

PHED COMMITTEE #1
April 17, 2015

Worksession

MEMORANDUM

April 15, 2015

TO: Planning, Housing, and Economic Development (PHED) Committee
FROM: Linda Price, ^{LP} Legislative Analyst
SUBJECT: FY16 Operating Budget: Urban Districts

Those expected to attend this worksession include:

- Ken Hartman, Director, Bethesda-Chevy Chase, Regional Service Center
- Jeff Burton, Deputy Executive Director, Bethesda Urban Partnership
- Reemberto Rodriguez, Director, Silver Spring Regional Service Center
- Richard Bingham, Silver Spring Urban District Operations Manager
- Ana Lopez van Balen, Director, Mid-County Regional Service Center
- Joe Callaway, Wheaton Urban District Operations Manager
- Helen Vallone, Office of Management and Budget

Relevant pages from the FY16 Recommended Operating Budget are attached on © 1-6.

Budget Summary:

- The FY16 Recommended Operating Budget for the Urban Districts is \$8,171,808. This represents a decrease of -\$569,494 or -6.5 percent from the FY15 Approved budget of \$8,741,302. A large portion of this decrease is due to the shift of the Bethesda Circulator to the Mass Transit Fund.

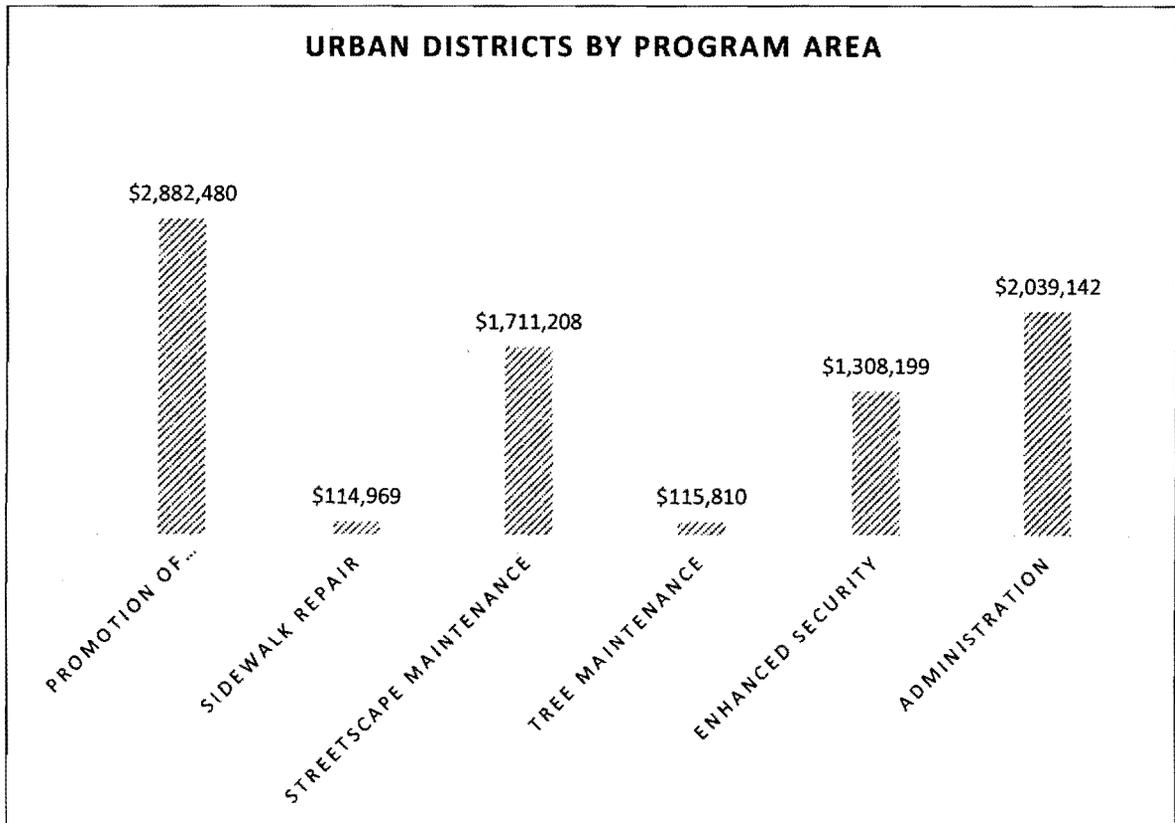
Council Staff Recommendation:

- Approved the Executive's recommended Bethesda Urban District operating budget submission with wage adjustments added to the reconciliation list.
- Approve the Silver Spring Urban District Budget as submitted.
- Approve the Wheaton Urban District expenditures.
- Increase the Wheaton Parking Lot District Transfer to the Urban District budget.

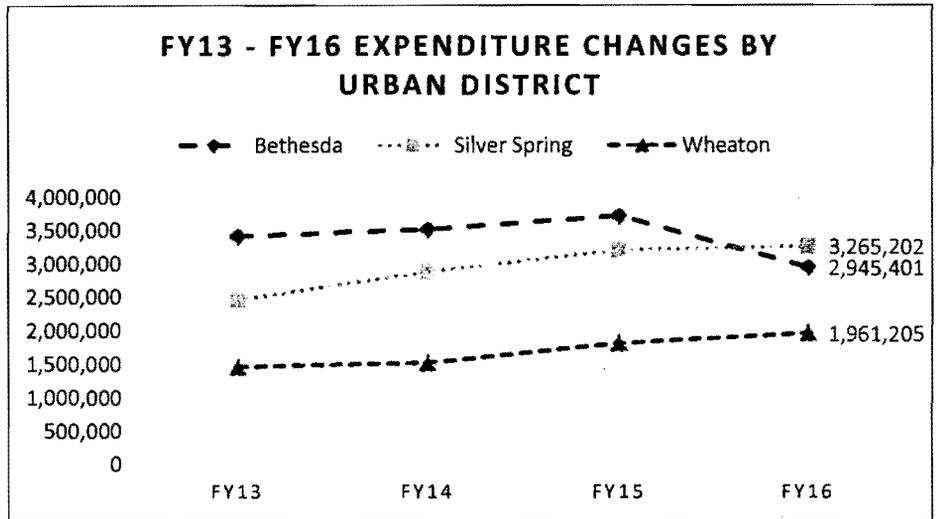
OVERVIEW

The Urban Districts were created to maintain and enhance the County's downtowns area as prosperous, livable urban centers. Efforts include increasing maintenance of the streetscape and its amenities, as well as providing additional public amenities such as plantings, seating, shelters, and works of art. Additionally, Urban Districts work to promote the commercial and residential interests of these areas and program cultural and community activities. The County Urban District's include Bethesda, Silver Spring and Wheaton. The Bethesda Urban District is managed by the Bethesda Urban Partnership (BUP), Inc. Wheaton and Silver Spring Urban Districts are managed by their respective Regional Service Centers.

The FY16 recommended Urban District budget of \$8,171,808 is comprised of the following six programs: 1) Promotion of Community and Business Activities; 2) Sidewalk Repair; 3) Streetscape Maintenance; 4) Tree Maintenance; 5) Enhanced Security; and 6) Administration. FY16 funding for each program is represented in the following chart.



The FY13-FY16 Expenditure Changes by Urban District chart illustrates the growth by districts over the past four fiscal years. With the exception of the Bethesda Urban District, expenditures have slightly increased each year.



The Executive’s recommended total changes for the three Urban Districts, as well as department-wide changes in Personnel Costs and Operating Expenses are summarized in the following table. Positions and FTEs remain unchanged from FY15 to FY16. Program costs for each individual Urban District are broken out in greater detail on © 7.

	<i>FY13 Actual</i>	<i>FY14 Actual</i>	<i>FY15 Approved</i>	<i>FY16 Recommended</i>	<i>% Change FY15 - FY16</i>
Expenditures by type					
<i>Personnel Costs</i>	2,624,309	2,976,439	3,586,660	3,851,642	7.39
<i>Operating Expenses</i>	4,705,566	4,923,506	5,154,642	4,320,166	-16.19
Expenditures by District					
<i>Bethesda</i>	3,414,613	3,525,392	3,718,381	2,945,401	-20.79
<i>Silver Spring</i>	2,457,074	2,920,775	3,208,979	3,265,202	1.75
<i>Wheaton</i>	1,458,188	1,453,778	1,813,942	1,961,205	8.12
Total Expenditures	7,329,875	7,899,945	8,741,302	8,171,808	-6.51
<i>Full-Time</i>	31	31	60	60	0
<i>Part-Time</i>	1	1	1	1	0
FTEs	55.32	55.02	58.30	58.30	0

FY16 EXPENDITURE ISSUES

The Executive’s FY16 recommended budget includes a number of adjustments with no service impacts. Personnel costs are recommended to increase slightly to accommodate annualizations of FY15 costs and reflect compensation, group insurance and retirement adjustments. Other changes include motor pool rates, printing and mail, and risk management adjustments. There are additional reductions to operating expenses and personnel costs that are not expected to impact service. These reductions achieve the 3% target savings that the Urban Districts were asked to identify.

BETHESDA URBAN DISTRICT

The Executive has recommended the following changes from the FY15 to FY16 budget.

Bethesda	PC	OE
FY15 Approved	131,760	3,586,621
Increase Cost		
<i>Health and Liability Insurance, Rent and Parking Adjustments</i>		47,845
<i>Risk Management Adjustment</i>		17,708
<i>FY16 Compensation Adjustment</i>	2,969	
<i>Retirement Adjustment</i>	2,943	
<i>Motor Pool Rate Adjustment</i>		1,847
<i>Group Insurance Adjustment</i>	291	
Decrease Cost		
<i>Printing and Mail</i>		(5,955)
<i>Operating Expenditures (includes \$23,070 Circulator Contract Adjustment)</i>		(135,147)
Shift		
<i>Funding of Bethesda Circulator Service to Mass Transit Fund</i>		(705,481)
FY16 Recommended	137,963	2,807,438

The FY16 Recommended Bethesda Urban District budget is \$2,945,401, down \$772,980 or -0.79% from FY15. The majority of this reduction is reflected in the \$728,551 shift of the Bethesda Circulator to the Mass Transit Fund (\$705,481 with an additional \$23,070 for a contract adjustment). Due to a timing issues, the \$23,070 shift was included in the \$135,147 operating expenditures reduction. Therefore the net operating expenditures reduction is \$112,077. BUP has identified \$135,147 cuts to sign maintenance, sidewalk repair, holiday decorations, printed events calendars and bi-annual mulching to achieve the Executive’s reductions (see © 11). BUP will need to adjust the total reduction amounts for these items to reflect \$112,077 in Operating Expenditure reductions.

Chris Ruhlen spoke on behalf of the Bethesda-Chevy Chase Chamber of Commerce at the April 14, 2015 Operating Budget Public Hearing. His testimony referenced the CE proposed reductions to the Urban District Budget and requested that the operating expense reductions be fully restored to the Urban District budget.

Like many other non-profits and County contractors, the 2% wage adjustment was not passed on to the Bethesda Urban Partnership. BUP estimates that wage adjustments could be passed on to their staff at an expense of \$38,300, and have recommended the Parking Lot District as a source to offset this cost.

Council staff recommends approval of the Executive recommended Bethesda Urban District budget, with wage adjustments added to the Reconciliation List in two 1-percent increments of \$19,150.

SILVER SPRING URBAN DISTRICT

The Executive has recommended the following changes from the FY15 to FY16 budget.

Silver Spring	PC	OE
FY15 Approved	2,217,059	991,920
Increase Cost		
<i>Motor Pool Rate Adjustment</i>		34,618
<i>Risk Management Adjustment</i>		15,282
<i>FY16 Compensation Adjustment</i>	77,756	
<i>Retirement Adjustment</i>	11,188	
<i>Group Insurance Adjustment</i>	11,028	
<i>Annualization of Personnel Costs</i>	3,299	
Decrease Cost		
<i>Operating Expenditures</i>		(96,948)
FY16 Recommended	2,320,330	944,872

The FY16 Recommended Silver Spring Urban District budget is \$3,265,202. This is a \$56,223 or 1.75% increase from FY15. Executive Branch staff have provided the following detail for the \$96,948 operating expenditure reductions:

- 1) \$7,500-General office supplies;
- 2) \$17,500-Promotion and miscellaneous professional services expenses; and
- 3) \$71,948-Streetscape maintenance equipment other supplies.

The Silver Spring Urban District transmitted a letter to the County Executive on January 16, 2015 requesting that the Urban District budget not be cut by 3% (see © 12-14). They also outlined \$575,000 in additional needs not funded in the recommended budget.

Council Staff recommends approval of the Executive recommended Silver Spring Urban District budget.

WHEATON URBAN DISTRICT

The Executive has recommended the following changes from the FY15 to FY16 budget.

Wheaton	PC	OE
FY15 Approved	1,237,841	576,101
Increase Cost		
<i>Risk Management Adjustment</i>		8,638
<i>FY16 Compensation Adjustment</i>	49,400	
<i>Retirement Adjustment</i>	2,350	
<i>Group Insurance Adjustment</i>	6,605	
<i>Annualization of Personnel Costs</i>	151,957	
Decrease Cost		
<i>Motor Pool Rate Adjustment</i>		(16,883)
<i>Increase Lapse</i>	(54,804)	
FY16 Recommended	1,393,349	567,856

The FY16 Recommended Wheaton Urban District budget is \$1,961,205. This is a \$147,263 or 8.75% increase from FY15. A \$54,804 increase in lapse was identified to achieve the Executive's 3% target reductions. Executive Staff report that this position was already vacant and has no immediate service impact.

Council Staff recommends approval of the Executive recommended Wheaton Urban District budget.

FY16 REVENUE ISSUES

The Urban Districts are funded through a number of revenues. These include the Urban District Tax, Parking Lot Districts, Optional Method Development Charges, transfers from the General Fund and other small miscellaneous sources. Full FY16-21 Fiscal Plans for each Urban District is attached at © 15 - 17. The following table summarizes the FY16 Recommended funding sources for each of the Urban Districts.

FY16 Urban District Funding Sources

Funding Source	Bethesda	Silver Spring	Wheaton
Beginning Fund Balance	-160,013	64,379	219,166
Urban District Tax	501,693	795,761	196,959
Optional Method Development	150,000	134,000	0
Miscellaneous	360	880	300
Parking Lot District Transfer	2,050,578	2,201,257	0
General Fund			
<i>Indirect Costs*</i>	-22,050	-370,790	-222,660
<i>Baseline Services Transfer</i>	500,318	524,660	76,090
<i>Non-Baseline Services Transfer</i>	0	0	1,741,419
Total Resources	3,020,886	3,350,147	2,011,274
CE Recommended Operating Budget	2,945,401	3,265,202	1,961,205
Projected FY15 Year-End Fund Balance	75,485	84,945	50,069
End of Year reserves as a % of resources	2.56%	2.60%	2.55%

**Indirect costs are calculated by formula to cover the costs for services provided to the Urban Districts by centralized County functions such as Human Resources, Management and Budget, County Attorney, Etc. As with other special funds, indirect costs are transferred from the Urban District funds to the General Fund.*

URBAN DISTRICT TAX RATE

The Executive is proposing no tax rate change for the Urban Districts from FY15 to FY16. The recommended tax rates are shown in the following table.

Urban District	Real Property	Personal Property
<i>Bethesda</i>	.012	.030
<i>Silver Spring</i>	.024	.060
<i>Wheaton</i>	.030	.075

OPTION METHOD DEVELOPMENT

Bethesda Urban Partnership is expecting an additional \$7,919 in Optional Method Development Fees (see © 10), and have asked that this revenue be added to their budget. The Executive Branch staff responded that the amounts received will be reviewed and will be adjusted accordingly.

The Committee may wish to receive more information from Executive Branch Staff on how to reflect this additional revenue in the FY16 budget.

PARKING LOT DISTRICT AND GENERAL FUND TRANSFERS

The Executive's recommended budget addresses fiscal management issues examined in the OLO Report 2015-5, *Parking Lot District Fiscal Management and Budgeting*. Transfers from the Parking Lot Districts (PLD) to the Urban Districts were reduced to meet the Executive's fund balance target. To offset the reduced PLD transfers, each Urban District received a baseline services transfer from the General Fund.

Baseline services are those services that would routinely be funded by the County's General Fund if there were no Urban Districts. Baseline services have included street sweeping, trash pick-up, litter collection, cleaning of brick pavers, mowing, tree pruning, and streetlight maintenance. The Executive has recommended \$500,318 in Bethesda, \$524,660 in Silver Spring and \$76,090 in Wheaton for Urban District baseline services transfers from the General Fund. The Committee may wish to receive more information from Executive Branch staff on the Wheaton baseline services transfer amount, which hasn't been adjusted for inflation in over a decade.

Due to revenue limitations, Wheaton has regularly received a non-baseline, as well as a baseline services transfer from the General Fund. A non-baseline transfer is an explicit subsidy from the county as a whole to support an urban district's program. The Executive's recommended non-baseline services transfer in FY16 for the Wheaton Urban District is \$1,741,419, a \$533,079 increase from FY15. The non-baseline transfer would fund 89% of the Wheaton Urban District budget in FY16. (Neither the Silver Spring nor Bethesda Urban Districts have a non-baseline transfer; each is self-supporting.)

County Code §68A-4 requires that proceeds from either the Urban District tax or parking fee transfer must not be greater than 90 percent of their combined total. While transfers from the Bethesda and Silver Spring PLD's were reduced, they still fall within the 90% requirement. The Wheaton PLD transfer has been eliminated in the recommended budget. However, in order to comply with the County Code, there would need to be a transfer from the Wheaton PLD of at least ten percent of the combined tax and PLD transfer. The FY16 recommended Wheaton Urban District Tax revenue totals \$196,959. A minimum of \$21,884 would need to be transferred from the Wheaton PLD to comply with the Code. Any increase in the PLD transfer should offset an equal amount from the non-baseline services transfer.

The Executive's recommended budget achieves a fund balance target of 50% percent of resources. However, the OLO report recommended the Council adopt a policy to maintain a 30% fund balance percentage for PLD funds. By reducing the FY16 fund balance in the Wheaton PLD, the Council would be able to decrease the non-baseline services transfer to the Wheaton Urban District and offset those funds by restoring a transfer from the Wheaton PLD. This would result in no net change to Wheaton Urban District resources. Council Staff estimates that a maximum of \$607,000 could be transferred from the Wheaton PLD in FY16 and at least 10% of the combined PLD and Urban District

tax in FY17-21 could be transferred to maintain a 30% fund balance target (see ©18). Again, PLD funds would reduce the non-baseline services transfer, thus restoring those funds to the General Fund.

Council staff recommends increasing the Wheaton PLD transfer to \$607,000 in FY16, reducing the non-baseline services transfer from the General Fund by that amount.

ISSUES TO PURSUE AFTER BUDGET SEASON

On March 23, 2015 PHED held a Worksession to review OLO Report 2015-7, *Case Studies of Local Business and Community Districts*. During the discussion it was noted that the Silver Spring Urban District was concerned that they are unable to devote more resources to marketing and promotion activities. Additionally, an interest in moving towards an Urban District Corporation had been mentioned as a way to allow for more nimble control over budget and procurement needs.

The Committee may wish to receive more information from the Silver Spring Urban District should they decide to move in this direction.

This Packet contains:

	©
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Urban Districts

MISSION STATEMENT

Urban Districts maintain and enhance the County's downtowns (Bethesda, Silver Spring, and Wheaton) as prosperous, livable urban centers, increasing maintenance of the streetscape and its amenities; providing additional public amenities such as plantings, seating, shelters, and works of art; promoting the commercial and residential interests of these areas; and programming cultural and community activities.

BUDGET OVERVIEW

The total recommended FY16 Operating Budget for the Urban Districts is \$8,171,808, a decrease of \$569,494 or 6.5 percent from the FY15 Approved Budget of \$8,741,302. Personnel Costs comprise 47.1 percent of the budget for 60 full-time positions and one part-time position, and a total of 58.30 FTEs. Total FTEs may include seasonal or temporary positions and may also reflect workforce charged to or from other departments or funds. Operating Expenses account for the remaining 52.9 percent of the FY16 budget.

LINKAGE TO COUNTY RESULT AREAS

While this program area supports all eight of the County Result Areas, the following are emphasized:

- ❖ **A Responsive, Accountable County Government**
- ❖ **Healthy and Sustainable Neighborhoods**
- ❖ **Safe Streets and Secure Neighborhoods**
- ❖ **Strong and Vibrant Economy**
- ❖ **Vital Living for All of Our Residents**

DEPARTMENT PERFORMANCE MEASURES

Performance measures for this department are included below, with multi-program measures displayed at the front of this section and program-specific measures shown with the relevant program. The FY15 estimates reflect funding based on the FY15 approved budget. The FY16 and FY17 figures are performance targets based on the FY16 recommended budget and funding for comparable service levels in FY17.

Measure	Actual FY13	Actual FY14	Estimated FY15	Target FY16	Target FY17
Multi-Program Measures					
BETHESDA URBAN DISTRICT - Average number of website sessions per month	25,000	25,000	25,000	25,000	25,000
BETHESDA URBAN DISTRICT - Number of social media followers	3,500	7,000	7,000	7,000	7,000
BETHESDA URBAN DISTRICT - Overall satisfaction of Urban Districts Advisory Board with cleanliness levels of Urban District maintained (scale 1-5)	4	5	4	4	4
BETHESDA URBAN DISTRICT - Overall satisfaction of Urban Districts Advisory Board with the "value added" of the UD Hospitality team (scale 1-5)	4	5	4	4	4
BETHESDA URBAN DISTRICT - Overall satisfaction of Urban Districts Advisory Board with urban district's landscape maintenance (scale 1-5)	4	5	4	4	4
BETHESDA URBAN DISTRICT - Overall satisfaction of Urban Districts Advisory Board with urban district's promotional events (scale 1-5)	4	5	4	4	4
SILVER SPRING URBAN DISTRICT - Average number of website sessions per month	63,500	93,800	100,000	100,000	100,000
SILVER SPRING URBAN DISTRICT - Number of social media followers	330	660	750	750	750
SILVER SPRING URBAN DISTRICT - Overall satisfaction of Urban Districts Advisory Board with cleanliness levels of Urban District maintained (scale 1-5)	4	5	4	4	4
SILVER SPRING URBAN DISTRICT - Overall satisfaction of Urban Districts Advisory Board with the "value added" of the UD Hospitality team (scale 1-5)	4	4	4	4	4

	Actual FY13	Actual FY14	Estimated FY15	Target FY16	Target FY17
SILVER SPRING URBAN DISTRICT - Overall satisfaction of Urban Districts Advisory Board with urban district's landscape maintenance (scale 1-5)	4	4	4	4	4
SILVER SPRING URBAN DISTRICT - Overall satisfaction of Urban Districts Advisory Board with urban district's promotional events (scale 1-5)	4	3.5	4	4	4
WHEATON URBAN DISTRICT - Overall satisfaction of Urban Districts Advisory Board with urban district's landscape maintenance (scale 1-5)	4	4.1	4	4	4
WHEATON URBAN DISTRICT - Average number of website sessions per month	13,200	24,000	25,000	25,000	25,000
WHEATON URBAN DISTRICT - Number of social media followers	1,574	1,968	2,500	2,500	2,500
WHEATON URBAN DISTRICT - Overall satisfaction of Urban Districts Advisory Board with cleanliness levels of Urban District maintained (scale 1-5)	4	4	4	4	4
WHEATON URBAN DISTRICT - Overall satisfaction of Urban Districts Advisory Board with the "value added" of the UD Hospitality team (scale 1-5)	4	4.3	4	4	4
WHEATON URBAN DISTRICT - Overall satisfaction of Urban Districts Advisory Board with urban district's promotional events (scale 1-5)	4	4	4	4	4

ACCOMPLISHMENTS AND INITIATIVES

- ❖ **Studio B located at 7475 Wisconsin Avenue is a public arts amenity managed by the Bethesda Urban Partnership which offers three studios where artists can create, display, teach, and sell art.**
- ❖ **The Bethesda Arts and Entertainment District launched the Bernard/Ebb Songwriting Contest.**
- ❖ **The Taste of Bethesda celebrated its 25th anniversary; 54 restaurants participated and 56,400 tickets were sold.**
- ❖ **The Silver Spring Urban District (SSUD) provided support to over 40 community outdoor celebrations on Veterans Plaza, as well as a number of events throughout the rest of downtown Silver Spring (i.e., South Silver Spring Street Festival; Taste the World in Fenton Village.)**
- ❖ **The Bethesda Urban Partnership (BUP), in partnership with the Washington Area Bicyclist Association, organized two community bicycle safety classes in 2014. BUP installed a new bike repair station on the Capital Crescent Trail at Bradley Boulevard.**
- ❖ **Working with the Montgomery County Conference and Visitors Bureau, SSUD developed and distributed to area hotels the first ever widely available map highlighting downtown Silver Spring restaurants and area amenities. This map is also available at the Civic Building. The map, coupled with the extensively used web directory for Silver Spring provides valuable information to facilitate visitors 'staying in Silver Spring' -- and patronizing area restaurants and amenities.**
- ❖ **The Wheaton Urban District (WUD), with state grant funding, purchased 18 solar powered trash and recycling containers.**
- ❖ **WUD continued to build on its brand identity for Downtown Wheaton creating new signage, seasonal and pedestrian banners, and holiday lighting.**
- ❖ **WUD created new partnerships in FY14 to enhance its event programming and increase visibility within the community and the DMV Region (DC, Maryland, and Virginia), including the creation of a new signature event with the DMV Food Truck Association.**

PROGRAM CONTACTS

Contact Ken Hartman of the Urban Districts at 240.777.8206 or Helen P. Vallone of the Office of Management and Budget at 240.777.2755 for more information regarding this department's operating budget.

PROGRAM DESCRIPTIONS

Promotion of Community and Business Activities

This program enhances the quality of life in the Urban Districts and surrounding communities; fosters a strong, vibrant business climate within each Urban District; and creates a positive image and a sense of identity for the Districts. These goals are accomplished through sponsorship of community events, that may include festivals, concerts, and parades; the installation of seasonal banners, unique signs, holiday decorations, and other amenities to give each District a sense of place; and the development and distribution of newsletters, brochures, and other promotional material highlighting the Districts. Each Urban District develops its programs with the active participation of its advisory committee or Urban District Corporation.

<i>FY16 Recommended Changes</i>	<i>Expenditures</i>	<i>FTEs</i>
FY15 Approved	2,764,583	25.45
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	117,897	2.10
FY16 CE Recommended	2,882,480	27.55

Sidewalk Repair

This program provides for the removal and replacement of deteriorated concrete and brick walks and curbs in the Urban Districts.

<i>FY16 Recommended Changes</i>	<i>Expenditures</i>	<i>FTEs</i>
FY15 Approved	143,969	0.00
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	-29,000	0.00
FY16 CE Recommended	114,969	0.00

Streetscape Maintenance

This program provides maintenance of, and improvement to, the streetscape amenities within each Urban District. Various service levels include litter collection, sidewalk maintenance, trash receptacle service at least three times a week, mowing and snow removal as needed, lighting maintenance, maintenance of planted/landscaped areas, and street sweeping.

<i>FY16 Recommended Changes</i>	<i>Expenditures</i>	<i>FTEs</i>
FY15 Approved	1,827,803	0.00
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	-116,595	0.00
FY16 CE Recommended	1,711,208	0.00

Tree Maintenance

This program provides pruning, planting, fertilization, necessary spraying, replacement, watering, mulching, and tree base cleaning in the Urban Districts.

<i>FY16 Recommended Changes</i>	<i>Expenditures</i>	<i>FTEs</i>
FY15 Approved	115,810	0.00
FY16 CE Recommended	115,810	0.00

Enhanced Security

This program provides safeguards against property theft, vandalism, and personal security in the Silver Spring and Wheaton Urban Districts. The goal of the program is to provide an enhanced level of protection and reduce the perception of crime through the use of the Safe Team as the eyes and ears of County Police and as a uniformed visual presence to create a safe and secure environment. Safe Team members also act as "ambassadors" providing information, directions, first aid and CPR, and roadside assistance to residents, visitors, and the business community.

<i>FY16 Recommended Changes</i>	<i>Expenditures</i>	<i>FTEs</i>
FY15 Approved	1,105,829	20.57
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	202,370	-0.72
FY16 CE Recommended	1,308,199	19.85

Administration

This program provides staff support for contract administration, Urban District Advisory Committees and for the administration of Urban District corporations. This program also provides for budget preparation and monitoring, payment authorization, records maintenance, and the Bethesda Circulator contract.

FY16 Recommended Changes	Expenditures	FTEs
FY15 Approved	2,783,308	12.28
Shift: Funding of Bethesda Circulator Service to Mass Transit Fund	-705,481	0.00
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	-38,685	-1.38
FY16 CE Recommended	2,039,142	10.90

BUDGET SUMMARY

	Actual FY14	Budget FY15	Estimated FY15	Recommended FY16	% Chg Bud/Rec
BETHESDA URBAN DISTRICT					
EXPENDITURES					
Salaries and Wages	80,973	84,615	84,614	86,576	2.3%
Employee Benefits	48,728	47,145	47,146	51,387	9.0%
Bethesda Urban District Personnel Costs	129,701	131,760	131,760	137,963	4.7%
Operating Expenses	3,395,691	3,586,621	3,586,621	2,807,438	-21.7%
Capital Outlay	0	0	0	0	—
Bethesda Urban District Expenditures	3,525,392	3,718,381	3,718,381	2,945,401	-20.8%
PERSONNEL					
Full-Time	1	1	1	1	—
Part-Time	0	0	0	0	—
FTEs	1.00	1.00	1.00	1.00	—
REVENUES					
Investment Income	195	0	360	360	—
Miscellaneous Revenues	35,003	0	0	0	—
Optional Method Development	156,393	150,000	150,000	150,000	—
Property Tax	471,953	480,406	485,557	501,693	4.4%
Bethesda Urban District Revenues	663,544	630,406	635,917	652,053	3.4%
SILVER SPRING URBAN DISTRICT					
EXPENDITURES					
Salaries and Wages	1,417,394	1,765,828	1,744,450	1,595,445	-9.6%
Employee Benefits	485,360	451,231	443,772	724,885	60.6%
Silver Spring Urban District Personnel Costs	1,902,754	2,217,059	2,188,222	2,320,330	4.7%
Operating Expenses	1,018,021	991,920	991,920	944,872	-4.7%
Capital Outlay	0	0	0	0	—
Silver Spring Urban District Expenditures	2,920,775	3,208,979	3,180,142	3,265,202	1.8%
PERSONNEL					
Full-Time	18	37	37	37	—
Part-Time	0	0	0	0	—
FTEs	34.62	34.90	34.90	34.90	—
REVENUES					
Investment Income	477	0	880	880	—
Miscellaneous Revenues	12,699	0	0	0	—
Optional Method Development	145,748	134,000	134,000	134,000	—
Property Tax	666,703	729,771	768,879	795,761	9.0%
Silver Spring Urban District Revenues	825,627	863,771	903,759	930,641	7.7%
WHEATON URBAN DISTRICT					
EXPENDITURES					
Salaries and Wages	690,025	969,471	914,999	991,296	2.3%
Employee Benefits	253,959	268,370	239,983	402,053	49.8%
Wheaton Urban District Personnel Costs	943,984	1,237,841	1,154,982	1,393,349	12.6%
Operating Expenses	509,794	576,101	576,100	567,856	-1.4%
Capital Outlay	0	0	0	0	—
Wheaton Urban District Expenditures	1,453,778	1,813,942	1,731,082	1,961,205	8.1%
PERSONNEL					
Full-Time	12	22	22	22	—
Part-Time	1	1	1	1	—
FTEs	19.40	22.40	22.40	22.40	—
REVENUES					
Investment Income	161	0	300	300	—
Property Tax	165,142	164,449	190,366	196,959	19.8%
Wheaton Urban District Revenues	165,303	164,449	190,666	197,259	20.0%

	Actual FY14	Budget FY15	Estimated FY15	Recommended FY16	% Chg Bud/Rec
DEPARTMENT TOTALS					
Total Expenditures	7,899,945	8,741,302	8,629,605	8,171,808	-6.5%
Total Full-Time Positions	31	60	60	60	—
Total Part-Time Positions	1	1	1	1	—
Total FTEs	55.02	58.30	58.30	58.30	—
Total Revenues	1,654,474	1,658,626	1,730,342	1,779,953	7.3%

FY16 RECOMMENDED CHANGES

	Expenditures	FTEs
BETHESDA URBAN DISTRICT		
FY15 ORIGINAL APPROPRIATION	3,718,381	1.00
<u>Other Adjustments (with no service impacts)</u>		
Increase Cost: Health and Liability Insurance, Rent and Parking Adjustments	47,845	0.00
Increase Cost: Risk Management Adjustment	17,708	0.00
Increase Cost: FY16 Compensation Adjustment	2,969	0.00
Increase Cost: Retirement Adjustment	2,943	0.00
Increase Cost: Motor Pool Rate Adjustment	1,847	0.00
Increase Cost: Group Insurance Adjustment	291	0.00
Decrease Cost: Printing and Mail	-5,955	0.00
Decrease Cost: Operating Expenditures	-135,147	0.00
Shift: Funding of Bethesda Circulator Service to Mass Transit Fund [Administration]	-705,481	0.00
FY16 RECOMMENDED:	2,945,401	1.00
SILVER SPRING URBAN DISTRICT		
FY15 ORIGINAL APPROPRIATION	3,208,979	34.90
<u>Other Adjustments (with no service impacts)</u>		
Increase Cost: FY16 Compensation Adjustment	77,756	0.00
Increase Cost: Motor Pool Rate Adjustment	34,618	0.00
Increase Cost: Risk Management Adjustment	15,282	0.00
Increase Cost: Retirement Adjustment	11,188	0.00
Increase Cost: Group Insurance Adjustment	11,028	0.00
Increase Cost: Annualization of FY15 Personnel Costs	3,299	0.00
Decrease Cost: Operating Expenditures	-96,948	0.00
FY16 RECOMMENDED:	3,265,202	34.90
WHEATON URBAN DISTRICT		
FY15 ORIGINAL APPROPRIATION	1,813,942	22.40
<u>Other Adjustments (with no service impacts)</u>		
Increase Cost: Annualization of FY15 Personnel Costs	151,957	0.00
Increase Cost: FY16 Compensation Adjustment	49,400	0.00
Increase Cost: Risk Management Adjustment	8,638	0.00
Increase Cost: Group Insurance Adjustment	6,605	0.00
Increase Cost: Retirement Adjustment	2,350	0.00
Decrease Cost: Motor Pool Rate Adjustment	-16,883	0.00
Decrease Cost: Increase Lapse	-54,804	0.00
FY16 RECOMMENDED:	1,961,205	22.40

PROGRAM SUMMARY

Program Name	FY15 Approved		FY16 Recommended	
	Expenditures	FTEs	Expenditures	FTEs
Promotion of Community and Business Activities	2,764,583	25.45	2,882,480	27.55
Sidewalk Repair	143,969	0.00	114,969	0.00
Streetscape Maintenance	1,827,803	0.00	1,711,208	0.00
Tree Maintenance	115,810	0.00	115,810	0.00
Enhanced Security	1,105,829	20.57	1,308,199	19.85
Administration	2,783,308	12.28	2,039,142	10.90
Total	8,741,302	58.30	8,171,808	58.30

CHARGES TO OTHER DEPARTMENTS

Charged Department	Charged Fund	FY15		FY16	
		Total\$	FTEs	Total\$	FTEs
SILVER SPRING URBAN DISTRICT					
Parking District Services	Silver Spring Parking District	104,865	3.00	165,230	3.00

FUTURE FISCAL IMPACTS

Title	CE REC.			(5000's)		
	FY16	FY17	FY18	FY19	FY20	FY21
This table is intended to present significant future fiscal impacts of the department's programs.						
BETHESDA URBAN DISTRICT						
Expenditures						
FY16 Recommended	2,945	2,945	2,945	2,945	2,945	2,945
No inflation or compensation change is included in outyear projections.						
Subtotal Expenditures	2,945	2,945	2,945	2,945	2,945	2,945
SILVER SPRING URBAN DISTRICT						
Expenditures						
FY16 Recommended	3,265	3,265	3,265	3,265	3,265	3,265
No inflation or compensation change is included in outyear projections.						
Labor Contracts	0	13	13	13	13	13
These figures represent the estimated annualized cost of general wage adjustments, service increments, and associated benefits.						
Subtotal Expenditures	3,265	3,278	3,278	3,278	3,278	3,278
WHEATON URBAN DISTRICT						
Expenditures						
FY16 Recommended	1,961	1,961	1,961	1,961	1,961	1,961
No inflation or compensation change is included in outyear projections.						
Labor Contracts	0	11	11	11	11	11
These figures represent the estimated annualized cost of general wage adjustments, service increments, and associated benefits.						
Restoration of One-Time Reductions Recommended in FY16	0	55	55	55	55	55
Items recommended for one-time reductions in FY16, including increasing lapse, will be restored in the outyears.						
Subtotal Expenditures	1,961	2,027	2,027	2,027	2,027	2,027

FY16 RECOMMENDED URBAN DISTRICT SERVICES AND FTES

Bethesda		Changes		
	FY15 App.	FY16 Rec.	\$	%
<i>Promotion of Community and Business Activities</i>	763,273	701,273	-62,000	-8.12
<i>Sidewalk Repair</i>	95,900	66,900	-29,000	-30.24
<i>Streetscape Maintenance</i>	1,078,087	1,033,940	-44,147	-4.09
<i>Tree Maintenance</i>	64,600	64,600	0	0
<i>Administration</i>	1,716,521	1,078,688	-637,833	-37.16
Total	3,718,381	2,945,401	-772,980	-20.79
Personnel Costs	131,760	137,963	6,203	4.71
Operating Expenses	3,586,621	2,807,438	-779,183	-21.72
FTEs	1	1		0

Silver Spring		Changes		
	FY15 App.	FY16 Rec.	\$	%
<i>Promotion of Community and Business Activities</i>	1,340,570	1,294,310	-46,260	-3.45
<i>Sidewalk Repair</i>	18,500	18,500	0	0
<i>Streetscape Maintenance</i>	584,627	512,179	-72,448	-12.39
<i>Tree Maintenance</i>	38,050	38,050	0	0
<i>Enhanced Security</i>	670,977	647,750	-23,227	-3.46
<i>Administration</i>	556,255	754,413	198,158	35.62
Total	3,208,979	3,265,202	56,223	1.75
Personnel Costs	2,217,059	2,320,330	103,274	4.66
Operating Expenses	991,920	944,872	-47,048	-4.74
FTEs	34.9	34.9		0

Wheaton*		Changes		
	FY15 App.	FY16 Rec.	\$	%
<i>Promotion of Community and Business Activities</i>	660,740	886,897	226,157	34.23
<i>Sidewalk Repair</i>	29,569	29,569	0	0
<i>Streetscape Maintenance</i>	165,089	165,089	0	0
<i>Tree Maintenance</i>	13,160	13,160	0	0
<i>Enhanced Security</i>	434,852	660,449	225,597	51.88
<i>Administration</i>	510,531	206,041	-304,490	-59.64
District Total	1,813,942	1,961,205	147,263	8.12
Personnel Costs	1,237,841	1,393,349	155,508	12.56
Operating Expenses	576,101	567,856	-8,245	-1.43
FTEs	22.4	22.4		0

*Per Executive staff there were no increases or decreases to programs. The increases are due to a reallocation of the cost centers.

COMPARISON OF URBAN DISTRICT FUNDING SOURCES FY14 - FY15		
Bethesda Urban District	FY15 Est.	FY16 CE Rec.
Beginning Fund Balance	119,372	-160,013
Urban District Tax	485,557	501,693
Optional Method Development	150,000	150,000
Miscellaneous	360	360
Parking Lot District Transfer	2,823,989	2,050,578
General Fund		
<i>Indirect Costs</i>	-20,910	-22,050
<i>Baseline Services Transfer</i>	0	500,318
<i>Non-Baseline Services Transfer</i>	0	0
Total Resources	3,558,368	3,020,886
CE Recommended Operating Budget	3,718,381	2,945,401
Projected FY15 Year-End Fund Balance	(160,013)	75,485
End of Year reserves as a % of resources	-4.30%	2.56%
Silver Spring Urban District	FY15 Est.	FY16 CE Rec.
Beginning Fund Balance	252,066	64,379
Urban District Tax	768,879	795,761
Optional Method Development	134,000	134,000
Miscellaneous	880	880
Parking Lot District Transfer	2,440,546	2,201,257
General Fund		
<i>Indirect Costs</i>	-351,850	-370,790
<i>Baseline Services Transfer</i>	0	524,660
<i>Non-Baseline Services Transfer</i>	0	0
Total Resources	3,244,521	3,350,147
CE Recommended Operating Budget	3,180,142	3,265,202
Projected FY15 Year-End Fund Balance	64,379	84,945
End of Year reserves as a % of resources	2.02%	2.60%
Wheaton Urban District	FY15 Est.	FY16 CE Rec.
Beginning Fund Balance	379,282	219,166
Urban District Tax	190,366	196,959
Optional Method Development	0	0
Miscellaneous	300	300
Parking Lot District Transfer	292,320	0
General Fund		
<i>Indirect Costs</i>	-196,450	-222,660
<i>Baseline Services Transfer</i>	76,090	76,090
<i>Non-Baseline Services Transfer</i>	1,208,340	1,741,419
Total Resources	1,950,248	2,011,274
CE Recommended Operating Budget	1,731,082	1,961,205
Projected FY15 Year-End Fund Balance	219,166	50,069
End of Year reserves as a % of resources	12.66%	2.55%

Business, Residents and
Government Working for
a Better Bethesda

Bethesda Urban Partnership, Inc.
7700 Old Georgetown Road
Bethesda, MD 20814-6126

(301) 215-0550
(301) 215-0554 fax
www.bethesda.org



April 8, 2015

Nancy Floreen
Council Vice President
Montgomery County Council
100 Maryland Avenue
Rockville, MD 20850

Dear Council Vice President Floreen,

Thank you for the opportunity to provide some thoughts and perspectives on the County Executive's recommended FY'16 budget. Of particular concern to the Bethesda Urban Partnership (BUP) is the differential budget decreases proposed for the three county urban districts, as follows:

Wheaton:	FY15 Appropriation	\$1,813,942
	Proposed Cut	\$54,804 (3.02%)
Silver Spring:	FY15 Appropriation	\$3,208,979
	Proposed Cut	\$96,948 (3.02%)
Bethesda:	FY15 Appropriation	\$3,718,381
	Proposed Cut	\$135,147 (3.63%)

The funding cuts for the Bethesda Urban District are greater than for the other two, for which there was no specific explanation in the budget documents. While our first preference is that the proposed cuts for FY 16 be restored, we believe that if cuts are to be made, it would be fairer to have a uniform percent reduction across all urban districts. This would restore \$22,852 to the Bethesda budget.

Additional Points for Consideration

- 1) During the initial budget submission process by BUP to the County Executive, BUP was informed that there were no negotiated increases to wages and benefits for County employees in FY'16. Although BUP employees are not technically County employees, the County Executive has always recognized BUP employees as such and passed through wage and benefit increases to the BUP contract based on what was negotiated for other County employees. Although there was no negotiated increase for FY'16, the

County Executive made a last minute decision to provide for a 2% wage increase for all County employees in his final budget recommendation. Due to the late nature of this decision, BUP was never afforded the opportunity to submit a MARC adjustment for a similar amount. BUP feels that a 2% wage increase should be considered for BUP employees for FY'16. **This figure with wages and corresponding payroll tax and retirement plan increases would result in an increase to BUP's budget of \$38,300.**

- 2) Per County regulations, BUP provides maintenance services for Optional Method Developers within the Bethesda Urban District. BUP then submits invoices to the County for reimbursement of these expenses. The County's finance office in turn bills the Optional Method Developers for these fees. The Optional Method Developers pay these fees which are deposited into the Urban District account. This is basically a wash or pass through for the County. The fees billed and passed through to BUP in its FY'15 contract totaled \$150,000. There are several new Optional Method Development projects coming on line in FY'16 and in BUP's FY'16 budget submission, \$7,919 in additional Optional Method Developer fees that will be billed and collected by the County were requested to be passed through to BUP for their additional cost. **BUP feels that this should be a direct pass through to BUP and that BUP's base contract should be increased by \$7,919 to cover these costs.**

- 3) There have recently been substantial discussions at both the County Executive and County Council levels regarding the long term health of the Bethesda, Silver Spring and Wheaton Parking Lot Districts. It is BUP's understanding that both the County Executive and the County Council's T&E Committee have recommended or approved a new structure presented by the Department of Transportation. In the past, a majority of BUP's funding has come from the Parking Lot District. The Department of Transportation's proposal was to reduce the Parking Lot District Tax to \$0, eliminate the transfer to Mass Transit for parking fees, increase the County's Mass Transit Tax and start funding mass transit activities such as the Bethesda Circulator and the Transportation Management Districts directly out of the Mass Transit budget. It was also the desire of DOT that the Urban District's be in a position to generate enough revenue to cover all Urban District expenses including BUP. The Department of Transportation also recognized that there was not currently enough revenue being generated in Bethesda through optional method development fees or Urban District Tax revenue to make this possible. It was recommended, therefore, that funds continue to be transferred from the Bethesda Parking Lot District to fund BUP's contract and that consideration should be given to raising the Urban District tax in Bethesda to help reduce this dependency. The proposal also called for the restoration of a transfer from the General Fund for baseline services in Bethesda.

BUP feels that this proposed plan for restructuring the Parking Lot District and reducing the overall transfers, leaves the Parking Lot District in a much better financial position going forward based on OMB's projections. **With the improved long term financial position of the PLD, BUP would like to respectfully request that the County Executive's proposed cuts be restored and that the 2% salary increases be added to the FY'16 contract.**

However it should be noted that if BUP is required to make the 3.63% cuts in the FY'16 budget, there would be significant impacts to services and programs. The service and program impacts are listed below.

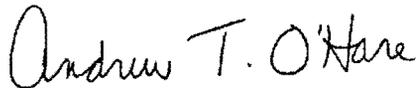
- a) The sign maintenance budget would be reduced from \$6,000 to \$1,000 leaving little funding to repair signage in the Bethesda Urban District as needed;
- b) The sidewalk repair budget would be cut by \$25,000 or nearly 25%. This would mean that only emergency repairs could be done.
- c) The holiday decorations that brighten the downtown and help attract shoppers and patrons to Bethesda during the holiday season would be eliminated.
- d) The printed version of BUP's events calendar would be eliminated leaving only social media and the BUP website as the means of informing residents and visitors about activities and events within the Urban District. BUP currently prints and distributes over 30,000 hard copies of this calendar six times a year. These hard copies are especially attractive to businesses and hotels who have guests that are looking for information about what to do in and around Bethesda. This budget cut would be \$58,000;
- e) BUP takes great pride in making sure that the Bethesda Urban District is well maintained and presents a clean appearance. BUP currently mulches tree and flower beds twice a year. Mulching once, rather than twice per year would save \$11,000.
- f) BUP would be required to make an additional \$17,647 in smaller cuts to a large list of individual categories.

These budget adjustments would total \$135,147 bringing the budget into balance and conformance with the Executives FY'16 recommendations.

Please feel free to reach out to me or David Dabney to address any questions regarding the perspectives of the Bethesda Urban Partnership on the proposed FY'16 budget.

I may be reached at (202) 270-0094 or andy.ohare@yahoo.com. Dave may be reached at 301-215-6660, Ext. 122.

Sincerely,



Andy O'Hare
Chair
Bethesda Urban Partnership Board of Directors



SILVER SPRING URBAN DISTRICT ADVISORY COMMITTEE

January 16, 2015

Honorable Isiah Leggett
County Executive, Montgomery County
101 Monroe Street, 2nd Floor
Rockville, MD 20850

Re: Silver Spring Urban District FY 2016 Budget

Mr. Leggett:

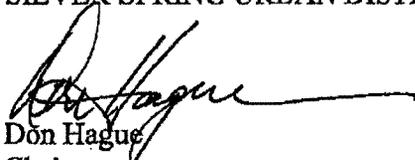
It has recently come to the attention of the Silver Spring Urban District Advisory Committee ("UDAC") that there has been a direction given to the Silver Spring Regional Center to reduce the FY 2016 budget of the Silver Spring Urban District by three percent (3%). We are writing to express our disappointment with this directive and our opposition to any reduction in the Silver Spring Urban District budget. In fact, as described in our November 12th letter to you commenting on the budget, we believe that the budget for the Silver Spring Urban District should be increased by at least \$575,000 in order to: 1) address unmet needs; 2) bring the available Regional Center resources more in line with the growth that has occurred in the Urban District over the last five years; and, 3) put the Urban District on more solid footing to keep the Silver Spring Central Business District ("CBD") area one of the premiere locations in Montgomery County to live, work, play and invest. This letter includes an attachment with an excerpt from the November 12th letter listing our four recommended initiatives.

The funds are available to provide for the increased expenditures described in our letter of November 12. The Parking Lot District, which is the primary source of funding for Urban District activities, has a balance of over \$15 million. This fund balance will be increased by approximately \$10 million when the sale of parking garage 21, at the corner of Spring Street and Colesville Road, to United Therapeutics closes this year. The Committee is unanimous in its belief that it is in the County's best interest to spend a portion of these monies on items including: a) much needed corrections of deferred maintenance conditions with curbs, sidewalks and the railroad bridge area over Georgia Avenue; b) increases in Red Shirts staff proportional to the increases in CBD residents and activity over the last five years; and, c) funding critical management positions in the Regional Center including an ombudsman.

The continued growth and flourishing of downtown Silver Spring is one of the great urban redevelopment success stories in the Washington metropolitan region of the last several decades. This success has been achieved through a robust public/private partnership that in many respects is a model for urban redevelopment. It is important that this success be sustained and maintained for the years ahead. To do so requires a continued commitment of resources from the County. The dividends in the form of a vibrant downtown with increasing levels of activity and private sector investment are obvious. The UDAC urges you and your staff to re-evaluate the direction given to the Regional Center staff and consider adopting the recommendations from the Committee's November letter to keep the Silver Spring CBD an attractive community for all its stakeholders.

Best wishes for the New Year.

Very truly yours,
SILVER SPRING URBAN DISTRICT ADVISORY COMMITTEE



Don Hague
Chair

Cc: Tom Hucker, County Councilmember
Reemberto Rodriguez, Regional Center Director

Attachment - Excerpt from letter of November 12, 2014 listing four recommended Urban District initiatives and associated funding estimates.

In our letter of November 12th, the Silver Spring Urban District Advisory Committee recommended an increase of at least \$575,000 in the budget of the Silver Spring Urban District to fund the following four initiatives.

1. A new "ombudsman" position to work with all stakeholders in the Urban District and County and State agencies to identify and prioritize needs in the Silver Spring CBD and accomplish activities that the Urban District cannot do on its own. Estimated Cost: \$150,000.
2. Repair, rehabilitate or replace multiple heaves and uneven sections of curbs and brick sidewalk to restore a level walking surface and eliminate trip hazards. Estimated Cost: \$150,000.
3. Establish a program of welcome and seasonal banners, and a program of holiday lights at selected locations, along Georgia Avenue and Colesville Road. Estimated Cost: \$150,000.
4. Provide additional funding to compensate Urban District staff, primarily "Red Shirts", for overtime work needed to clean and maintain Veterans Plaza and other areas within the CBD after the multiple events that are held downtown throughout the year. Estimated Cost: \$125,000.

FY16-21 PUBLIC SERVICES PROGRAM: FISCAL PLAN

Bethesda Urban District

FISCAL PROJECTIONS	FY15 ESTIMATE	FY16 REC	FY17 PROJECTION	FY18 PROJECTION	FY19 PROJECTION	FY20 PROJECTION	FY21 PROJECTION
ASSUMPTIONS							
Property Tax Rate: Real Property	0.012	0.012	0.012	0.012	0.012	0.012	0.012
Assessable Base: Real Property (000)	3,583,600	3,730,900	3,881,000	4,069,200	4,209,900	4,360,000	4,541,500
Property Tax Collection Factor: Real Property	98.9%	98.9%	98.9%	98.9%	98.9%	98.9%	98.9%
Property Tax Rate: Personal Property	0.030	0.030	0.030	0.030	0.030	0.030	0.030
Assessable Base: Personal Property (000)	206,000	201,400	198,600	196,700	195,600	193,200	190,700
Property Tax Collection Factor: Personal Property	97.5%	97.5%	97.5%	97.5%	97.5%	97.5%	97.5%
Indirect Cost Rate	15.87%	15.98%	15.98%	15.98%	15.98%	15.98%	15.98%
CFI (Fiscal Year)	1.7%	2.0%	2.2%	2.3%	2.5%	2.8%	3.1%
Investment Income Yield	0.17%	0.65%	1.25%	1.75%	2.25%	2.75%	3.50%
BEGINNING FUND BALANCE	119,372	(160,013)	75,485	76,921	79,158	81,238	83,816
REVENUES							
Taxes	485,557	501,693	518,688	540,467	556,844	573,956	594,765
Charges For Services	150,000	150,000	150,000	150,000	150,000	150,000	150,000
Miscellaneous	360	360	360	360	360	360	360
Subtotal Revenues	635,917	652,053	669,048	690,827	707,204	724,316	745,125
INTERFUND TRANSFERS (Net Non-CIP)							
Transfers To The General Fund	2,803,079	2,528,846	2,345,340	2,397,430	2,461,967	2,537,163	2,621,299
Indirect Costs	(20,910)	(22,050)	(22,050)	(22,050)	(22,050)	(22,050)	(22,050)
Transfers From The General Fund	0	500,318	500,318	500,318	500,318	500,318	500,318
Baseline Services	0	500,318	500,318	500,318	500,318	500,318	500,318
Transfers From Special Fds: Non-Tax + ISF	2,823,989	2,050,578	1,867,072	1,919,162	1,983,699	2,058,895	2,143,031
From Bethesda Parking District	2,823,989	2,050,578	1,867,072	1,919,162	1,983,699	2,058,895	2,143,031
TOTAL RESOURCES	3,558,368	3,020,886	3,089,872	3,165,179	3,248,329	3,242,717	3,450,240
PSP OPER. BUDGET APPROP/ EXPS.							
Operating Budget	(3,718,381)	(2,945,401)	(3,012,951)	(3,086,021)	(3,167,091)	(3,258,901)	(3,364,191)
Subtotal PSP Oper Budget Approp / Exp's	(3,718,381)	(2,945,401)	(3,012,951)	(3,086,021)	(3,167,091)	(3,258,901)	(3,364,191)
TOTAL USE OF RESOURCES	(3,718,381)	(2,945,401)	(3,012,951)	(3,086,021)	(3,167,091)	(3,258,901)	(3,364,191)
YEAR END FUND BALANCE	(160,013)	75,485	76,921	79,158	81,238	83,816	86,049
END-OF-YEAR RESERVES AS A PERCENT OF RESOURCES	-4.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%

Assumptions:

1. Transfers from the Bethesda Parking District are adjusted annually to fund the approved service program and to maintain an ending fund balance of approximately 2.5 percent of resources.
2. Property tax revenue is assumed to increase over the six years based on an improved assessable base.
3. Large assessable base increases are due to economic growth and new projects coming online.
4. These projections are based on the Executive's Recommended Budget and include the revenue and resource assumptions of that budget. FY17-21 expenditures are based on the "major, known commitments" of elected officials and include negotiated labor agreements, estimates of compensation and inflation cost increases, the operating costs of capital facilities, the fiscal impact of approved legislation or regulations, and other programmatic commitments. They do not include unapproved service improvements. The projected future expenditures, revenues, and fund balance may vary based on changes to fee or tax rates, usage inflation, future labor agreements, and other factors not assumed here.
5. Section 68A-4 of the County Code requires: a) that the proceeds from either the Urban District tax or parking fee transfer must not be greater than 90 percent of their combined total; and b) that the transfer from the Parking District not exceed the number of parking spaces in the Urban District times the number of enforcement hours per year times 20 cents.

FY16-21 PUBLIC SERVICES PROGRAM: FISCAL PLAN

Silver Spring Urban District

FISCAL PROJECTIONS	FY15 ESTIMATE	FY16 REC	FY17 PROJECTION	FY18 PROJECTION	FY19 PROJECTION	FY20 PROJECTION	FY21 PROJECTION
ASSUMPTIONS							
Property Tax Rate: Real Property	0.024	0.024	0.024	0.024	0.024	0.024	0.024
Assessable Base: Real Property (000)	2,929,000	3,049,400	3,172,100	3,225,900	3,440,900	3,563,600	3,711,900
Property Tax Collection Factor: Real Property	98.9%	98.9%	98.9%	98.9%	98.9%	98.9%	98.9%
Property Tax Rate: Personal Property	0.060	0.060	0.060	0.060	0.060	0.060	0.060
Assessable Base: Personal Property (000)	125,900	123,000	121,800	120,100	119,500	118,000	116,500
Property Tax Collection Factor: Personal Property	97.5%	97.5%	97.5%	97.5%	97.5%	97.5%	97.5%
Indirect Cost Rate	15.87%	15.98%	15.98%	15.98%	15.98%	15.98%	15.98%
CPI (Fiscal Year)	1.7%	2.0%	2.2%	2.3%	2.5%	2.8%	3.1%
Investment Income Yield	0.17%	0.65%	1.25%	1.75%	2.25%	2.75%	3.50%
BEGINNING FUND BALANCE	252,066	64,379	84,945	87,026	88,551	93,874	95,918
REVENUES							
Taxes	768,879	795,761	823,890	859,694	886,640	914,886	949,209
Charges For Services	134,000	134,000	136,948	140,139	143,684	147,708	152,331
Miscellaneous	880	880	880	880	880	880	880
Subtotal Revenues	903,759	930,641	961,718	1,000,713	1,031,204	1,063,474	1,102,420
INTERFUND TRANSFERS (Net Non-GIP)							
Transfers To The General Fund	(351,850)	(370,790)	(372,800)	(372,800)	(372,800)	(372,800)	(372,800)
Indirect Costs	(351,850)	(370,790)	(372,800)	(372,800)	(372,800)	(372,800)	(372,800)
Transfers From The General Fund	0	524,660	524,660	524,660	524,660	524,660	524,660
Baseline	0	524,660	524,660	524,660	524,660	524,660	524,660
Transfers From Special Fds: Non-Tax + ISF	2,440,546	2,201,257	2,284,545	2,372,183	2,484,762	2,604,142	2,742,086
From Silver Spring Parking Lot District	2,440,546	2,201,257	2,284,545	2,372,183	2,484,762	2,604,142	2,742,086
TOTAL RESOURCES	3,244,521	3,350,147	3,483,068	3,611,783	3,756,376	3,913,350	4,092,284
PSP OPER. BUDGET APPROP/ EXP'S.							
Operating Budget	(3,180,142)	(3,265,202)	(3,383,442)	(3,510,632)	(3,649,902)	(3,804,832)	(3,979,192)
Labor Agreement	n/a	0	(12,600)	(12,600)	(12,600)	(12,600)	(12,600)
Subtotal PSP Oper Budget Approp / Exp's	(3,180,142)	(3,265,202)	(3,396,042)	(3,523,232)	(3,662,502)	(3,817,432)	(3,991,792)
TOTAL USE OF RESOURCES	(3,180,142)	(3,265,202)	(3,396,042)	(3,523,232)	(3,662,502)	(3,817,432)	(3,991,792)
YEAR END FUND BALANCE	64,379	84,945	87,026	88,551	93,874	95,918	100,492
END-OF-YEAR RESERVES AS A							
PERCENT OF RESOURCES	2.0%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%

Assumptions:

1. Transfers from the Silver Spring Parking District are adjusted annually to fund the approved service program and to maintain an ending fund balance of approximately 2.5 percent of resources.
2. Property tax revenue is assumed to increase over the six years based on an improved assessable base.
3. Large assessable base increases are due to economic growth and new projects coming online.
4. These projections are based on the Executive's Recommended Budget and include the revenue and resource assumptions of that budget. FY17-21 expenditures are based on the "major, known commitments" of elected officials and include negotiated labor agreements, estimates of compensation and inflation cost increases, the operating costs of capital facilities, the fiscal impact of approved legislation or regulations, and other programmatic commitments. They do not include unapproved service improvements. The projected future expenditures, revenues, and fund balance may vary based on changes to fee or tax rates, usage inflation, future labor agreements, and other factors not assumed here.
5. Section 68A-4 of the County Code requires: a) that the proceeds from either the Urban District tax or parking fee transfer must not be greater than 90 percent of their combined total; and b) that the transfer from the Parking District not exceed the number of parking spaces in the Urban District times the number of enforcement hours per year times 20 cents.

FY16-21 PUBLIC SERVICES PROGRAM: FISCAL PLAN		Wheaton Urban District						
FISCAL PROJECTIONS	FY16 ESTIMATE	FY16 REC	FY17 PROJECTION	FY18 PROJECTION	FY19 PROJECTION	FY20 PROJECTION	FY21 PROJECTION	
ASSUMPTIONS								
Property Tax Rate: Real Property	0.030	0.030	0.030	0.030	0.030	0.030	0.030	
Assessable Base: Real Property (000)	576,300	600,000	624,100	654,400	677,000	701,100	730,300	
Property Tax Collection Factor: Real Property	98.9%	98.9%	98.9%	98.9%	98.9%	98.9%	98.9%	
Property Tax Rate: Personal Property	0.075	0.075	0.075	0.075	0.075	0.075	0.075	
Assessable Base: Personal Property (000)	26,500	25,900	25,500	25,300	25,100	24,800	24,500	
Property Tax Collection Factor: Personal Property	97.5%	97.5%	97.5%	97.5%	97.5%	97.5%	97.5%	
Indirect Cost Rate	15.87%	15.98%	15.98%	15.98%	15.98%	15.98%	15.98%	
CPI (Fiscal Year)	1.7%	2.0%	2.2%	2.3%	2.5%	2.8%	3.1%	
Investment Income Yield	0.17%	0.65%	1.25%	1.75%	2.25%	2.75%	3.50%	
BEGINNING FUND BALANCE	379,282	219,166	50,069	53,160	54,394	56,531	58,930	
REVENUES								
Taxes	190,366	196,959	203,817	212,651	219,220	226,151	234,596	
Miscellaneous	300	300	300	300	300	300	300	
Subtotal Revenues	190,666	197,259	204,117	212,951	219,520	226,451	234,896	
INTERFUND TRANSFERS (Net Non-CIP)								
Transfers To The General Fund	1,380,300	1,594,849	1,842,458	1,908,147	1,986,131	2,072,512	2,169,073	
Indirect Costs	(196,450)	(222,660)	(224,460)	(224,460)	(224,460)	(224,460)	(224,460)	
Transfers From The General Fund	(196,450)	(222,660)	(224,460)	(224,460)	(224,460)	(224,460)	(224,460)	
Baseline Services	1,284,430	1,817,509	2,066,918	2,132,607	2,210,591	2,296,972	2,393,533	
Non-Baseline Services	76,090	76,090	76,090	76,090	76,090	76,090	76,090	
Transfers From Special Fds: Non-Tax + ISF	1,208,340	1,741,419	1,990,828	2,056,517	2,134,501	2,220,882	2,317,443	
From Wheaton Parking District	292,320	0	0	0	0	0	0	
TOTAL RESOURCES	1,950,248	2,011,274	2,096,644	2,174,268	2,260,045	2,355,494	2,462,898	
PSP OPER BUDGET APPROP/ EXP'S.								
Operating Budget	(1,731,082)	(1,961,205)	(2,032,215)	(2,108,605)	(2,192,245)	(2,285,295)	(2,390,015)	
Labor Agreement	n/a	0	(11,269)	(11,269)	(11,269)	(11,269)	(11,269)	
Subtotal PSP Oper Budget Approp / Exp's	(1,731,082)	(1,961,205)	(2,043,484)	(2,119,874)	(2,203,514)	(2,296,564)	(2,401,284)	
TOTAL USE OF RESOURCES	(1,731,082)	(1,961,205)	(2,043,484)	(2,119,874)	(2,203,514)	(2,296,564)	(2,401,284)	
YEAR END FUND BALANCE	219,166	50,069	53,160	54,394	56,531	58,930	61,614	
END-OF-YEAR RESERVES AS A PERCENT OF RESOURCES	11.2%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	

Assumptions:

- Transfers from the Wheaton Parking District are adjusted annually to fund the approved service program and to maintain an ending fund balance of approximately 2.5 percent of resources.
- Property tax revenue is assumed to increase over the six years based on an improved assessable base.
- Large assessable base increases are due to economic growth and new projects coming online.
- The Baseline Services transfer provides basic right-of-way maintenance comparable to services provided countywide.
- The Non-Baseline Services transfer is necessary to maintain fund balance policy.
- These projections are based on the Executive's Recommended Budget and include the revenue and resource assumptions of that budget. FY17-21 expenditures are based on the "major, known commitments" of elected officials and include negotiated labor agreements, estimates of compensation and inflation cost increases, the operating costs of capital facilities, the fiscal impact of approved legislation or regulations, and other programmatic commitments. They do not include unapproved service improvements. The projected future expenditures, revenues, and fund balance may vary based on changes to fee or tax rates, usage inflation, future labor agreements, and other factors not assumed here.
- Section 68A-4 of the County Code requires: a) that the proceeds from either the Urban District tax or parking fee transfer must not be greater than 90 percent of their combined total; and b) that the transfer from the Parking District not exceed the number of parking spaces in the Urban District times the number of enforcement hours per year times 20 cents.

Wheaton Parking Lot District

	FY15 est.	FY16 rec.	FY17 pro.	FY18 pro.	FY19 pro.	FY20 pro.	FY21 pro.
Beginning Fund Balance	1,343,049	1,436,975	835,816	765,183	662,837	796,380	907,953
Tax	612,004	0	0	0	0	0	0
Charges for Service	960,000	960,000	960,000	960,000	1,296,288	1,296,288	1,296,288
Fines & Forfeits	600,000	600,000	600,000	600,000	681,900	681,900	681,900
Misc.	2,040	7,930	15,250	21,350	27,450	33,550	42,700
Subtotal Revenues	2,174,044	1,567,930	1,575,250	1,581,350	2,005,638	2,011,738	2,020,888
Transfers to General Fund	-58,933	-59,910	-59,910	-59,910	-59,910	-59,910	-59,910
Transfer to Wheaton Urban District	-292,320	-607,000	-22,646	-23,629	-24,358	-25,128	-26,066
Transfers to Mass Transit Fund	-225,000	0	0	0	0	0	0
Transfers to Parking District Service Facility	0	0	0	-19,320	-19,320	-19,320	-19,320
Total Resources	2,940,840	2,337,995	2,328,510	2,243,674	2,564,887	2,703,760	2,823,545
CIP Current Revenue	-157,000	-157,000	-157,000	-157,000	-157,000	-157,000	-157,000
Operating Budget	-1,346,865	-1,345,179	-1,382,299	-1,422,349	-1,466,509	-1,516,119	-1,572,529
Other Expenditures	0	0	-24,028	-1,488	-144,998	-122,688	-144,358
Total Use of Resources	-1,503,865	-1,502,179	-1,563,327	-1,580,837	-1,768,507	-1,795,807	-1,873,887
Fund Balance Total	1,436,975	835,816	765,183	662,837	796,380	907,953	949,658
30% of resources	49%	36%	33%	30%	31%	34%	34%

Wheaton Urban District

	FY15 rec.	FY16 rec.	est. FY17	est. FY18	est. FY19	est. FY20	est. FY21
Beginning Fund Balance	315,560	219,166	50,069	53,160	54,394	56,531	58,930
General Fund							
<i>indirect costs</i>	-196,450	-222,660	-224,460	-224,460	-224,460	-224,460	-224,460
<i>baseline services transfer</i>	76,090	76,090	76,090	76,090	76,090	76,090	76,090
<i>non-baseline services transfer</i>	1,208,340	1,134,419	1,968,182	2,032,888	2,110,143	2,195,754	2,291,377
Urban District Tax	164,449	196,959	203,817	212,661	219,220	226,151	234,596
Misc.	0	300	300	300	300	300	300
Wheaton PLD	292,320	607,000	22,646	23,629	24,358	25,128	26,066
Total Resources	1,860,309	2,011,274	2,096,644	2,174,268	2,260,045	2,355,494	2,462,899
County Code 68A-4	456,769	803,959	226,463	236,290	243,578	251,279	260,662
Tax	36%	24%	90%	90%	90%	90%	90%
PLD	64%	76%	10%	10%	10%	10%	10%

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