)	3151.30
Total salary costs:	\$46,600.13
Total cost of equipment and supplies:	\$10,745.00
Vehicles: 4 Ford Rangers	\$66,000.00



Estimates for FY09 include four (4) seasonal staff and one (1) full-time, career Ranger.

#### FY09 ESTIMATES

Total hours worked (Career)	2080.00
Total hours worked (Seasonal)	3831.00
Total salary costs:	\$98,671.00
Total cost of equipment and supplies:	\$15,234.00

## Patrol Report

The work schedule for the Rangers was designed to focus their patrols during the times of greatest park usage. With the addition of the Senior Park Ranger, the Park Rangers have been able to cover seven (7) days a week with the flexibility for special events/duties/holidays. Rangers will incorporate a dual weekend shift to have more coverage during the summer hours. The Rangers will take on additional duties as described.

- Park Ranger Office has dedicated a computer work station with CLASS 6.0 software to review permits. Files for 'HOT SPOT' parks are pre-established and are updated by the permit office monthly.
- 'Permit Check' is a new status activity code established for the Park Rangers in the Park Police Computer Aided Dispatch system, which will better identify specific park checks related to permits.
- For FY08, Park Rangers conducted a total of 3,884 park checks and responded to several citizen initiated ball field / local park complaints.
- Ranger vehicles are stocked with educational literature which includes; heritage maps, park permit brochures and Park Rules & Regulations booklets, for distribution to park patrons. Rangers undergo continuous training related to park issues and educational opportunities; an example would be DNR Fishing and Hunting Regulations.
- Park Ranger vehicles are equipped with battery jump packs, air compressors, flares, and tow ropes for disable vehicle assistance; fire extinguishers; first aid kits and basic animal control equipment for transportation of injured wildlife or to contain a domestic animal until Animal Control arrives.
- Rangers have been trained on the SMART PARKS database and submit unsafe, hazardous, unsanitary or inappropriate conditions to the Service Center.
- Rangers will continue to assist with event support and development of community outreach programs.
- Rangers are trained to identify safety concerns and they are equipped to notifying the Park Police in circumstances where law enforcement intervention is needed.

The Senior Park Ranger, reports directly to the Field Operations Patrol Commander, who also oversees the Community Services Unit of the Park Police and coordinates the efforts of our rangers, volunteers and community based officers. The Senior Park Ranger is responsible for activity reports, staffing, training, evaluations, schedules, work assignments, fleet/equipment management and overall program development.



## Training Report

At the inception of the Ranger Program in 2006, a training program was designed and implemented for each of the new Rangers. Since then, the training program has expanded to address the added responsibilities. Rangers are required to complete an extensive; two-week training course which includes the following topics:

- Orientation
  - Job Expectations
  - Ethics
- Communications Section Operations
  - Radio Operations/Procedures
- Park Police Operations
  - Crime Scene Identification/Management
  - Traffic Control
  - Drug and Gang Recognition
  - DNR Laws and Enforcement Training
  - Park Watch Training
  - Parking Ticket Warning Training
  - Bicycle Patrol Training
  - Voluntary Compliance Training
  - OC Spray Training
- Park System familiarization
  - Permit Review( CLASS 6.0 software)
  - Park Rules and Regulations
  - Park Facilities
  - SMART Parks Maintenance Reporting
- Safety Training
  - First Aid/ CPR
  - Defensive Driving
  - Fire Extinguisher Training
  - HAZCOMM/ EAP Training
- Wild Life Handling
- Aggressive Dog Handling
- GPS and Geocaching

Upon completion of the classroom training, the Rangers will complete a 40 hour field training program with the Senior Park Ranger to become more familiar with the park system, permit procedures, safety techniques, voluntary compliance measures and recurring ball field problems.

## Special Event and Program Support

The Rangers have been primarily responsible for patrolling sixteen (16) “Hot-Spot” parks previously identified as areas of concern based on usage, community complaints and other ball field activities. In 2007, the Rangers’ targeted patrol significantly enhanced Park Police’s ability to proactively monitor ball field activity and interact with park users. For FY08, the Rangers have expanded their patrols to *all* parks in the county and trail networks (i.e., Capital Crescent Trail and Matthew Henson Greenway). Park Rangers work closely with the Permit Office and update the ‘Hot Spot’ areas on a monthly basis.



This year, the Rangers assisted in the search for several missing persons and took part in special community events to include Heritage Day; Emancipation Day; National Night Out; Harvest Festival; Longwood Community Day; Pitch, Hit & Run; Hispanic Health Fair and Earth Day Community Cleanups.

The Rangers accomplished their educational mission through one-on-one conversations with patrons and the distribution of literature, including: M-NCPPC brochures, park rules and regulations booklets, safety brochures and trail maps. Park Rangers are encouraged to interact with the public

The Rangers routinely call for Park Police assistance when civil and criminal violations were observed. On many occasions, the bilingual Rangers assisted officers through their ability to communicate with non-English speaking members of the community.

Additional activities included assisting patrons involved in vehicular collisions, assisting disabled motorists and vehicle lock outs; as well as traffic direction at intersections where the traffic signals were not functioning.

## **Program Development**

Park Rangers will continue to address the permit issues related to ball field use, picnic shelters and park activity buildings.

Park Rangers will be required to complete continuing education training classes on an annual basis. Topics of study must be related to job functions and programs.

The Park Rangers have developed the following programs to increase stewardship awareness and increase community outreach. Each program targets specific groups with the emphasis on education, conservation and wildlife management. Most programs are free to the public and school groups.

- “Green” Ranger Recycling: This program is designed to encourage and educate the community about recycling. Use of the Prince Georges County Park Ranger recycling trailer along with information provided by Montgomery County Recycling Center is incorporated. Available for major events such as Harvest Festival. Free program.
- Hooked on Fishing Not on Drugs: In conjunction with Maryland DNR Fisheries Division this program provides a guided tour of the Cedarville Fish Hatchery, education on drugs, education on state fishing rules and regulation and fishing at one of many M-NCPPC Regional Park fishing locations. Fee: TBA
- Natural Outdoor Hazards: This program will equip students with valuable information about stinging insects, poisonous plants, venomous snakes and other natural outdoor hazards. The Park Rangers will visit classrooms, teaching students via a one-hour, interactive Power Point presentation. Grades 3-8. Free program.
- Junior Ranger Program: Learn about conservation and ecology through field trips: tour the Montgomery County Recycling Center, explore Little Seneca Lake by boat, fish in Pine Lake and enjoy other outdoor adventure activities. Ages 9-12. Fee: TBA



- Ranger “Jeopardy”: Join the Park Rangers in their version of the game show “Jeopardy”. The subject is safety and the categories are: bicycle safety, mammals, bites and stings, etc. Grades 3-6. Free Program
- Career Day: Park Rangers discuss job responsibilities and answer questions on Park Ranger related career paths. Grades 3-12. Free program.
- Geocaching: Learn the new and exciting recreational activity of hi-tech Geocaching. Special programs available to schools or community groups. GPS systems required.

## **Program Summary**

The Ranger Program has been successful in supplementing the Park Police presence within the Park system during peak days and hours. As apparent in the reduced citizen driven calls for service, the collaborative efforts of the Park Rangers and Park Police officers have had a significant impact in resolving many of the local park/ball field issues; even with the FY08 decrease in staffing from five (5) part-time positions to two (2) part-time positions. With additional staffing and the direction provided through a full-time career position, the Park Ranger Program will continue to focus on its mission and provide a valued service to park patrons in Montgomery County.

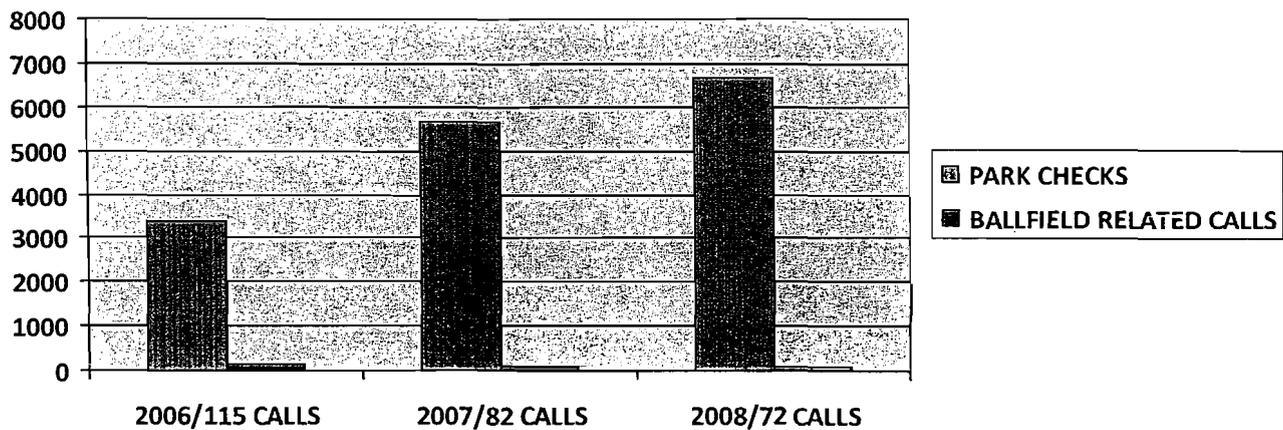


## Comparison of Park Checks and Citizen Driven Calls for Service 2005-2008

### FY08 Patrol Data

### 16 Hot Spot Checks Data

	2006 Checks	2006 Calls	2005-2006 Change In Checks	2005-2006 Change In Calls	2007 Checks	2007 Calls	2006-2007 Change in Checks	2006-2007 Change In Calls	2008 Check	2008 Calls	2007-2008 Change In Checks	2007-2008 Change In Calls
Bullis	165	3	588%	-1	249	3	51%	0	256	2	3%	-1
Capitol View-Homewood	198	6	123%	-9	306	6	55%	0	373	2	22%	-4
Dewey	252	6	117%	-6	372	7	48%	+1	453	1	22%	-6
Jessup Blair	222	6	141%	-1	358	3	61%	-3	435	2	22%	-1
Meadowbrook	234	24	65%	+9	417	6	78%	-18	551	18	32%	12
Long Branch-Wayne	158	13	90%	+7	371	10	135%	-3	410	10	11%	0
Randolph Hills	201	1	91%	-4	375	4	87%	+3	486	12	30%	8
Ray's Meadow	116	3	346%	-2	171	12	47%	+9	156	8	-9%	-4
Rosemary Hills	171	8	64%	-3	231	0	35%	0	268	5	16%	5
Strawberry Knoll	250	3	207%	-7	451	3	80%	0	475	1	5%	-2
Saddlebrook	71	4	145%	-1	141	8	99%	+4	251	1	78%	-7
Martin Luther King	362	10	100%	-12	604	6	67%	-4	805	0	33%	-6
Aberdeen	154	3	242%	+1	346	1	125%	-2	381	0	10%	-1
Centerway	305	1	161%	-4	522	3	71%	+2	602	4	15%	1
Parklawn	261	12	569%	+5	345	4	32%	-8	221	6	-36%	2
North Four Corners	256	12	137%	-4	414	6	62%	-6	548	2	32%	-4
TOTAL	3376	115	145%	-32 / -22%	5673	82	68%	-29%	6671	74	18%	-10%





**NEW PARK RANGER VEHICLES** (Fleet of 4)



**2009 PARK RANGERS**