

**MEMORANDUM**

May 1, 2009

TO: County Council

FROM: Vivian Yao, Legislative Analyst *VY*

SUBJECT: **Worksession: FY10 Operating Budget  
 Community Use of Public Facilities**

The Executive’s recommendation for Community Use of Public Facilities (CUPF) is attached at ©1-5. CUPF provides community users and public agencies with access to public facilities for services, programs and events. The program is supported by an enterprise fund and receives no tax dollars to support its operations. The Interagency Coordinating Board (ICB) is the policy-making authority of CUPF.

**Summary of the Education Committee Recommendations**

**The Education Committee held a worksession on the CUPF budget on April 24, 2009. The Committee recommends (2-0, Councilmember Knapp absent) approval of the budget as submitted by the Executive.**

**OVERVIEW**

For FY10, the Executive recommends total expenditures of \$9,169,440 for CUPF, an increase of \$78,470 or 0.9% from the FY09 approved budget.

(in \$000's)	FY08 Actual	FY09 Approved	FY10 CE Recommended	% Change FY09-FY10
<b>Expenditures:</b>				
Enterprise Fund	8,334,327	9,090,970	9,169,440	0.9%
General Fund	-	-	-	
Grant Fund	-	-	-	
<b>TOTAL Expenditures</b>	<b>8,334,327</b>	<b>9,090,970</b>	<b>9,169,440</b>	<b>0.9%</b>
<b>Positions:</b>				
Full-time	25	26	25	-3.8%
Part-time	2	2	2	0.0%
<b>TOTAL Positions</b>	<b>27</b>	<b>28</b>	<b>27</b>	<b>-3.6%</b>
<b>WORKYEARS</b>	<b>26.1</b>	<b>26.9</b>	<b>24.5</b>	<b>-8.9%</b>

The Executive recommends a decrease of 1 full-time position and no change to the number of part-time positions.

	Full-time	Part-time
<b>New positions for FY10</b>	0	0
Positions created during FY09	0	0
<b>Abolished positions for FY10</b>	-1	0
Positions abolished during FY09	0	0
<b>Net Change</b>	-1	0

For FY10, the Executive recommends same service adjustments that result in a net decrease of \$130,860. Reimbursements to Montgomery County Public Schools (MCPS) account for a net increase of \$205,230. The Executive recommends program enhancements totaling \$4,100.

<b>Same Service Adjustments:</b>	
Service Increment	\$ 12,700
Annualization of FY09 Lapsed Positions	\$ 15,300
Annualization of FY09 Operating Expenses	\$ 1,850
Group Insurance Adjustments	\$ 3,740
Retirement Adjustment	\$ 6,270
Office Lease	\$ 13,500
Printing and Mail Cost Adjustments	\$ 240
Move Funding for Coordination of Child Care Function from Personnel to Operating	\$ -
Central Duplicating Deficit Recovery Charge	\$ (330)
Motor Pool Rate Adjustments	\$ (790)
Annualization of FY09 Personnel Costs	\$ (3,340)
Elimination of One-Time Items Approved in FY09	\$ (17,430)
Retirement Investment Program Savings	\$ (26,570)
Lapse Vacant Positions	\$ (136,000)
<b>Subtotal: Same Service Adjustments</b>	<b>\$ (130,860)</b>
<b>Adjustments Related to MCPS Reimbursement</b>	
Other Reimbursements to MCPS	\$ 351,460
Reimbursement to MCPS for Utility Costs	\$ 162,200
Reimbursement of MCPS Energy Conservation Specialist	\$ (28,780)
Reimbursement of Weekend MCPS Security Patrol Position	\$ (42,120)
Reduce Cost for General Wage Adjustment for MCPS Staff Supporting Community Use	\$ (110,730)
Reimbursement to MCPS for Elections	\$ (126,800)
<b>Subtotal: Reimbursement to Schools</b>	<b>\$ 205,230</b>
<b>Program Enhancements</b>	
Customer Service Support	4,100
<b>Subtotal: Program Enhancements</b>	<b>4,100</b>
<b>GRAND TOTAL</b>	<b>78,470</b>

## I. FY10 EXPENDITURE ISSUES

### A. PROGRAM ENHANCEMENT

**The Committee recommends approval of the following program enhancement:**

***Customer Service Support* **\$4,100****

The Executive recommends an increase of \$4,100 to support the bidding process for before and after school child care vendors and communication services for public space users. \$1,250 of this amount will be used to advertise in local newspapers bid requests for before and afterschool child care vendors consistent with an ICB resolution instituting a 5-year bidding cycle.

The balance, \$2,850, is to fund an additional telephone for after-hours and weekend on-call/emergency use and increased costs of the in-school security paging system.

### B. REIMBURSEMENTS TO MCPS

CUPF is mandated to reimburse MCPS for costs incurred and services rendered in making facilities available to the community. A significant amount of CUPF's operating expenses, \$6.4 million or 69.7%, is used to reimburse MCPS for costs associated with the community use of schools.

The following table shows adjustments to CUPF's operating budget as a result of reimbursements to MCPS.

<b>Adjustments Related to MCPS Reimbursement</b>	
Other Reimbursements to MCPS	\$ 351,460
Reimbursement to MCPS for Utility Costs	\$ 162,200
Reimbursement of MCPS Energy Conservation Specialist	\$ (28,780)
Reimbursement of Weekend MCPS Security Patrol Position	\$ (42,120)
Reduce Cost for General Wage Adjustment for MCPS Staff Supporting Community Use	\$ (110,730)
Reimbursement to MCPS for Elections	\$ (126,800)
<b><i>Subtotal: Reimbursement to Schools</i></b>	<b>\$ 205,230</b>

**The Committee concurs with the Executive's recommended adjustments for reimbursements to MCPS, which include the following adjustments:**

***Other Reimbursements to MCPS* **\$351,460****

This adjustment results from increases related to projected hours for weekend staff, "wear and tear" on facilities, and custodial supplies.

***Reimbursement to MCPS for Utility Costs* **\$162,200****

CUPF reimburses MCPS a percentage of their actual utility costs (electricity, fuel oil, natural gas, propane, water and sewage) commensurate with community use. The reimbursement formula is based on a study conducted every three years by MCPS staff which

includes reviewing square footage and hours of paid community use. The FY10 utility reimbursement represents 4.9% of actual FY08 costs.

***Reimbursements of MCPS Energy Conservation Specialist*** **-\$28,780**

CUPF has fully supported the salary and benefits for an MCPS Energy Conservation Specialist to program heat/air conditioning in the HVAC zones for weekend community use. The reduction recognizes that approximately 25% of the specialist's work is associated with MCPS activities not associated with community use.

***Reimbursements to Weekend MCPS Security Patrol Position*** **-\$42,120**

CUPF has supported one MCPS security patrol person out of a staff of three for weekend community use coverage. Because the majority of this staff person's time has been spent on MCPS related activities not associated with community use, it was determined that the position could be eliminated for a savings.

***Reduce Cost for General Wage Adjustment for MCPS Staff*** **-\$110,730**

Staff reimbursements take into account increased hours of weekend use requiring staff coverage, MCPS general wage adjustments, and MCPS labor increases. The decrease reflects the absence of a general wage adjustment for MCPS staff in the Board of Education's Recommended FY10 Operating Budget for MCPS.

***Reimbursements to MCPS for Elections*** **-\$126,800**

CUPF reimburses MCPS for building service staff coverage for elections held in schools. Funds were budgeted in FY09 to reimburse MCPS staff for the general election on November 4, 2008. There are no primary or general elections anticipated to be scheduled during FY10.

**C. PRE-FUNDING OF RETIREE HEALTH BENEFITS**

CUPF's recommended FY10 budget includes \$76,470 for the pre-funding of retiree health benefits at the same level as FY09. The Executive's recommendation to remove \$16 million from the County Government's OPEB contribution is a tax supported appropriation adjustment, and as such, does not affect the amount recommended for CUPF, which is self-supported through its Enterprise Fund.

**II. VACANCIES**

CUPF currently has three vacancies as follows:

- Program Specialist II (1.0): Responsible for coordination of child care function
- Program Manager I (1.0): Responsible for supervision of field use and government building scheduling
- Program Aide (.5): Responsible for financial transactions

CUPF reports that an MCPS employee was detailed to cover the responsibilities of the vacant Program Specialist II, and as a result, the position is being abolished for FY10 and funds are being transferred from personnel to operating.

For the Program Manager I and part time Program Aide, the Department has delegated the responsibilities of the positions to other staff and will seek to fill the positions in FY11 if funding is available.

### III. FY10 REVENUE ISSUES

The Executive FY10 budget includes revenues of \$9,116,640, an increase of \$330,710 or 3.8% from the FY09 approved budget.

(in \$000's)	FY08 Actual	FY09 Approved	FY10 CE Recommended	% Change FY09-FY10
<b>Revenues:</b>				
General User Fees	7,505,947	8,504,030	8,785,700	3.3%
Ballfields	165,336	161,900	290,940	79.7%
Investment Income	208,905	120,000	40,000	-66.7%
<b>TOTAL Revenues</b>	<b>7,880,188</b>	<b>8,785,930</b>	<b>9,116,640</b>	<b>3.8%</b>

The FY10-15 Public Services Program: Fiscal Plan attached at ©5 shows yearly general rate increases for FY11-15 between 5.7% and 10.8%. The ICB approved a 10% fee increase to be implemented during FY09 with the provision that higher and more frequent increases would be implemented as needed in order to maintain the fund balance at 10% of resources.

This chart projects the level of fee increases that would be needed to maintain the fund balance at targeted levels without County general fund contributions. The Committee was briefed on the decreasing revenue trends and their impact on the health of the CUPF enterprise fund in October 2008.

### IV. PROGRAM UPDATES

The following program highlights are presented for the Council's review:

- Hourly scheduling of school ball fields:** Hourly scheduling of school ballfield use will begin on July 1, 2009 for the summer/fall athletics season. The hourly fee will be \$3.00. CUPF has presented information on the fee change to the Montgomery County Recreation Advisory Committee, at a fall M-NCPPC Public Hearing, in ICB Quarterly Newsletters, in the fall and spring mailings to its leagues, and on the CUPF website. Information on the fee change will also be included in the next printing of the fee brochure.

- **High School Centralized Scheduling:** CUPF has completed training and is moving toward implementing centralized scheduling for the last 12 high schools in time for the fall 2009 scheduling window. The Department is early in meeting its target date for full implementation by FY11. The High School Workgroup will be convened to address concerns and seek improvements as needed.
- **Child Care Provider Selection Process:** CUPF has been implementing the ICB's policy of equal and fair access to school space by before and after school child care providers. A bidding process has been developed and is being initially implemented for 11 schools. CUPF staff, HHS child care staff, and Council staff have met to discuss problems stemming from the differing HHS and CUPF bid cycles for child care space in schools and explore how complementary bid and selection processes can be developed.
- **Use of Richard Montgomery High School (RMHS) Artificial Turf Athletic Field:** The field opened for school use in September 2008 and for community use in January 2009. Through the end of March, the field has been booked for 45 community use hours to 5 different organizations. CUPF also performed an analysis that suggested the amount of time RMHS spent on other fields fell by more than half from 267 hours in 2006 to 128 hours in 2008, making those other school fields more available for use by community groups.

# Community Use of Public Facilities

## MISSION STATEMENT

The mission of the Office of Community Use of Public Facilities (CUPF) is to maximize the community's use of schools and other public facilities and to identify and facilitate activities and programs that respond to the community's needs without disrupting the instructional program of the Montgomery County Public Schools.

## BUDGET OVERVIEW

The total recommended FY10 Operating Budget for the Office of Community Use of Public Facilities is \$9,169,440, an increase of \$78,470 or 0.9 percent from the FY09 Approved Budget of \$9,090,970. Personnel Costs comprise 24.3 percent of the budget for 25 full-time positions and two part-time positions for 24.5 workyears. Operating Expenses account for the remaining 75.7 percent of the FY10 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*
- ❖ *Children Prepared to Live and Learn*
- ❖ *Healthy and Sustainable Neighborhoods*

## DEPARTMENT PERFORMANCE MEASURES

This table presents the department's headline measures or submeasures including projections from FY09 through FY11. These estimates reflect funding based on the FY09 savings plan, the FY10 budget, and funding for comparable service levels in FY11.

Measure	Actual FY07	Actual FY08	Estimated FY09	Projected FY10	Projected FY11
<b>Program Measures</b>					
Community groups served	4,765	4,724	4,725	4,725	4,725
Hours of paid field use <sup>1</sup>	159,013	164,232	159,200	96,980	97,000
Hours of paid school use	540,649	536,442	543,800	555,430	567,500
Hours of use for government buildings <sup>2</sup>	14,222	14,250	14,250	14,250	14,250
Hours of weekday paid high school use	34,277	44,686	45,356	45,810	46,270
Number of users participating in User Education Training	727	750	750	750	750
Percentage of government building free use <sup>3</sup>	53	56	60	60	60
Percentage of hours of indoor community use that were centrally scheduled	94	92	95	97	99
Percentage of school, field, and government building users satisfied with the reservation process	96	91	96	96	96

<sup>1</sup> High school fields are excluded; 16 park-school sites scheduled by CUPF since January 1, 2007, will be returned to M-NCPPC for scheduling as of December 2008. An hourly fee will be implemented effective July 1, 2009, which is expected to reduce paid hours.

<sup>2</sup> Includes free and paid use.

<sup>3</sup> CUPF schedules free use for County departments and agencies.

## ACCOMPLISHMENTS AND INITIATIVES

- ❖ *Initiated hourly fee for reservation of school athletic fields in conjunction with M-NCPPC for local park use.*
- ❖ *Increased the number of MCPS high schools participating in weekday centralized scheduling from 4 to 13.*
- ❖ *Enhanced after-hours and weekend customer support by replacing the emergency line pager with a blackberry enabling direct staff contact; and assignment of a weekend energy conservation specialist to address air conditioning and heat issues.*
- ❖ *Revised solicitation process for before- and after-school child care programs to facilitate fair access by providers to school space and maintenance of high-quality services.*

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❖ *Collaborated with MCPS to facilitate community use of the first artificial turf field at a MCPS high school.*

❖ **Productivity Improvements**

- *Implemented the first phase of a document imaging system with tracking for before- and after-school proposals, facilitating distribution in an electronic format. Imaging of other documents will also reduce paperwork handled by staff and enhance information retrieval.*
- *Replaced eight-year old database server with newer technology to facilitate secure, around-the-clock access by schools and department staff.*
- *Implemented new functionality for on-line customers for modifying and printing facility use permits. On-line facility use requests increased by 22 percent and payment transactions by credit cards increased by 15 percent between FY07 and FY08.*

## **PROGRAM CONTACTS**

Contact Elizabeth Habermann of the Office of Community Use of Public Facilities at 240.777.2713 or Lori O'Brien of the Office of Management and Budget at 240.777.2788 for more information regarding this department's operating budget.

## **PROGRAM DESCRIPTIONS**

### ***Community Access to Public Space***

This program provides community organizations and public agencies with access to public schools and government facilities for community services, programs, and events. Services performed by staff in support of this function include: user education training; centralized scheduling of schools, libraries, Regional Service Centers, and County government meeting rooms; managing on-line customer facility requests; administering connectivity to the facility database for school and County staff; information and referral; and problem and conflict resolution. Working with MCPS staff, PTAs, and community-based committees in the implementation and review of facility use policies and procedures is an integral component of this program.

This program also provides general management and staff support to the Interagency Coordinating Board (ICB), which is CUPA policy-making authority, and its Citizens' Advisory Committee; and administration for community use operations, including financial processes and budgeting for the Community Use Enterprise Fund. The County's General Fund supports limited free use of facilities to qualifying organizations in accordance with ICB policy.

## BUDGET SUMMARY

	Actual FY08	Budget FY09	Estimated FY09	Recommended FY10	% Chg Bud/Rec
<b>COMMUNITY USE OF PUBLIC FACILITIES</b>					
<b>EXPENDITURES</b>					
Salaries and Wages	1,507,943	1,787,430	1,702,190	1,647,230	-7.8%
Employee Benefits	519,207	655,890	571,510	584,920	-10.8%
<b>Community Use of Public Facilities Personnel Costs</b>	<b>2,027,150</b>	<b>2,443,320</b>	<b>2,273,700</b>	<b>2,232,150</b>	<b>-8.6%</b>
Operating Expenses	6,282,955	6,632,350	6,551,670	6,937,290	4.6%
Capital Outlay	24,222	15,300	15,300	0	—
<b>Community Use of Public Facilities Expenditures</b>	<b>8,334,327</b>	<b>9,090,970</b>	<b>8,840,670</b>	<b>9,169,440</b>	<b>0.9%</b>
<b>PERSONNEL</b>					
Full-Time	25	26	26	25	-3.8%
Part-Time	2	2	2	2	—
Workyears	26.1	26.9	26.9	24.5	-8.9%
<b>REVENUES</b>					
General User Fees	7,505,947	8,504,030	8,625,600	8,785,700	3.3%
Ballfields	165,336	161,900	158,840	290,940	79.7%
Investment Income	208,905	120,000	50,000	40,000	-66.7%
<b>Community Use of Public Facilities Revenues</b>	<b>7,880,188</b>	<b>8,785,930</b>	<b>8,834,440</b>	<b>9,116,640</b>	<b>3.8%</b>

## FY10 RECOMMENDED CHANGES

	Expenditures	WYs
<b>COMMUNITY USE OF PUBLIC FACILITIES</b>		
<b>FY09 ORIGINAL APPROPRIATION</b>	<b>9,090,970</b>	<b>26.9</b>
<b>Other Adjustments (with no service impacts)</b>		
Increase Cost: Projected Other Reimbursements to MCPS	351,460	0.0
Increase Cost: Projected Reimbursement to MCPS for Utility Costs	162,200	0.0
Increase Cost: Annualization of FY09 Lapsed Positions	15,300	0.2
Increase Cost: Office Lease	13,500	0.0
Increase Cost: Service Increment	12,700	0.0
Increase Cost: Retirement Adjustment	6,270	0.0
Increase Cost: Customer Service Support	4,100	0.0
Increase Cost: Group Insurance Adjustment	3,740	0.0
Increase Cost: Annualization of FY09 Operating Expenses	1,850	0.0
Increase Cost: Printing and Mail Adjustments	240	0.0
Technical Adj: Move Funding for the Coordination of the Child Care Function from Personnel to Operating Expenditures	0	-1.0
Decrease Cost: Central Duplicating Deficit Recovery Charge	-330	0.0
Decrease Cost: Motor Pool Rate Adjustment	-790	0.0
Decrease Cost: Annualization of FY09 Personnel Costs	-3,340	-0.1
Decrease Cost: Elimination of One-Time Items Approved in FY09	-17,430	0.0
Decrease Cost: Retirement Incentive Program (RIP) Savings	-26,570	0.0
Decrease Cost: Reimbursement of MCPS Energy Conservation Specialist	-28,780	0.0
Decrease Cost: Reimbursement of Weekend MCPS Security Patrol Position	-42,120	0.0
Decrease Cost: Reduce Cost for General Wage Adjustment for MCPS Staff Supporting Community Use	-110,730	0.0
Decrease Cost: Reimbursent to MCPS for Elections	-126,800	0.0
Decrease Cost: Lapse Vacant Positions	-136,000	-1.5
<b>FY10 RECOMMENDED:</b>	<b>9,169,440</b>	<b>24.5</b>

## FUTURE FISCAL IMPACTS

Title	CE REC (5000's)					
	FY10	FY11	FY12	FY13	FY14	FY15
This table is intended to present significant future fiscal impacts of the department's programs.						
<b>COMMUNITY USE OF PUBLIC FACILITIES</b>						
<b>Expenditures</b>						
<b>FY10 Recommended</b>	9,169	9,169	9,169	9,169	9,169	9,169
No inflation or compensation change is included in outyear projections.						
<b>Labor Contracts</b>	0	6	6	6	6	6
These figures represent the estimated cost of service increments and associated benefits.						
<b>Centralized Scheduling of High Schools</b>	0	5	10	15	21	27
Costs are related to greater reimbursements due to increased use of centrally scheduled high schools.						
<b>Elections</b>	0	283	151	158	0	342
Costs vary with the election cycle and with the mix of schools within which elections are held.						
<b>Increase in Other MCPS Reimbursable Costs</b>	0	338	643	984	1,350	1,742
Reimbursements to MCPS for staff, maintenance, and supplies will be periodically adjusted to reflect increases in those costs.						
<b>Increase in Utility Reimbursements to MCPS</b>	0	197	418	659	923	1,215
These amounts reflect the projected future cost of reimbursing MCPS for utilities.						
<b>Office Lease</b>	0	14	26	39	51	65
CUPF is housed in a non-County building and pays an annual increase for its lease and a share of real estate assessments.						
<b>Retiree Health Insurance Pre-Funding</b>	0	101	151	163	175	187
These figures represent the estimated cost of the multi-year plan to pre-fund retiree health insurance costs for the County's workforce.						
<b>Subtotal Expenditures</b>	<b>9,169</b>	<b>10,113</b>	<b>10,575</b>	<b>11,194</b>	<b>11,697</b>	<b>12,753</b>

FY10-15 PUBLIC SERVICES PROGRAM- FISCAL PLAN		COMMUNITY USE OF PUBLIC FACILITIES					
FISCAL PROJECTIONS	FY09 ESTIMATE	FY10 REC	FY11 PROJECTION	FY12 PROJECTION	FY13 PROJECTION	FY14 PROJECTION	FY15 PROJECTION
<b>ASSUMPTIONS</b>							
Indirect Cost Rate	12.88%	13.73%	13.73%	13.73%	13.73%	13.73%	13.73%
CPI (Fiscal Year)	4.1%	3.3%	2.8%	2.5%	2.5%	2.5%	2.5%
Investment Income Yield	1.3%	1.1%	1.7%	2.6%	2.8%	3.1%	3.4%
General Rate Increases	0.0%	0.0%	10.8%	6.6%	5.7%	5.7%	6.4%
<b>BEGINNING FUND BALANCE</b>	<b>1,875,900</b>	<b>1,650,790</b>	<b>1,200,690</b>	<b>1,129,130</b>	<b>1,170,860</b>	<b>1,239,330</b>	<b>1,299,840</b>
<b>REVENUES</b>							
Charges For Services	8,784,440	9,076,640	10,033,650	10,683,610	11,282,760	11,915,830	12,665,880
Miscellaneous	50,000	40,000	60,000	100,000	110,000	130,000	150,000
<b>Subtotal Revenues</b>	<b>8,834,440</b>	<b>9,116,640</b>	<b>10,093,650</b>	<b>10,783,610</b>	<b>11,392,760</b>	<b>12,045,830</b>	<b>12,815,880</b>
<b>INTERFUND TRANSFERS (Net Non-CIP)</b>							
Transfers To The General Fund	(370,740)	(371,750)	(359,630)	(342,510)	(313,800)	(313,800)	(313,800)
Indirect Costs	(314,700)	(306,470)	(306,470)	(306,470)	(306,470)	(306,470)	(306,470)
Technology Modernization	(48,710)	(57,950)	(45,830)	(28,710)	0	0	0
Transfers From The General Fund	151,860	25,000	307,800	175,950	183,100	25,000	366,500
Elections	126,860	0	282,800	150,950	158,100	0	341,500
Free Use	25,000	25,000	25,000	25,000	25,000	25,000	25,000
<b>TOTAL RESOURCES</b>	<b>10,491,460</b>	<b>10,420,680</b>	<b>11,242,510</b>	<b>11,746,180</b>	<b>12,432,920</b>	<b>12,996,360</b>	<b>14,168,420</b>
<b>PSP OPER. BUDGET APPROP/ EXP'S.</b>							
Operating Budget	(8,840,670)	(9,169,440)	(9,169,440)	(9,169,440)	(9,169,440)	(9,169,440)	(9,169,440)
Retiree Health Insurance Pre-Funding	n/a	n/a	(101,020)	(151,490)	(162,880)	(174,850)	(187,420)
Centralized Scheduling of High Schools	n/a	n/a	(4,850)	(9,980)	(15,430)	(21,200)	(27,310)
Elections	n/a	n/a	(282,800)	(150,950)	(158,100)	0	(341,500)
Increase Utility Reimbursement to MCPS	n/a	n/a	(197,120)	(417,870)	(658,640)	(923,490)	(1,214,830)
Labor Contracts	n/a	n/a	(6,260)	(6,260)	(6,260)	(6,260)	(6,260)
Office Lease	n/a	n/a	(14,180)	(26,120)	(38,550)	(51,470)	(64,900)
Other Increases in Reimbursements to MCPS	n/a	n/a	(337,710)	(643,210)	(984,290)	(1,349,810)	(1,741,600)
<b>Subtotal PSP Oper Budget Approp / Exp's</b>	<b>(8,840,670)</b>	<b>(9,169,440)</b>	<b>(10,113,380)</b>	<b>(10,575,320)</b>	<b>(11,193,590)</b>	<b>(11,696,520)</b>	<b>(12,753,260)</b>
<b>OTHER CLAIMS ON FUND BALANCE</b>	<b>0</b>	<b>(50,550)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>TOTAL USE OF RESOURCES</b>	<b>(8,840,670)</b>	<b>(9,219,990)</b>	<b>(10,113,380)</b>	<b>(10,575,320)</b>	<b>(11,193,590)</b>	<b>(11,696,520)</b>	<b>(12,753,260)</b>
<b>YEAR END FUND BALANCE</b>	<b>1,650,790</b>	<b>1,200,690</b>	<b>1,129,130</b>	<b>1,170,860</b>	<b>1,239,330</b>	<b>1,299,840</b>	<b>1,415,160</b>
<b>END-OF-YEAR RESERVES AS A PERCENT OF RESOURCES</b>	<b>15.7%</b>	<b>11.5%</b>	<b>10.0%</b>	<b>10.0%</b>	<b>10.0%</b>	<b>10.0%</b>	<b>10.0%</b>

**Assumptions:**

1. The table reflects, for purposes of analysis only, general rate increases in FY11, FY12, FY13, FY14, and FY15. The ICB must review and approve any actual increase.
2. Changes in interfund transfers reflect the election cycle, receipts from the General Fund to offset the cost of free use and unpermitted field use, and technology modernization costs.
3. The labor contract with the Municipal and County Government Employees Organization Local 1994 expires at the end of FY10.

**Notes:**

1. The fund balance is calculated on a net assets basis.
2. Fees and activity levels are adjusted to fund the approved service program and maintain an ending fund balance target of at least 10% of resources.
3. These projections are based on the Executive's Recommended budget and include the revenue and resource assumptions of that budget. The projected future expenditures, revenues, and fund balances may vary based on changes not assumed here to fee or tax rates, usage, inflation, future labor agreements, and other factors not assumed here.

- **The Fiscal Plan reflects general rate increases for FY11-FY15 shows rate increases yearly between 5.7% and 10.8%. Has the ICB discussed increases for specific fiscal years needed to maintain a 10% fund balance? Does the Department anticipate that fees will increase by 10.8% in FY11 and 6.6% in FY12?**

The status of the fund balance is discussed at each quarterly ICB meeting. In FY06, the ICB agreed to implement a fee increase every 2 years. A 5% fee increase approved during FY07 for implementation in FY08 was delayed for one year in view of a healthy fund balance and strong revenue trend in FY07. However, during FY08, the pattern and number of paid use hours changed. This trend accompanied increases in MCPS staff and utility costs reimbursements.

The ICB approved a 10% fee increase to be implemented during FY09 during its December 2008 meeting, with the provision that higher and more frequent increases would be implemented as needed as a strategy to maintain the fund balance at 10% of resources. The amounts in the Fiscal Plan represent the increases needed to maintain the balance at the 10% of resources requirement. The ICB will discuss and approve the specific increase to be implemented during FY11 once the FY09 final revenue and cost figures are available. Annual increases of approximately 10% over the next few years are under consideration.

In addition to providing detailed information to the ICB, the chairman of the ICB and CUPF staff met with the Council Education Committee to discuss the current use trends, increasing operating costs, and impact on the fund balance.

- **Please explain and quantify the reimbursements included in the “Projected Other Reimbursement to MCPS.”**

Projected Other Reimbursements to MCPS includes:

	FY09 Budget	FY10 FFI	FY10 CE Request With savings Plan
MCPS Staff Costs	3,226,490	\$ 3,749,250	\$ 3,502,420
Wear & Tear Maintenance	723,330	701,350	\$ 705,500
Custodial Supplies	214,000	210,000	\$ 210,500
	<u>\$ 4,163,820</u>	<u>\$ 4,660,600</u>	<u>\$ 4,418,420.00</u>

The FY10 request includes elimination of the FY10 GWA for MCPS employees, elimination of reimbursement for MCPS weekend security patrol worker, shared cost of the Energy Conservation Specialist position. Reimbursements based on paid hours of use (maintenance and custodial supplies) originally projected to increase based on trends during FY07 were modified to reflect changing use trends during FY08.

- **Why is there no adjustment for the pre-funding of retiree health benefits as in the previous year?**

CUPF's FY10 contribution to the pre-funding of the retiree health benefit will not increase from the FY09 amount of \$76,470. The County Executive is recommending a change to mitigate the impact to the overall budget.

- **What accounts for the difference in reimbursements as submitted by the Department to OMB and what is reflected in the Executive's recommended budget (e.g., utility costs)?**

Since FY2007 CUPF has reimbursed MCPS a percentage of their actual utility costs (electricity, fuel oil, natural gas, propane, water and sewage) commensurate with community use. The reimbursement formula is based on a study conducted every three years by MCPS staff which includes reviewing square footage and hours of paid community use. When MCPS's closing year's utility costs are available (usually by late October), CUPF calculates its share and budgets reimbursement in the upcoming fiscal year. The FY10 utility reimbursement represents 4.9% of actual FY08 costs.

CUPF bases its Future Fiscal Impact (FFI) request by reviewing MCPS projected year-end expenses after their 3<sup>rd</sup> quarter analysis, as provided by MCPS. CUPF projected a need to budget \$1,995,470 in the FY10 FFI based on the information provided. However, when the actual data became available, MCPS reported lower than projected expenses. CUPF reflected this change in the budget request of \$1,971,170.

- **Please explain what the Customer Service Support increase of \$4,100 is for.**

The ICB adopted a resolution last year to institute re-consideration of before and after school child care vendor placements on a 5 year cycle. The goal was to increase access for new and minority vendors as well as facilitate selection of quality, competitively priced and responsive vendors. An additional \$1,250 is requested for advertisement of bid requests in the local newspaper.

The balance, \$2,850, is to fund additional communication services that support community use. This includes an additional telephone for after-hours and weekend on-call/emergency use and increased costs of the in-school security paging system.

- **Please explain why the Department moving funding for coordination of child care function from personnel to operating.**

The original incumbent of the position being moved was a County employee. As a reasonable accommodation under ADA the employee was assigned to another department. When CUPF was directed by OHR not to fill the vacancy, a MCPS

employee was detailed to cover the function. During the course of this assignment the MCPS employee developed a high level of expertise and created a communication network among the elementary schools and provider community. To maintain the quality and continuity of the program the department has retained the MCPS employee. The re-allocation of funding from personnel to operating aligns the costs with actual operations.

- **Please explain the changes in work years and their associated impact for the annualization of lapsed positions, annualization of FY09 personnel costs and lapse vacant positions line items.**

Two positions (-1.5 WY) are being lapsed during FY10 as a part of the saving plan:

Program Aide, part time (-0.5 WY) grade 14

- Annualization of FY09 personnel costs results in a -0.1 workyear and a -\$3,340 change.

Program Manager I, full time (-1.0 WY) grade 23

- Annualization of FY09 lapsed position results in a +0.2 workyear and a +\$15,300 change.

FY10 lapsed vacant positions result in a -1.5 workyear and a -\$136,000 change (1.0 full-time position workyear and 0.5 part-time position workyear)

Changes in workyears for the annualization of lapsed positions: The 1.5 lapsed positions are treated, at this point, as a one-time reduction. In FY11, if funding is available, full funding for the two vacant positions (1.5 workyears) will be restored.

- **When will hourly scheduling of school ball fields begin (summer/fall?)**

An hourly ball field fee of \$3.00 per hour will begin 7/1/09 for the summer/fall athletic season. In addition to discussing the fee change with the Montgomery County Recreation Advisory Committee and presentation by CUPF staff during the M-NCPPC Public Hearing, this past fall, the fee increase has also announced in ICB Quarterly Newsletters and the fall and spring mailing to our leagues. It is being advertised on our web page and will be in the next printing of the fee brochure.

- **What are the current vacancies for the office?**

The following position was abolished in the FY10 budget:

Program Specialist II, Grade 21- see above discussion of before and after school child care program

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The following positions will be lapsed until the revenue projections indicate sustainability:

Program Aide, part time grade 14 – responsible for financial transactions  
Program Manager I, full time grade 23- responsible for supervision of field use and government building scheduling.

Responsibilities have been delegated to other staff

- **How much was budgeted for Personnel in FY08, and what were the actual personnel costs in FY08?**

Original FY08 Budget \$2,166,120  
Final Revised\* FY08 Budget: \$2,040,363  
Actual FY08 Personnel costs = \$ 2,027,150

\*Funds were transferred to operating by BE to cover:

- Reimbursement to MCPS for costs of before and after school child care coordination
- Unanticipated contribution for pre-funding of retiree health benefits

Vacancies were lapsed to accommodate lower revenue returns.

- **How much of CUPF's FY10 operating expenses are projected to be used to reimburse MCPS?**

69.7% of CUPF's FY10 budget will be used to reimburse MCPS for direct costs:

MCPS Staff Costs	\$3,502,420
Utilities	1,971,170
Maintenance Awards	705,500
Custodial Supplies	210,500
<b>Total direct reimbursements to MCPS</b>	<b>\$6,389,590</b>