


MEMORANDUM

April 13, 2011

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

FROM:  Marlene Michaelson, Senior Legislative Analyst

SUBJECT: FY12 Operating Budget for Urban Districts

Those expected for this worksession:

Natalie Cantor, Director, Mid-County Regional Services Center
Kenneth Hartman, Director, Bethesda-Chevy Chase Regional Services Center
Reemberto Rodriquez, Director, Silver Spring Regional Services Center
Brady Goldsmith, Office of Management and Budget

The Executive's recommendations for the Urban Districts is attached at © 1 to 5. FY12-FY17 Fiscal Plans for the Urban Districts are on © 6 to 8. Urban Districts were created to promote public interest activities that benefit residential and commercial interests in particular communities. Urban Districts are intended to enhance safety and security, promote economic stability and growth and a sense of community identity, ensure adequate infrastructure, foster a dynamic social and business climate, and ensure that communities are maintained in a clean and attractive manner. The County's three Urban Districts are in Bethesda, Silver Spring, and Wheaton. The Bethesda Urban District is run by an Urban District corporation, the Bethesda Urban Partnership (BUP). The Silver Spring and Wheaton Urban Districts are managed by the respective Regional Services Centers.

The Executive has proposed merging the Regional Services Centers into a new Office of Community Engagement. If the Council approves funding for the new office as submitted by the Executive, there will not be an impact on the Urban Districts. Should the Council make changes to the proposal, it is possible that the Committee will need to reconsider whether/how those changes impact the Urban Districts.

BUDGET OVERVIEW

For FY12, the Executive recommends total expenditures of \$7,399,320 for the 3 Urban Districts, a \$38,510 or 0.5% **decrease** from the FY11 approved budget. Not included in this amount are Silver Spring Urban District expenditures of \$387,860 and 8.0 WY that are charged to the Capital Improvements Program (CIP) and \$104,870 and 3.0 WY that are charged to the Silver Spring Parking Lot District for the Clean and Safe Team's efforts during the construction of the Interim Operations Site (IOS) for the Silver Spring Transit Center (CIP project #509974). Both charges are unchanged from FY11 and will end in FY12 once the Transit Center Opens.

URBAN DISTRICT EXPENDITURES AND WORKFORCE					
	FY10 Actual	FY11 Budget	FY11 Estimated	FY12 CE Rec.	% Change FY11-FY12
Urban District Expenditures	7,043,969	7,437,830	7,449,020	7,399,320	-0.5%
Positions:					
Full time	32	30	30	31	3.3%
Part time	1	1	1	1	
WORKYEARS	58.1	50.2	50.2	52	3.6%

While various technical adjustments increased the workyears associated with Urban Districts (including adding back furlough time), total funding decreased by 0.5%. The increase in workyears and decreases in costs are associated with the Silver Spring District. Increases in Bethesda personnel are due to a change in an employee and changes in the Wheaton Operating costs related to motor pool costs.

Summary of Urban District Expenditures by Category					
Urban District	FY10 Actual	FY11 Budget	FY11 Estimate	FY12 CE Rec.	% change FY11-12
Bethesda					
Personnel Costs	62,517	62,960	103,750	110,470	75.5%
Operating Expenses	3,227,177	3,285,760	3,256,160	3,261,020	-0.8%
Total Expenses	3,289,694	3,348,720	3,359,910	3,371,490	0.7%
Silver Spring					
Personnel Costs	1,480,934	1,768,200	1,768,200	1,701,230	-3.8%
Operating Expenses	805,834	910,740	910,740	900,160	-1.2%
Total Expenses	2,286,768	2,678,940	2,678,940	2,601,390	-2.9%
Wheaton					
Personnel Costs	1,100,366	1,017,250	1,017,250	996,670	-2.0%
Operating Expenses	367,141	392,920	392,920	429,770	9.4%
Total Expenses	1,467,507	1,410,170	1,410,170	1,426,440	1.2%

Programs

The Urban Districts operate 6 programs. The change in funding for each is shown below.

Expenditure/Workyear Changes in Urban District Programs						
	Expenditures		Workyears			
Program	FY11	FY12	FY11	FY12	% change \$	% change workyears
Promotion of Community and Business Activities	1,135,860	1,146,610	0.9	0.9	0.9%	-
Sidewalk Repair	143,970	143,970	0.0	0.0	-	-
Streetscape Maintenance	3,153,210	3,073,310	20.9	21.7	-2.5%	3.8%
Tree Maintenance	115,710	115,810	0.0	0.0	0.1%	-
Enhanced Security	1,185,300	1,162,290	23.4	24.3	-1.9%	3.8%
Administration	1,703,680	1,757,330	5.0	5.1	3.1%	2.0%
Total	7,437,730	7,399,320	50	52	-0.5%	3.6%

EXPENDITURE ISSUES

The Executive's budget proposes only minimal changes in all three service districts. Other than compensation adjustments, the only changes proposed for FY12 are a \$13,040 increase in the cost of the Bethesda Circulator Contract, a \$10,000 decrease in streetlight replacement, and a \$34,860 (1%) decrease in the BUP contract reflecting a vacant position that will not be filled.¹

Council staff recommends approval of these changes as recommended by the Executive.

REVENUE ISSUES

On the revenue side, Urban Districts are funded from a combination of sources, including Urban District taxes, transfers from the Parking Lot District (PLD), General Fund transfers, and maintenance charges for enhanced services. A table showing the proposed FY12 funding sources for Urban Districts appears below. The proceeds from either the Urban District tax or parking fees transferred into an Urban District Fund must not exceed 90 percent of their combined total. In addition, the transfer from the Parking Lot District must not exceed the number of parking spaces in the Urban District times the number of enforcement hours per year times 20 cents. After the Government Operations and Fiscal Policy (GO) Committee reviews the Parking District rates on April 28, Staff will determine whether there is any opportunity to increase the Parking District contributions to any of the Urban Districts. Urban District fund calculations from the FY12-17 Fiscal Plan are attached on

¹ The reduction in the BUP contract will be absorbed by the elimination of a vacant administrative assistant position. This will eliminate the availability of a live person to answer phone calls and greet visitors at the BUP office. The response time to address constituent questions and needs will correspondingly be lengthened.

© 6 to 8. A table showing the change in funding for each Urban District from FY11 to FY12 is attached on © 9.

FY12 URBAN DISTRICT FUNDING SOURCES			
Funding Source	Bethesda	Silver Spring	Wheaton
Beginning Fund Balance	12,820	442,230	145,560
Revenues			
Urban District Tax	465,460	639,610	160,160
Charges for services for enhanced services	130,000	134,000	0
Investment Income	0	0	0
Interfund Transfers			
Transfer to the General Fund for indirect costs*	-15,790	-243,110	-142,420
Transfer from the General Fund for baseline services	0	0	76,090
Transfer from the General Fund for non-baseline services	0	0	932,000
Transfer from Parking Lot District	2,865,000	1,696,000	292,320
Total Resources	3,457,490	2,668,730	1,463,710
CE Recommended Operating Budget	-3,371,490	-2,601,390	-1,426,440
Projected FY10 year end fund balance	86,000	67,340	37,270
End of year reserves as a % of resources	2.5%	2.5%	2.5%
*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.			

For FY12, the Urban District tax rates are recommended to remain the same as in FY11. Decreases in the assessable base for real property in each district will result in small decreases in Urban District tax revenues. In the Silver Spring Urban District, transfers from the Parking Lot District will be reduced by 6%; in Bethesda they will increase by 10%, and in Wheaton they remain the same. A comparison of Urban District Tax revenues and transfers from the Parking Lot Districts and General Fund from FY11 to FY12 is shown below. A table comparing all of the funding sources for each Urban District is attached on © 9.

Urban District Tax Rate: The Executive is proposing no tax rate changes for the Urban Districts from FY11 to FY12. The recommended tax rates are shown in the table below.

Urban District	Real Property	Personal Property
Bethesda	.012	.030
Silver Spring	.024	.060
Wheaton	.030	.075

Transfers from the General Fund: Several years ago, the Council defined “baseline services” for Urban Districts: those services that would routinely be funded by the County’s General Fund if there were no Urban Districts. The idea was that the special revenues in each Urban District Fund (Urban District taxes, Parking Lot District transfers, and investment income) were to provide for certain services *above and beyond* what would normally be covered by the General Fund. The baseline services included street sweeping three times each week, twice weekly trash pickup, litter collection between two and five times each week, semi-annual cleaning of brick pavers, monthly mowing, tree pruning on an optimal cycle, and regular streetlight maintenance.

Using a formula based on costs at that time, the “baseline service” target level was established for the three districts. The goal was to use each Urban District’s General Fund baseline transfer as the starting point for building the rest of its budget. This objective often has not been met due to fiscal exigencies. For example, for the past several years, the Bethesda Urban District usually has had sufficient resources from its Urban District tax and Parking Lot District transfer, and the Council has used the funding “due” to Bethesda to fund other needs in the General Fund portion of the budget. The baseline service cost to Wheaton is set at \$76,090. In addition, the Wheaton Urban District receives “non-baseline” transfers from the General Fund to provide funding for services not covered by Urban District taxes or the Parking Lot District.

For FY11, Wheaton was the only Urban District to receive transfers from the General Fund. The other Urban Districts funded all services through a combination of other sources. For FY12, the situation will remain the same. In the Wheaton Urban District the baseline transfer from the General Fund will remain the same while the non-baseline transfer will increase by \$59,000 or 6.7%. The table below shows the estimated baseline service costs, the total FY12 resources, and the amounts of the Wheaton General Fund transfers.

Urban District	Baseline Transfer	Baseline Service Cost	Non-baseline Transfer	Total General Fund Transfer	Total FY12 Resources
Bethesda	\$0	\$0	\$0	\$0	\$3,371,490
Silver Spring	\$0	\$0	\$0	\$0	\$2,601,390
Wheaton	\$76,090	\$76,090	\$932,000	\$1,008,090	\$1,463,710

This packet contains:

circle #

CE’s FY12 budget for the Urban Districts	1
FY12-17 Fiscal Plan, Bethesda Urban District	6
FY12-17 Fiscal Plan, Silver Spring Urban District	7
FY12-17 Fiscal Plan, Wheaton Urban District	8
Comparison of Urban District Funding, FY11-12	9

Urban Districts

MISSION STATEMENT

The mission of the Urban Districts (Bethesda, Silver Spring, and Wheaton) is to: ensure that each district is maintained in a clean, safe, and attractive manner; promote a strong sense of identity in each district; ensure that each district has adequate infrastructure and the enhanced services required by their higher levels of activity in order to foster a vibrant social and business climate; and ensure long-term economic viability and vitality.

BUDGET OVERVIEW

The total recommended FY12 Operating Budget for the Urban Districts is \$7,399,320, a decrease of \$38,510 or 0.5 percent from the FY11 Approved Budget of \$7,437,830. Personnel Costs comprise 38.0 percent of the budget for 31 full-time positions and one part-time position for 52.0 workyears. Operating Expenses account for the remaining 62.0 percent of the FY12 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**

ACCOMPLISHMENTS AND INITIATIVES

- ❖ **Wheaton Urban District launched the first downtown "mobile app" in the area, m.wheatonmd.org, which allows a smartphone user to find local restaurants, shopping and events with step-by-step GPS navigated directions.**
- ❖ **Silver Spring Urban District established a program to introduce the use of cleaning products that are earth-friendly.**
- ❖ **The 21st annual "Taste of Bethesda" had a record attendance of over 40,000 people enjoying the sights, sounds and tastes that Bethesda has to offer. The annual event featured international cuisine from 55 downtown Bethesda restaurants and live music and dance from diverse cultures and nationalities.**

PROGRAM CONTACTS

Contact Catherine Matthews of the Urban Districts at 240.777.8040 or Brady Goldsmith of the Office of Management and Budget at 240.777.2793 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 enhanced maintenance activities; sponsorship of community events, including 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.

FY12 Recommended Changes	Expenditures	WYs
FY11 Approved	1,135,860	0.9

	Expenditures	WYs
Increase Cost: Circulator Contract	13,040	0.0
Miscellaneous adjustments, including restoration of employee furloughs, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program	-2,290	0.0
FY12 CE Recommended	1,146,610	0.9

Sidewalk Repair

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

FY12 Recommended Changes	Expenditures	WYs
FY11 Approved	143,970	0.0
FY12 CE Recommended	143,970	0.0

Streetscape Maintenance

This program provides maintenance of, and improvement to, the streetscape amenities within each Urban District. Various service levels include litter collection, semi-annual sidewalk pressure washing, 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.

FY12 Recommended Changes	Expenditures	WYs
FY11 Approved	3,153,210	20.9
Decrease Cost: Streetlight Replacement	-10,000	0.0
Decrease Cost: Bethesda Urban Partnership Contract from \$3,207,970 to \$3,173,110 (1 percent)	-34,860	0.0
Miscellaneous adjustments, including restoration of employee furloughs, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program	-35,040	0.8
FY12 CE Recommended	3,073,310	21.7

Tree Maintenance

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

FY12 Recommended Changes	Expenditures	WYs
FY11 Approved	115,810	0.0
FY12 CE Recommended	115,810	0.0

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 County and Park Police support, as well as the Safe Teams.

FY12 Recommended Changes	Expenditures	WYs
FY11 Approved	1,185,300	23.4
Miscellaneous adjustments, including restoration of employee furloughs, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program	-23,010	0.9
FY12 CE Recommended	1,162,290	24.3

Administration

This program provides staff support for contract administration and clerical services to the Urban District Advisory Committees and for the administration of the Bethesda Urban Partnership (BUP), Inc., a non-profit Corporation created to manage the day-to-day operation of the Bethesda Urban District. This program also provides for budget preparation and monitoring, payment authorization, and records maintenance.

FY12 Recommended Changes	Expenditures	WYs
FY11 Approved	1,703,680	5.1
Decrease Cost: Misc Operating Expenses	-4,330	0.0

	Expenditures	WYs
Miscellaneous adjustments, including restoration of employee furloughs, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program	57,980	0.1
FY12 CE Recommended	1,757,330	5.1

BUDGET SUMMARY

	Actual FY10	Budget FY11	Estimated FY11	Recommended FY12	% Chg Bud/Rec
BETHESDA URBAN DISTRICT					
EXPENDITURES					
Salaries and Wages	51,149	50,460	72,910	79,620	57.8%
Employee Benefits	11,368	12,500	30,840	30,850	146.8%
Bethesda Urban District Personnel Costs	62,517	62,960	103,750	110,470	75.5%
Operating Expenses	3,227,177	3,285,760	3,256,160	3,261,020	-0.8%
Capital Outlay	0	0	0	0	—
Bethesda Urban District Expenditures	3,289,694	3,348,720	3,359,910	3,371,490	0.7%
PERSONNEL					
Full-Time	1	1	1	1	—
Part-Time	0	0	0	0	—
Workyears	1.0	1.0	1.0	1.0	—
REVENUES					
Property Tax	478,068	502,370	477,040	465,460	-7.3%
Optional Method Development	123,172	130,000	130,000	130,000	—
Bethesda Urban District Revenues	601,240	632,370	607,040	595,460	-5.8%
SILVER SPRING URBAN DISTRICT					
EXPENDITURES					
Salaries and Wages	1,179,456	1,349,080	1,349,080	1,343,140	-0.4%
Employee Benefits	301,478	419,120	419,120	358,090	-14.6%
Silver Spring Urban District Personnel Costs	1,480,934	1,768,200	1,768,200	1,701,230	-3.8%
Operating Expenses	805,834	910,740	910,740	900,160	-1.2%
Capital Outlay	0	0	0	0	—
Silver Spring Urban District Expenditures	2,286,768	2,678,940	2,678,940	2,601,390	-2.9%
PERSONNEL					
Full-Time	18	17	17	18	5.9%
Part-Time	0	0	0	0	—
Workyears	35.2	30.5	30.5	31.7	3.9%
REVENUES					
Property Tax	662,161	663,120	655,890	639,610	-3.5%
Optional Method Development	138,019	134,000	134,000	134,000	—
Miscellaneous/Risk Mgmt Dividend Distribution	3,790	0	0	0	—
Investment Income	884	0	0	0	—
Silver Spring Urban District Revenues	804,854	797,120	789,890	773,610	-2.9%
WHEATON URBAN DISTRICT					
EXPENDITURES					
Salaries and Wages	861,860	783,610	783,610	787,900	0.5%
Employee Benefits	238,506	233,640	233,640	208,770	-10.6%
Wheaton Urban District Personnel Costs	1,100,366	1,017,250	1,017,250	996,670	-2.0%
Operating Expenses	367,141	392,920	392,920	429,770	9.4%
Capital Outlay	0	0	0	0	—
Wheaton Urban District Expenditures	1,467,507	1,410,170	1,410,170	1,426,440	1.2%
PERSONNEL					
Full-Time	13	12	12	12	—
Part-Time	1	1	1	1	—
Workyears	21.9	18.7	18.7	19.3	3.2%
REVENUES					
Property Tax	163,797	171,640	164,160	160,160	-6.7%
Investment Income	633	0	0	0	—
Wheaton Urban District Revenues	164,430	171,640	164,160	160,160	-6.7%
DEPARTMENT TOTALS					
Total Expenditures	7,043,969	7,437,830	7,449,020	7,399,320	-0.5%

	Actual FY10	Budget FY11	Estimated FY11	Recommended FY12	% Chg Bud/Rec
Total Full-Time Positions	32	30	30	31	3.3%
Total Part-Time Positions	1	1	1	1	—
Total Workyears	58.1	50.2	50.2	52.0	3.6%
Total Revenues	1,570,524	1,601,130	1,561,090	1,529,230	-4.5%

FY12 RECOMMENDED CHANGES

	Expenditures	WYs
BETHESDA URBAN DISTRICT		
FY11 ORIGINAL APPROPRIATION	3,348,720	1.0
<u>Other Adjustments (with no service impacts)</u>		
Increase Cost: Annualization of FY11 Personnel Costs	49,190	0.0
Increase Cost: Circulator Contract [Promotion of Community and Business Activities]	13,040	0.0
Increase Cost: Risk Management Adjustment	11,420	0.0
Increase Cost: Restore Personnel Costs - Furloughs	1,080	0.0
Decrease Cost: Occupational Medical Services Adjustment	-10	0.0
Decrease Cost: Group Insurance Adjustment	-1,150	0.0
Decrease Cost: Retirement Adjustment	-1,610	0.0
Decrease Cost: Misc Operating Expenses [Administration]	-4,330	0.0
Decrease Cost: Streetlight Replacement [Streetscape Maintenance]	-10,000	0.0
Decrease Cost: Bethesda Urban Partnership Contract from \$3,207,970 to \$3,173,110 (1 percent) [Streetscape Maintenance]	-34,860	0.0
FY12 RECOMMENDED:	3,371,490	1.0
SILVER SPRING URBAN DISTRICT		
FY11 ORIGINAL APPROPRIATION	2,678,940	30.5
<u>Other Adjustments (with no service impacts)</u>		
Increase Cost: Restore Personnel Costs - Furloughs	17,390	1.2
Increase Cost: Risk Management Adjustment	8,450	0.0
Increase Cost: Printing and Mail Adjustment	780	0.0
Decrease Cost: Occupational Medical Services Adjustment	-260	0.0
Decrease Cost: Retirement Adjustment	-11,090	0.0
Decrease Cost: Motor Pool Rate Adjustment	-19,550	0.0
Decrease Cost: Group Insurance Adjustment	-29,410	0.0
Decrease Cost: Annualization of FY11 Personnel Costs	-43,860	0.0
FY12 RECOMMENDED:	2,601,390	31.7
WHEATON URBAN DISTRICT		
FY11 ORIGINAL APPROPRIATION	1,410,170	18.7
<u>Other Adjustments (with no service impacts)</u>		
Increase Cost: Motor Pool Rate Adjustment	32,430	0.0
Increase Cost: Restore Personnel Costs - Furloughs	9,090	0.7
Increase Cost: Annualization of FY11 Personnel Costs	6,650	0.0
Increase Cost: Risk Management Adjustment	3,940	0.0
Increase Cost: Printing and Mail Adjustment	650	0.0
Decrease Cost: Occupational Medical Services Adjustment	-170	0.0
Decrease Cost: Lapse	-6,650	-0.1
Decrease Cost: Retirement Adjustment	-10,190	0.0
Decrease Cost: Group Insurance Adjustment	-19,480	0.0
FY12 RECOMMENDED:	1,426,440	19.3

PROGRAM SUMMARY

Program Name	FY11 Approved		FY12 Recommended	
	Expenditures	WYs	Expenditures	WYs
Promotion of Community and Business Activities	1,135,860	0.9	1,146,610	0.9
Sidewalk Repair	143,970	0.0	143,970	0.0
Streetscape Maintenance	3,153,210	20.9	3,073,310	21.7
Tree Maintenance	115,810	0.0	115,810	0.0
Enhanced Security	1,185,300	23.4	1,162,290	24.3
Administration	1,703,680	5.0	1,757,330	5.1
Total	7,437,830	50.2	7,399,320	52.0

CHARGES TO OTHER DEPARTMENTS

Charged Department	Charged Fund	FY11		FY12	
		Total\$	WYs	Total\$	WYs
SILVER SPRING URBAN DISTRICT					
CIP	CIP	387,860	8.0	387,860	8.0
Parking District Services	Silver Spring Parking District	104,870	3.0	104,870	3.0
Total		492,730	11.0	492,730	11.0

FUTURE FISCAL IMPACTS

Title	CE REC. FY12	FY13	FY14	(\$000's)		
				FY15	FY16	FY17
This table is intended to present significant future fiscal impacts of the department's programs.						
BETHESDA URBAN DISTRICT						
Expenditures						
FY12 Recommended	3,371	3,371	3,371	3,371	3,371	3,371
No inflation or compensation change is included in outyear projections.						
Subtotal Expenditures	3,371	3,371	3,371	3,371	3,371	3,371
SILVER SPRING URBAN DISTRICT						
Expenditures						
FY12 Recommended	2,601	2,601	2,601	2,601	2,601	2,601
No inflation or compensation change is included in outyear projections.						
Motor Pool Rate Adjustment	0	6	6	6	6	6
Subtotal Expenditures	2,601	2,608	2,608	2,608	2,608	2,608
WHEATON URBAN DISTRICT						
Expenditures						
FY12 Recommended	1,426	1,426	1,426	1,426	1,426	1,426
No inflation or compensation change is included in outyear projections.						
Motor Pool Rate Adjustment	0	17	17	17	17	17
Subtotal Expenditures	1,426	1,444	1,444	1,444	1,444	1,444

FY12-17 PUBLIC SERVICES PROGRAM: FISCAL PLAN

Bethesda Urban District

FISCAL PROJECTIONS	FY11 ESTIMATE	FY12 REC	FY13 PROJECTION	FY14 PROJECTION	FY15 PROJECTION	FY16 PROJECTION	FY17 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)	3,467,100	3,371,700	3,383,800	3,469,900	3,541,200	3,727,300	3,904,900
Property Tax Collection Factor: Real Property	99.1%	99.1%	99.1%	99.1%	99.1%	99.1%	99.1%
Property Tax Rate: Personal Property	0.030	0.030	0.030	0.030	0.030	0.030	0.030
Assessable Base: Personal Property (000)	221,300	220,500	221,600	225,300	230,400	234,200	238,300
Property Tax Collection Factor: Personal Property	97.5%	97.5%	97.5%	97.5%	97.5%	97.5%	97.5%
Indirect Cost Rate	14.29%	14.29%	14.29%	14.29%	14.29%	14.29%	14.29%
CPI (Fiscal Year)	2.0%	2.4%	2.7%	3.0%	3.2%	3.4%	3.6%
Investment Income Yield	0.14%	0.40%	0.90%	2.00%	2.75%	3.50%	4.00%
BEGINNING FUND BALANCE	180,600	12,820	86,000	89,700	91,470	93,510	95,850
REVENUES							
Taxes	477,040	465,460	467,220	478,540	488,510	511,750	534,070
Charges For Services	130,000	130,000	130,000	130,000	130,000	130,000	130,000
Subtotal Revenues	607,040	595,460	597,220	608,540	618,510	641,750	664,070
INTERFUND TRANSFERS (Net Non-CIP)							
Transfers To The General Fund	(7,910)	(15,790)	(15,790)	(15,790)	(15,790)	(15,790)	(15,790)
Indirect Costs	(7,910)	(15,790)	(15,790)	(15,790)	(15,790)	(15,790)	(15,790)
Transfers From Special Fds: Non-Tax + ISF	2,593,000	2,865,000	2,887,000	2,980,000	3,087,000	3,192,000	3,312,000
From Bethesda Parking District	2,593,000	2,865,000	2,887,000	2,980,000	3,087,000	3,192,000	3,312,000
TOTAL RESOURCES	3,372,730	3,457,498	3,554,430	3,662,450	3,781,190	3,911,470	4,056,130
PSP OPER. BUDGET APPROP/ EXP'S							
Operating Budget	(3,359,910)	(3,371,490)	(3,464,730)	(3,570,980)	(3,687,680)	(3,815,620)	(3,955,670)
Subtotal PSP Oper Budget Approp / Exp's	(3,359,910)	(3,371,490)	(3,464,730)	(3,570,980)	(3,687,680)	(3,815,620)	(3,955,670)
TOTAL USE OF RESOURCES	(3,359,910)	(3,371,490)	(3,464,730)	(3,570,980)	(3,687,680)	(3,815,620)	(3,955,670)
YEAR END FUND BALANCE	12,820	86,000	89,700	91,470	93,510	95,850	100,460
END-OF-YEAR RESERVES AS A							
PERCENT OF RESOURCES	0.4%	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. FY13-17 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.

FY12-17 PUBLIC SERVICES PROGRAM: FISCAL PLAN
Silver Spring Urban District

FISCAL PROJECTIONS	FY11 ESTIMATE	FY12 REC	FY13 PROJECTION	FY14 PROJECTION	FY15 PROJECTION	FY16 PROJECTION	FY17 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)	2,443,100	2,375,900	2,384,400	2,445,000	2,495,200	2,626,300	2,751,400
Property Tax Collection Factor: Real Property	99.1%	99.1%	99.1%	99.1%	99.1%	99.1%	99.1%
Property Tax Rate: Personal Property	0.060	0.060	0.060	0.060	0.060	0.060	0.060
Assessable Base: Personal Property (000)	127,900	127,400	128,000	130,100	133,000	135,200	137,600
Property Tax Collection Factor: Personal Property	97.5%	97.5%	97.5%	97.5%	97.5%	97.5%	97.5%
Indirect Cost Rate	14.29%	14.29%	14.29%	14.29%	14.29%	14.29%	14.29%
CPI (Fiscal Year)	2.0%	2.4%	2.7%	3.0%	3.2%	3.4%	3.6%
Investment Income Yield	0.14%	0.40%	0.90%	2.00%	2.75%	3.50%	4.00%
BEGINNING FUND BALANCE	746,780	442,230	67,340	69,570	72,650	75,650	78,450
REVENUES							
Taxes	655,890	639,610	641,990	657,630	671,270	703,730	734,890
Charges For Services	134,000	134,000	134,000	134,000	134,000	134,000	134,000
Subtotal Revenues	789,890	773,610	775,990	791,630	805,270	837,730	868,890
INTERFUND TRANSFERS (Net Non-CIP)	1,534,500	1,452,890	1,938,290	2,040,290	2,154,290	2,261,290	2,385,290
Transfers To The General Fund	(220,500)	(243,110)	(243,110)	(243,110)	(243,110)	(243,110)	(243,110)
Indirect Costs	(220,500)	(243,110)	(243,110)	(243,110)	(243,110)	(243,110)	(243,110)
Transfers From Special Fds: Non-Tax + ISF	1,805,000	1,696,000	2,181,400	2,283,400	2,397,400	2,504,400	2,628,400
From Silver Spring Parking District	1,805,000	1,696,000	2,181,400	2,283,400	2,397,400	2,504,400	2,628,400
TOTAL RESOURCES	3,121,170	2,668,730	2,781,620	2,901,490	3,032,210	3,174,670	3,332,630
PSP OPER. BUDGET APPROP/ EXPS.							
Operating Budget	(2,678,940)	(2,601,390)	(2,705,650)	(2,822,440)	(2,950,160)	(3,089,820)	(3,242,530)
Motor Pool Rate Adjustment	n/a	n/a	(6,400)	(6,400)	(6,400)	(6,400)	(6,400)
Subtotal PSP Oper Budget Approp / Exp's	(2,678,940)	(2,601,390)	(2,712,050)	(2,828,840)	(2,956,560)	(3,096,220)	(3,248,930)
TOTAL USE OF RESOURCES	(2,678,940)	(2,601,390)	(2,712,050)	(2,828,840)	(2,956,560)	(3,096,220)	(3,248,930)
YEAR END FUND BALANCE	442,230	67,340	69,570	72,650	75,650	78,450	83,700
END-OF-YEAR RESERVES AS A PERCENT OF RESOURCES	14.2%	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. FY13-17 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.

FY12-17 PUBLIC SERVICES PROGRAM: FISCAL PLAN				Wheaton Urban District			
FISCAL PROJECTIONS	FY11 ESTIMATE	FY12 REC	FY13 PROJECTION	FY14 PROJECTION	FY15 PROJECTION	FY16 PROJECTION	FY17 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)	479,600	466,400	468,100	480,000	489,900	515,600	540,200
Property Tax Collection Factor: Real Property	99.1%	99.1%	99.1%	99.1%	99.1%	99.1%	99.1%
Property Tax Rate: Personal Property	0.075	0.075	0.075	0.075	0.075	0.075	0.075
Assessable Base: Personal Property (000)	29,500	29,400	29,500	30,000	30,700	31,200	31,700
Property Tax Collection Factor: Personal Property	97.5%	97.5%	97.5%	97.5%	97.5%	97.5%	97.5%
Indirect Cost Rate	14.29%	14.29%	14.29%	14.29%	14.29%	14.29%	14.29%
CPI (Fiscal Year)	2.0%	2.4%	2.7%	3.0%	3.2%	3.4%	3.6%
Investment Income Yield	0.14%	0.40%	0.90%	2.00%	2.75%	3.50%	4.00%
BEGINNING FUND BALANCE	277,440	145,560	37,270	38,400	40,730	41,990	44,070
REVENUES							
Taxes	164,160	160,160	160,740	164,640	168,100	176,110	183,780
Subtotal Revenues	164,160	160,160	160,740	164,640	168,100	176,110	183,780
INTERFUND TRANSFERS (Net Non-CIP)							
Transfers To The General Fund	1,114,130	1,157,990	1,342,490	1,405,210	1,472,210	1,543,210	1,621,210
Indirect Costs	(127,280)	(142,420)	(142,420)	(142,420)	(142,420)	(142,420)	(142,420)
Transfers From The General Fund	949,090	1,008,090	1,192,590	1,255,310	1,322,310	1,393,310	1,471,310
To Baseline Services	76,090	76,090	76,090	76,090	76,090	76,090	76,090
To Non-Baseline Services	873,000	932,000	1,116,500	1,179,220	1,246,220	1,317,220	1,395,220
Transfers From Special Fds: Non-Tax + ISF	292,320	292,320	292,320	292,320	292,320	292,320	292,320
From Wheaton Parking District	292,320	292,320	292,320	292,320	292,320	292,320	292,320
TOTAL RESOURCES	1,555,730	1,463,710	1,540,300	1,608,250	1,681,040	1,761,310	1,849,060
PSP OPER. BUDGET APPROP/ EXPS.							
Operating Budget	(1,410,170)	(1,426,440)	(1,484,880)	(1,550,300)	(1,621,830)	(1,700,020)	(1,785,510)
Motor Pool Adjustment	n/a	n/a	(17,220)	(17,220)	(17,220)	(17,220)	(17,220)
Subtotal PSP Oper Budget Approp / Exp's	(1,410,170)	(1,426,440)	(1,502,100)	(1,567,520)	(1,639,050)	(1,717,240)	(1,802,730)
TOTAL USE OF RESOURCES	(1,410,170)	(1,426,440)	(1,502,100)	(1,567,520)	(1,639,050)	(1,717,240)	(1,802,730)
YEAR END FUND BALANCE	145,560	37,270	38,400	40,730	41,990	44,070	46,330
END-OF-YEAR RESERVES AS A PERCENT OF RESOURCES							
	9.4%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%

Assumptions:

1. 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.
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. The Baseline Services transfer provides basic right-of-way maintenance comparable to services provided countywide.
5. The Non-Baseline Services transfer is necessary to maintain fund balance policy.
6. These projections are based on the Executive's Recommended Budget and include the revenue and resource assumptions of that budget. FY13-17 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.
7. 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.

COMPARISON OF URBAN DISTRICT FUNDING SOURCES FY11-FY12

Urban District	FY11 Estimate	FY12 CE Rec.
Bethesda Urban District		
Beginning Fund Balance	180,600	12,820
Revenues		
Urban District Tax	477,040	465,460
Charges for services to optional method development	130,000	130,000
Interfund Transfers		
Transfer to the General Fund for indirect costs*	-7,910	-15,790
Transfer from Bethesda Parking Lot District	2,593,000	2,865,000
Total Resources	3,372,730	3,457,490
Operating budget expenditures	-3,359,910	-3,371,490
Projected year end fund balance	12,820	86,000
End of year reserves as a % of resources	0.4%	2.5%

Silver Spring Urban District		
Beginning Fund Balance	746,780	442,230
Revenues		
Urban District Tax	655,890	639,610
Charges for services to optional method development	134,000	134,000
Interfund Transfers		
Transfer to the General Fund for indirect costs*	-220,500	-243,110
Transfer from Silver Spring Parking Lot District	1,805,000	1,696,000
Total Resources	3,121,170	2,668,730
Operating budget expenditures	-2,678,940	-2,601,390
Projected year end fund balance	442,230	67,340
End of year reserves as a % of resources	14.2%	2.5%

Wheaton Urban District		
Beginning Fund Balance	277,440	145,560
Revenues		
Urban District Tax	164,160	160,160
Interfund Transfers		
Transfer to the General Fund for indirect costs*	-127,280	-142,420
Transfer from the General Fund for baseline services	76,090	76,090
Transfer from the General Fund for non-baseline services	873,000	932,000
Transfer from Wheaton Parking Lot District	292,320	292,320
Total Resources	1,555,730	1,463,710
Operating budget expenditures	-1,410,170	-1,426,440
Projected year end fund balance	145,560	37,270
End of year reserves as a % of resources	9.4%	2.5%

*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.