
THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION



COMPREHENSIVE ANNUAL FINANCIAL REPORT
For The Fiscal Year Ended June 30,
1997

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
AND ANNUAL REPORT
of**

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

For the Fiscal Year Ended June 30, 1997

Commissioners

William H. Hussmann, Chairman of the Commission
Elizabeth M. Hewlett, Vice-Chairman of the Commission
Patricia S. Baptiste
Dr. Zola E. Boone
James M. Brown
Roy I. Dabney
Arthur Holmes, Jr.
Regina J. McNeill
Davis M. Richardson

Officers

Trudye M. Johnson, Executive Director
A. Edward Navarre, Secretary-Treasurer
Isaac M. Marks, Acting General Counsel

Department Directors

Rodney Irwin, Montgomery County Director of Park and Planning

Dr. Fern V. Piret, Prince George's County Director of Planning
Mary H. Godfrey, Prince George's County Director of Parks and Recreation

Trudye M. Johnson, Department of Human Resources and Management
A. Edward Navarre, Department of Finance
Isaac M. Marks, Legal Department

Prepared by the Department of Finance

A. Edward Navarre, Secretary-Treasurer

Finance Managers

<p style="text-align: center;">Patricia A. Colihan, Office of the Secretary-Treasurer</p> <p>John M. Heater, Accounting & Purchasing Vivian A. Calkins-McGettigan, Accounting Larry S. Ibanez, Accounting Robert A. Seubert, Accounting</p>	<p>Philip Litman, Internal Audit Keith R. Phillip, Cash Management Richard J. Osuri, Computer Services Jack K. Roof, Systems & Procedures</p>
---	---

T A B L E O F C O N T E N T S

	Page
Title Page	1
Table of Contents	2
 PART I - INTRODUCTORY SECTION	
Letter of Transmittal	5
Certificate of Achievement	13
Commission Background and Organization	14
Program Highlights	17
 PART IIA - FINANCIAL SECTION	
<u>General Purpose Financial Statements:</u>	
Auditors' Report	26
Exhibit Combined Statements - Overview	
1 Combined Balance Sheet - ALL FUND TYPES AND ACCOUNT GROUPS	27
2 Combined Statement of Revenues, Expenditures, and Changes in Fund Balances - ALL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUNDS	28
3 Combined Statement of Revenues, Expenditures/Encumbrances, and Changes in Fund Balances - Budget (Non-GAAP Budgetary Basis) and Actual - GENERAL FUND	29
4 Combined Statement of Revenues, Expenses, and Changes In Retained Earnings/Fund Balances - ALL PROPRIETARY FUND TYPES AND SIMILAR TRUST FUNDS	30
5 Combined Statement of Cash Flows - ALL PROPRIETARY FUND TYPES	31
6 Statement of Plan Net Assets and Statement of Changes in Plan Net Assets - PENSION TRUST FUND	32
Notes to Financial Statements	33
 PART IIB - FINANCIAL SECTION	
<u>Combining Individual Fund and Account Group Statements and Schedules:</u>	
<u>Governmental Funds</u>	
<u>General Fund</u>	
A-1 Schedule of Assets, Liabilities and Fund Balance	66
A-2 Schedule of Revenues, Expenditures, and Changes in Fund Balance	67
A-3 Comparative Schedule of Revenues, Expenditures/Encumbrances, and Changes in Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual -	
Montgomery County Administration Account	68
Montgomery County Park Account	69
Prince George's County Administration Account	70
Prince George's County Park Account	71
Prince George's County Recreation Account	72
 <u>Debt Service Funds</u>	
B-1 Combining Balance Sheet	74
B-2 Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	75
 <u>Capital Projects Funds</u>	
C-1 Combining Balance Sheet	77
C-2 Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	78

Proprietary Funds - Enterprise

D-1	Combining Balance Sheet	80
D-2	Combining Statement of Revenues, Expenses, and Changes in Retained Earnings	81
D-3	Combining Statement of Cash Flows	82

Proprietary Funds - Internal Service

E-1	Combining Balance Sheet	84
E-2	Combining Statement of Revenues, Expenses, and Changes in Retained Earnings	85
E-3	Combining Statement of Cash Flows	86

Fiduciary Funds

F-1	Combining Balance Sheet	88
F-2	Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - EXPENDABLE TRUST FUNDS	89
F-3	Combining Statements of Changes in Assets and Liabilities - AGENCY FUNDS	90

General Account Group

G-1	Schedule of General Fixed Assets - By Sources	92
G-2	Schedule of General Fixed Assets - By Function and Activity	93
G-3	Schedule of Changes in General Fixed Assets - By Function and Activity	94

PART III - STATISTICAL SECTIONTable

T-1	General Governmental Expenditures by Function - Last Ten Fiscal Years	96
T-2	General Revenues by Source - Last Ten Fiscal Years	97
T-3	Property Tax Levies and Collections - Last Ten Fiscal Years	98
T-4	Assessed and Estimated Actual Value of Taxable Property - Last Ten Fiscal Years	99
T-5	Property Tax Rates - Direct and Overlapping Governments - Last Ten Fiscal Years	100
T-6	Ratio of Net General Obligation Bonded Debt to Assessed Value and Net General Obligation Bonded Debt Per Capita - Last Ten Fiscal Years	101
T-7	Computation of Legal Debt Margin	102
T-8	Computation of Direct and Overlapping Debt	103
T-9	Demographic Statistics - Last Ten Fiscal Years	104
T-10	Ratio of Annual Debt Service Expenditures for General Obligation Bonded Debt to Total General Expenditures - Last Ten Fiscal Years	105
T-11	Property Value, Construction, and Bank Deposits - Last Ten Fiscal Years	106
T-12	Principal Taxpayers	107
T-13	Schedule of Insurance in Force	108
T-14	Supplemental Enterprise Information	109
	Photo Index	110

♦ PART I ♦
INTRODUCTORY SECTION



The Lodge at Little Seneca Creek has become an ideal location for meetings and social gatherings in the up-county area



THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION
6611 Kenilworth Avenue • Riverdale, Maryland 20737

September 26, 1997

Commissioners:

The Comprehensive Annual Financial Report of The Maryland-National Capital Park and Planning Commission for the fiscal year ended June 30, 1997 is hereby submitted. This Report was prepared by the Commission's Finance Department. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the Commission. We believe the data, as presented, is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various Funds and Account Groups of the Commission. All disclosures necessary to enable the reader to gain an understanding of the Commission's financial activities have been included. This Report has been prepared in accordance with the provisions of Article 28, Sections 2-113 and 7-107, of the Annotated Code of Maryland.

The Comprehensive Annual Financial Report is presented in three sections: Introductory, Financial and Statistical. The Introductory Section includes this transmittal letter, the Commission's background and organization, and the Commission's program highlights. The Financial Section includes the General Purpose Financial Statements, and the combining and individual fund and account group financial statements and schedules, as well as the auditors' report on the financial statements and schedules. The Statistical Section includes selected financial and demographic information, generally presented on a multiyear basis.

The Commission is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1996, as revised and U.S. Office of Management and Budget Circular A-133, **Audits of States, Local Governments, and Non-Profit Organizations**. Information related to this single audit, including the schedule of Federal financial assistance, findings and recommendations, and auditors' reports on the internal control structure and compliance with applicable laws and regulations, which are contained in a separate report, is available from the Office of the Secretary-Treasurer.

The Reporting Entity and Its Services

The Maryland-National Capital Park and Planning Commission is a body corporate of the State of Maryland established by the Maryland General Assembly in 1927. The Commission is a bi-county agency serving both Montgomery and Prince George's Counties. It is empowered to acquire, develop, maintain and administer a regional system of parks in the defined Metropolitan District in Montgomery and Prince George's Counties, and to prepare and administer a general plan for the physical development of a defined Regional District for the two Counties. The Commission also conducts the recreation program for Prince George's County.

This Report includes all Funds and Account Groups of the Commission. Exhibits 1 to 6 present aggregate data for the Commission in total by fund type and account group, including the Commission's Employees' Retirement System. Separate financial data pertaining to Montgomery County and Prince George's County, respectively, are set forth in the Notes to Financial Statements.

Exhibits 1 to 6 and the Notes to Financial Statements comprise the General Purpose Financial Statements, which include all the data essential for a fair presentation of the Commission's financial position and operating results. The General Purpose Financial Statements are prepared in conformance with the generally accepted accounting principles as applicable to state and local government entities promulgated by the Governmental Accounting Standards Board and the American Institute of Certified Public Accountants and, pursuant to Article 28, Section 2-113, have been audited by a public accounting firm selected by the Commission. The Arthur Andersen LLP auditors' report is included in the Financial Section of this Report. The General Purpose Financial Statements may be issued separately from the Comprehensive Annual Financial Report.

Economic Condition and Outlook

The Commission's economic condition and outlook for the future continue to be positive due to two factors. First, at year-end, the Commission has a budget basis fund balance in the General Fund of \$46,903,000. Of this amount, \$6,494,000 is designated to fund fiscal year 1998 and \$4,886,000 (approximating 3.3% of the General Fund budget for fiscal year 1998) is designated for unforeseen circumstances. Second, property taxes, which are expected to continue to be a stable source of revenue, with at least moderate growth, constitute over 92% of the Commission's General Fund Revenues. The assessed value of all taxable real property has continued to grow modestly, increasing by 2.1% in Montgomery County and by 1.0% in Prince George's County in fiscal year 1997. The Commission's planning and zoning activity remained strong in both Counties, signaling a positive growth trend. The Prince George's County outlook includes the expected favorable impact of the relocation of the Washington Redskins to a new stadium in the County and the construction of the multimillion dollar Sports and Learning Complex. Unique to the County and the region, the 80-acre site will house indoor and outdoor facilities. Plans include a 50-meter Olympic pool, track and field facilities and tennis and basketball courts. The Montgomery and Prince George's unemployment rates were 2.4% and 4.6% respectively, in comparison to the 5.1% State-wide and 5.2% national unemployment rates.

The Commission's excellent financial position and continued emphasis on administrative and financial management, and financial systems provide a solid foundation to respond to the continuing challenge to provide enhanced public services at an economical cost.

Major Initiatives

The Commission enjoyed an excellent program year in fiscal year 1997. The major accomplishments of the Commission are set forth in the Program Highlights section of this Report.

Financial Information

Management of the Commission is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the Commission are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived and (2) the valuation of costs and benefits requires estimates and judgments by management.

Single Audit. As a recipient of Federal, State and County financial assistance, the Commission also is responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is subject to periodic evaluation by management and the internal audit staff of the Commission.

As a part of the Commission's single audit, described earlier, tests are made to determine the adequacy of the internal control structure, including that portion related to Federal financial assistance programs, as well as to determine that the Commission has complied with applicable laws and regulations. The results of the Commission's single audit for the fiscal year ended June 30, 1997, provided no instances of material weaknesses in the internal control structure or significant violations of applicable laws and regulations.

Budgeting Controls. The Commission maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Montgomery County and Prince George's County governments. Activities of the General Fund which include a transfer for debt service expenditures are included in the annual appropriated budget. Project length financial plans are adopted for the Capital Projects Funds. The level of budgetary control (the level at which expenditures cannot legally exceed the appropriated amount) is established within each individual Fund.

The Commission's accounting records for its general governmental operations including park operation and maintenance, recreation (Prince George's County only), planning and zoning, administration, debt service, and capital projects are maintained on a modified accrual basis, with the revenue being recorded when available and measurable. Expenditures are

recorded when the services or goods are received, or, under the encumbrance system, which is used in the budget preparation and control process, when a purchase order or contract has been issued. The accounting records for the Commission's Enterprise Funds, Internal Service Funds, and Employees' Retirement System are maintained on the accrual basis.

The Commission maintains an internal auditing staff that reports to the Secretary-Treasurer. This staff performs recurring audits throughout the Commission's offices and facilities. During the fiscal year ended June 30, 1997, a total of 194 audits were performed.

All internal control evaluations occur within the above framework. We believe that the Commission's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

General Government Activities - General Fund (Exhibits A-1, A-2 and A-3)

The Commission's park, recreation, planning and general administrative functions are financed primarily by five legally designated property taxes that must be levied on a separate County basis. These functions are accounted for in accounts within the General Fund.

The Commission experienced a favorable budget to actual variance of \$9,251,000. In Montgomery County, the positive variance of the Administration and Park Accounts was primarily a result of expenditure savings. The variance, totaling \$466,000 together with July 1, 1997 undesignated fund balances, resulted in budget basis fund balances at June 30, 1997 totaling \$2,698,000. The fiscal year 1998 budget was adopted with a funding source from fiscal year 1997 of \$740,000 for fiscal year 1998 expenditures, and a fiscal year 1998 funding source of \$1,490,000 for unforeseen circumstances approximating 2.7% of the fiscal year 1998 operating budget. The remaining \$468,000 is undesignated as of June 30, 1997.

In Prince George's County, the \$8,785,000 positive variance of the Administration, Park and Recreation Accounts was largely a result of property taxes that exceeded the budget by \$1,233,000, interest earnings that exceeded the budget by \$1,487,000, expenditure savings of \$4,312,000, and favorable results from other financing sources (uses) consisting of \$209,000 of interest earned on capital project fund cash balances and debt service savings net of other transfers out of \$1,176,000. The variance, together with July 1, 1996 undesignated fund balances, resulted in budget basis fund balances at June 30, 1997 totaling \$44,205,000. The fiscal year 1998 budget was adopted with a funding source from fiscal year 1997 of \$5,754,000 for fiscal year 1998 expenditures, \$3,395,000 for unforeseen circumstances (approximating 3.6% of the fiscal year 1998 operating budget), and \$18,875,000 for the operating costs of future facilities. The remaining \$16,181,000 is undesignated as of June 30, 1997. Prince George's County fund balances reflect the plan to stabilize property tax rates at the 1993 rate for six years by utilizing reserves accumulated to offset future tax rate increases.

Comparative summaries of the Montgomery County Administration and Park Accounts and Prince George's County Administration, Park and Recreation Accounts on the Commission's budget basis, before debt service and other financing sources and uses, are as follows (\$000's).

<u>MONTGOMERY COUNTY</u>	<u>Actual</u> <u>FY97</u>	<u>Actual</u> <u>FY96</u>	<u>Increase (Decrease)</u>	
			<u>Amount</u>	<u>Percent</u>
Revenue Source -				
Property Taxes	\$56,405	\$52,742	\$ 3,663	6.9%
Intergovernmental	604	473	131	27.7
Charges for Services	1,691	1,702	(11)	(0.6)
Interest Earnings	684	810	(126)	15.6
Other	124	113	11	9.7
County Total	<u>\$59,508</u>	<u>\$55,840</u>	<u>\$ 3,668</u>	<u>6.6</u>
Expenditure Classification -				
Personal Services	\$41,820	\$40,529	\$ 1,291	3.2%
Supplies, Materials, Other				
Services and Charges	13,132	12,095	1,037	8.6
Capital Outlay	702	1,121	(419)	(37.4)
County Total	<u>\$55,654</u>	<u>\$53,745</u>	<u>\$ 1,909</u>	<u>3.6 %</u>

<u>PRINCE GEORGE'S COUNTY</u>	Actual	Actual	<u>Increase (Decrease)</u>	
	<u>FY97</u>	<u>FY96</u>	<u>Amount</u>	<u>Percent</u>
Revenue Source -				
Property Taxes	\$ 95,784	\$ 93,833	\$ 1,951	2.1%
Intergovernmental	507	530	(23)	(4.3)
Charges for Services	6,778	6,081	697	11.5
Interest Earnings	3,167	2,727	440	16.1
Other	262	321	(59)	(18.4)
County Total	<u>\$106,498</u>	<u>\$103,492</u>	<u>\$ 3,006</u>	<u>2.9%</u>
Expenditure Classification -				
Personal Services	\$ 59,519	\$ 57,462	\$ 2,057	3.6%
Supplies, Materials, Other Services and Charges	25,309	24,738	571	2.3
Capital Outlay	1,905	3,028	(1,123)	(37.1)
County Total	<u>\$ 86,733</u>	<u>\$ 85,228</u>	<u>\$ 1,505</u>	<u>1.8%</u>

The property tax revenue increase in Montgomery County resulted from an increase in the applicable tax rate from 20.70 cents per \$100 of assessable valuation to 21.70 cents (4.8%), and a moderate increase in the total assessable base of 2.8%. The increase in Prince George's County property tax revenue resulted primarily from a 1.9% growth in the total assessable base. The applicable tax rate of 60.38 cents was unchanged. Total interest earnings increased from \$3,537,000 to \$3,851,000 reflecting higher cash and investment balances in Prince George's County throughout fiscal year 1997.

Personal services reflect a change in the work week from 37.5 hours to 40 hours, effective July 1, 1996, which resulted in a 6.67% increase for Commission employees, and was offset by a budgeted decrease of 12.3 work years in Montgomery County and a budgeted decrease of 28.1 work years in Prince George's County.

Debt Administration - Debt Service Funds (Exhibits B-1 and B-2)

The Commission's outstanding general obligation bond issues totaling \$142,520,000 and the related debt service requirements to maturity are set forth in Note 10 of the Notes to Financial Statements.

The Commission's general obligation bonds are unconditionally guaranteed by the County for which issued. Debt service expenditures for general obligation bonds totaled \$13,208,000 (Montgomery - \$4,181,000, Prince George's - \$9,027,000) for the fiscal year.

Of the outstanding debt, park acquisition and development bonds totaled \$132,280,000 at June 30, 1997, and the related debt service expenditures were \$11,700,000 for fiscal year 1997. The Commission's Metropolitan District (Park) tax includes a mandatory tax for debt service for park acquisition and development bonds of nine cents in Montgomery County and ten cents in Prince George's County. Debt service payments for these bonds approximated 1.2 cents of the mandatory debt service tax proceeds for Montgomery County and 5.5 cents for Prince George's County. The remainder of the proceeds of the mandatory taxes was used for park operation and maintenance expenditures in the respective Counties.

The Commission issued \$33,000,000 of Prince George's County Park Acquisition and Development Bonds, Series T-2, dated January 15, 1997, at an effective interest rate of 5.39%. Please refer to the Notes to the Financial Statements, Note 10, Long-Term Debt, for additional information.

The Commission's outstanding general obligation bonds continue to have favorable ratings as follows.

	<u>Moody's Investors Services, Inc.</u>	<u>Standard & Poor's Corporation</u>	<u>Fitch</u>
Montgomery County	Aaa	AAA	---
Prince George's County	Aa2	AA	AA

Capital Improvements - Capital Projects Funds (Exhibits C-1 and 2)

Proceeds of general obligation Park Bond issues are accounted for in Capital Projects Funds until the projects are completed. Completed projects and construction in progress at year-end are capitalized in the General Fixed Assets Account Group. During fiscal year 1997, projects totaling \$14,460,000 were completed.

Montgomery County authorized projects totaling \$22,306,000 in fiscal year 1997 and \$10,217,000 in fiscal year 1996. Of the 1997 projects, \$5,433,000 is for local park acquisition and development, which are to be funded by the Commission and other sources. The remaining projects are for nonlocal parks, which are funded primarily by the Montgomery County Government and the Montgomery County enterprise facilities, which will be funded from enterprise operations.

Prince George's County authorized projects totaling \$59,614,000 in fiscal year 1997 and \$27,512,000 in fiscal year 1996. The major effort initiated in 1986 to enhance available public recreational facilities has continued.

Financial activity for 1997 and 1996 is summarized as follows (\$000's).

	Montgomery County		Prince George's County	
	<u>FY 1997</u>	<u>FY 1996</u>	<u>FY 1997</u>	<u>FY 1996</u>
Proceeds of General Obligation Bonds	\$ --	\$ --	\$33,000	\$ --
Intergovernmental Revenues -				
Federal	264	546	1,987	--
Maryland Program Open Space	1,870	505	2,622	1,277
County	3,918	3,130	244	126
Local	--	770	--	--
Total	<u>6,052</u>	<u>4,951</u>	<u>37,853</u>	<u>1,403</u>
Transfers In -				
General Fund	732	678	878	127
Trust Fund	1,015	79	815	8
Debt Service Fund	--	--	--	21
Internal Service Fund	--	--	500	--
Sale of Land	--	10	4,134	--
Other Revenues	37	--	1,406	688
Total	<u>1,784</u>	<u>767</u>	<u>7,733</u>	<u>844</u>
Expenditures and Other -				
Acquisition	504	372	1,135	769
Development	11,815	5,668	13,016	11,822
Total	<u>12,319</u>	<u>6,040</u>	<u>14,151</u>	<u>12,591</u>
Authorized and Funded Projects	<u>3,746</u>	<u>8,230</u>	<u>34,258</u>	<u>2,822</u>
Working Capital	<u>3,746</u>	<u>8,230</u>	<u>34,258</u>	<u>2,822</u>

**Self-Supporting Recreational and Cultural Facilities -Enterprise Funds
(Exhibits D-1, D-2, and D-3)**

The Commission has determined that certain recreational and cultural facilities should be predominantly self-supporting through user fees. Enterprise Fund accounting and reporting is used to emphasize the self-supporting nature of these activities and to provide improved cost accounting information. Enterprise Fund accounting, which is on a commercial accounting accrual basis, more accurately reflects whether individual facilities return the full cost of the program.

One Enterprise Fund has been established in each County to account for the various facilities. Separate cost centers are maintained for each major type of facility including an historical airport, ice rinks, golf courses, enclosed tennis courts, conference centers, an equestrian center/multipurpose arena, a sport center (trap and skeet range), certain regional park facilities, and a marina.

The Commission's objective is that user fees and operating transfers in (subsidies) for all facilities cover operating expenses, excluding depreciation, but including payments for capital outlay. The Montgomery County Enterprise Fund fell short of the goal by approximately \$697,000 after operating transfers of \$86,000, as capital outlay and major golf course improvements totaling \$2,392,000 were made in fiscal year 1997. The Prince George's County Enterprise Fund exceeded the goal by \$321,000 after capital outlay of \$198,000 and operating transfers in of \$2,330,000.

Summary comparative results of the financial operations of the Enterprise Funds for fiscal years 1997 and 1996 follow (\$000's).

	Montgomery County		Prince George's County	
	FY 1997	FY 1996	FY 1997	FY 1996
Operating Revenues	\$10,202	\$9,759	\$ 5,108	\$ 4,831
Operating Expenses				
Excluding Depreciation	<u>8,593</u>	<u>8,057</u>	<u>6,919</u>	<u>7,048</u>
Operating Income (Loss)				
Excluding Depreciation	1,609	1,702	(1,811)	(2,217)
Depreciation	<u>754</u>	<u>650</u>	<u>1,016</u>	<u>1,001</u>
Operating Income (Loss)	<u>\$ 855</u>	<u>\$1,052</u>	<u>\$ (2,827)</u>	<u>\$ (3,218)</u>

Comparative Montgomery County key data are as follows.

Facility	Revenues		Operating Income (Loss) Excluding Depreciation	
	FY 1997	FY 1996	FY 1997	FY 1996
Conference Centers	\$ 458,268	\$ 415,998	\$ (210,289)	\$ (193,120)
Golf Courses	5,835,037	5,462,854	1,195,677	1,100,139
Ice Rinks	2,008,662	2,161,377	(5,734)	248,734
Indoor Tennis	973,789	873,889	367,351	343,598
Park Facilities	<u>926,227</u>	<u>845,010</u>	<u>262,161</u>	<u>202,998</u>
TOTAL	<u>\$10,201,983</u>	<u>\$9,759,128</u>	<u>\$1,609,166</u>	<u>\$1,702,349</u>

The Montgomery County facilities' operating income excluding depreciation decreased \$93,000 (5.5%) due primarily to lost revenue to a new competing rink and an increased level of maintenance to retain clientele at the ice rinks. Overall revenues increased by \$442,855 (4.5%), which was primarily due to increased play at the golf courses due to better weather than last year.

Comparative Prince George's key data are as follows.

Facility	Revenues		Operating Income (Loss) Excluding Depreciation	
	FY 1997	FY 1996	FY 1997	FY 1996
Airport	\$ 270,117	\$ 275,840	\$ (235,880)	\$ (247,849)
Equestrian Center/Multipurpose Arena	994,418	795,944	(1,067,024)	(1,560,196)
Golf Courses	2,080,774	1,956,712	(46,148)	(36,468)
Ice Rinks	532,627	633,579	(79,914)	(19,697)
Regional Parks	317,830	333,377	(128,717)	(131,139)
Sports Center	911,578	835,737	(52,829)	(59,027)
Bladensburg Marina	—	—	(200,985)	(162,153)
TOTAL	<u>\$5,107,344</u>	<u>\$4,831,189</u>	<u>\$ (1,811,497)</u>	<u>\$ (2,216,529)</u>

The Prince George's County facilities' operating loss excluding depreciation decreased by \$405,000 in fiscal year 1997 primarily due to the revenue gains at the arena, accompanied by a \$295,000 reduction in operating expenses.

Internal Service Funds (Exhibits E-1, E-2 and E-3)

Internal Service Funds are used to account for the consolidated financing of those goods or services that are provided centrally to the departments on a cost reimbursement basis. Internal Service Funds are used to account for the Commission's group insurance and risk management programs; the executive office building on Kenilworth Avenue in Prince George's County; the recording of annual and sick leave earned, taken and accrued by employees; and financing of capital equipment purchases. The Commission has fully funded the short-term portion of the leave liability required to be recorded in the financial statements.

The Capital Equipment Funds permit spreading the cost of capital outlay to the operating funds over a period not to exceed six years. Equipment purchases exceeding \$1,000 and having a useful life of at least five years are eligible to be financed for the operating departments. Risk management net costs for general insurance increased from \$1,915,000 in fiscal year 1996 to \$2,897,000 in fiscal year 1997 primarily as a result of an increase in claims paid during fiscal year 1997. The Commission's risk management program consisting of self-insuring small losses and commercially insuring against large losses, in combination with an intensive safety program, has produced substantial savings since its inception in 1979, and has also improved the employee safety record. Total group insurance costs for active employees and retirees increased 4.3% from \$11,838,000 in fiscal year 1996 to \$12,345,000 in fiscal year 1997 due primarily to a \$331,000 increase in claims paid in the Administrative Services Only prescription drug program which represents a 24% increase.

Fiduciary Activities - (Exhibits 4, and F-1, F-2, F-3, F-4, F-5 and F-6)

Fiduciary activities include the Employees' Retirement System Pension Trust Fund, the Employees' Deferred Compensation and the Maryland State Retirement System (MSRS) Agency Funds, and a number of Expendable Trust Funds. Pension Trust Fund investments resulted in an overall gain of 20.5%. The Commission contributed \$7,189,000 to the Employees' Retirement System as determined by the actuarial valuation as of July 1, 1996, which is used for financial reporting purposes in the accompanying report. An actuarial valuation as of July 1, 1997, still in progress, indicates a net market value of Pension Trust Fund assets approximating \$366,636,000, up over \$62 million during the year as a result of excellent investment results.

Cash Management

The Commission's accounting system operates under a pooled cash fund concept. This method reduces the efforts needed to manage cash and investments since bank accounts and investments are consolidated in a Treasurer's Fund instead of having separate bank accounts and investments for each Fund. Investments of the Treasurer's Fund earned interest income of \$6,377,000 during fiscal year 1997. The average rate of return on the Commission's cash and investments during fiscal year 1997 was 5.6%.

General Fixed Assets

The general fixed assets of the Commission are those assets used in general governmental functions and exclude the fixed assets of the Enterprise and Internal Service Funds. The assets, which are valued principally at cost, had a book value of \$454,339,000 at June 30, 1997.

Other Information

Independent Audit. State statutes require an annual audit by independent certified public accountants. The accounting firm of Arthur Andersen LLP was selected by the Commission. In addition to meeting the requirements set forth in State statutes, the audit also was designed to meet the requirements of the Single Audit Act of 1996, as revised and related OMB Circular A-133. The auditors' report on the General Purpose Financial Statements, and the combining and individual fund statements and schedules is included in the Financial Section of this Report. The auditors' reports related specifically to the single audit are available from the Secretary-Treasurer upon request. We are pleased to report that the auditors' reports are without qualification, the highest possible outcome of the audit process.

Awards. The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Commission for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 1996. The Commission has received this award continuously since fiscal year 1973. In order to be awarded a Certificate of Achievement, the Commission must publish an easily readable and efficiently organized Comprehensive Annual Financial Report. This Report satisfied both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current Comprehensive Annual Financial Report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another Certificate.

In addition, the Commission also received the GFOA's Award for Distinguished Budget Presentation for its annual budget for fiscal year 1997. In order to qualify for the Distinguished Budget Presentation Award, the Commission's budget document was judged to be proficient in several categories including policy documentation, financial planning and organization.

Acknowledgments

The preparation of the Comprehensive Annual Financial Report on a timely basis was made possible by the dedicated service of the entire staff of the Finance Department. Each member of the Department has my sincere appreciation for the contributions made in the preparation of this Report. Special thanks are expressed to Mary L. Williford and the Accounting Division staff. I would also like to thank and compliment the Commissioners for their interest and support in planning and conducting the financial operations of the Commission in a responsible and progressive manner.

Respectfully submitted,



A. Edward Navarre
Secretary-Treasurer

Certificate of Achievement for Excellence in Financial Reporting

Presented to

The Maryland-National Capital Park and Planning Commission

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 1996

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



Arthur R. Lynch
President

Jeffrey L. Esser
Executive Director

COMMISSION BACKGROUND AND ORGANIZATION

The Maryland-National Capital Park and Planning Commission is a body corporate of the State of Maryland, established by the Maryland General Assembly in 1927. The laws governing the Commission were codified in 1959, recodified in 1975 to be Article 66D of the Annotated Code of Maryland and again in 1983, to be Article 28.

The Commission is a bi-county agency, empowered to acquire, develop, maintain and administer a regional system of parks in a defined Metropolitan District within the Maryland Counties (Montgomery and Prince George's) adjacent to the District of Columbia; and the Commission is empowered to prepare and administer a general plan for the physical development of a larger Regional District in the same area.

As development and urbanization of the area have progressed, the two Districts have been enlarged by the General Assembly. They now embrace all of Maryland's Montgomery and Prince George's Counties, except for certain incorporated municipalities in each County, and Election Districts No. 4 and No. 8 and most of Election District No. 10 in Prince George's County.

Responsibility for public recreation in Prince George's County and the County Recreation Department was transferred to the Commission in July, 1970 as a result of legislative action. This legislation provided that taxes to support recreation be imposed county-wide and that the County Council may require the Commission to institute new recreation programs. The County Executive appoints a Parks and Recreation Advisory Board which works closely with the Commission in setting policy.

The Commission consists of ten members, five appointed by Montgomery County and five by Prince George's County. In Montgomery County, all five of the Commissioners are appointed by the County Council and confirmed by the County Executive. Montgomery County Commissioners may not be appointed for more than two consecutive terms. In Prince George's County, all five of the Commissioners are appointed by the County Executive and confirmed by the County Council. Each County designates one of its Commissioners for the position of Chairman or Vice-Chairman of the Commission. The Commission elects one of such designees as its Chairman and the other as its Vice-Chairman. The designee of each County also serves as the Chairman of that County's Planning Board. Under the Commission's rules of procedure, the Chairmanship and Vice-Chairmanship of the full Commission rotate annually between the two designees. Terms of office are staggered and no more than three members from each county may belong to the same political party.

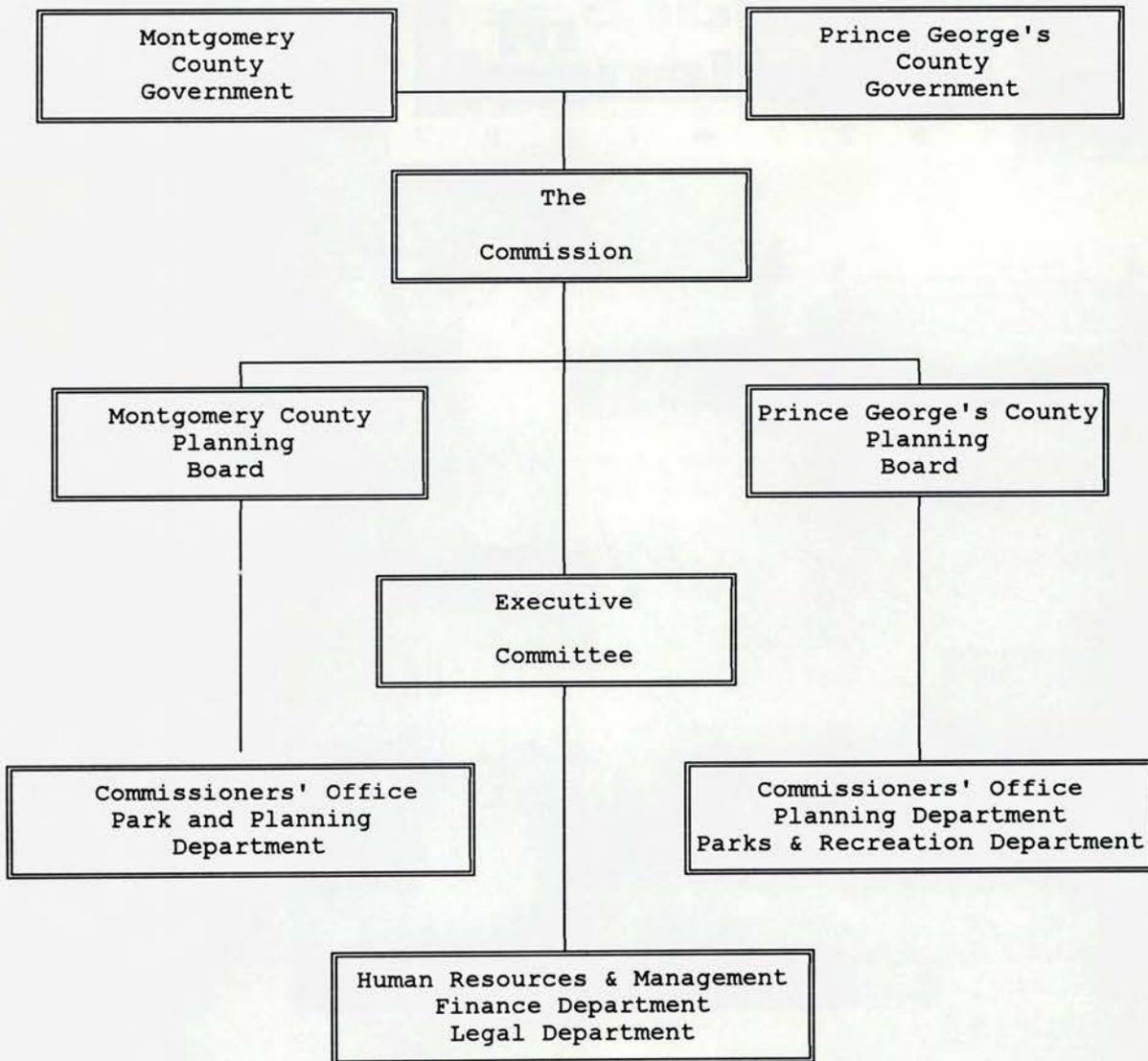
The full Commission coordinates and acts on matters of interest to both Counties. Two regional offices are maintained, one in each County. The Commission meets once each month regularly, the site of the meetings alternating between the two regional offices. The members of the Commission from each County serve as a separate Planning Board to facilitate, review and administer the matters affecting only their respective County. To carry out their functions, the County Planning Boards meet at least once a week. The County Councils set priorities for the Planning Boards' park and planning operations through their annual determination and periodic review of the Commission's operating and capital improvement budgets and work programs.

The Commission administers a park system which currently contains over 49,466 acres. It is composed of stream-valley parks, large regional parks, neighborhood parks and park-school recreational areas. Its staff consists of over 4,750 employees - planners, park and recreation administrators, park police and administrative staff. In addition, it employs in its numerous park and recreation programs up to 1,600 seasonal workers in the summer months.

The operating and administrative functions of the Commission are financed primarily by property taxes levied for the Commission by the two Counties. The Commission has the authority to sell general obligation bonds to fund approved park acquisition and development projects.

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

ORGANIZATION CHART





THE MARYLAND-NATIONAL CAPITAL PARK & PLANNING COMMISSION

70 years of excellence

1 9 2 7 ♦ 1 9 9 7



PROGRAM HIGHLIGHTS

INTRODUCTION: 1997 marked the 70th Anniversary of The Maryland-National Capital Park and Planning Commission. The celebration of "70 Years of Excellence" was marked by special Commission-wide and community-wide activities, including a kick-off in Sligo Creek Stream Valley Park, an urban oasis spanning both Montgomery and Prince George's counties.

Despite tight budgets during the fiscal year ending June 30, 1997, The Maryland-National Capital Park and Planning Commission continued to provide and maintain award-winning, quality programs, services and facilities in a fiscally responsible manner to benefit bicounty residents. The reorganization of both the Commission's Montgomery County operating departments into one cohesive unit, the Department of Park and Planning, resulted in a streamlining of management and a more efficient use of staff and other resources. In Prince George's County, a reorganization of parks and recreation geographical service areas, and staffing for programming and facilities, prompted even better and more efficient delivery of services.

In recognition of outstanding management and performance in the fields of Planning and Parks and Recreation, Commission staff again garnered numerous national and statewide awards. The Commission's video production teams earned first-place recognition from the National Recreation and Parks Association, the National Society of Government Communicators and the national "Telly" awards. At the end of fiscal year 1997, the Commission was notified of its selection by the National Sports Foundation, Inc. as a finalist for the National Gold Medal Award for excellence in parks and recreation management. As a four-time National Gold Medalist, the Commission has established a benchmark of excellence unparalleled by any other park and recreation agency in the nation. Nomination and selection, again, as a finalist for this prestigious award, honored the Commission and confirmed its position as a nationwide leader in parks and recreation management.

PRINCE GEORGE'S COUNTY

DEPARTMENT OF PARKS AND RECREATION: Nationally known and recognized as a leader in the development and delivery of quality park and recreation programs and facilities, the Department of Parks and Recreation served more than 750,000 residents with innovative programs and leisure services tailored to meet the demands of a growing and diverse population. Ever mindful of budget constraints, the Department managed a park system of over 20,000 acres and carefully planned projects that benefitted the communities we serve. Projects of note included: development of a major Sports and Learning Complex to be constructed adjacent to the new Redskins Stadium in Landover; construction of the College Park Aviation Museum; construction of the Kettering/Largo/Lake Arbor Community Center; completion and opening of the Cedar Heights Community Center in Seat Pleasant; on-going preparation for the construction of the Suitland Community Center; renovation and dedication of historic Dorsey Chapel in Glenn Dale; continuing development at the Historic Bladensburg Waterfront Park; completion of the Anacostia Hiker/Biker/Equestrian Trail along the Northeast and Northwest Branches; on-going improvements at Billingsley Manor, Snow Hill Manor, and Montpelier Mansion. The community benefited from the opening of the privately owned Gardens Ice House skating rink at Fairland Regional Park and the Golden Bear Golf Facility at the Paint Branch Golf Course. The installation of a new playground at Watkins Regional Park with a rubberized surface and specially designed equipment to provide access proved very successful and popular with children. Numerous park sites were upgraded as older and more heavily used park areas received improvements. Year-round maintenance efforts kept facilities safe and enjoyable for hundreds of thousands of park patrons.

This past year, the Department was heavily involved in development and implementation of hundreds of activities to celebrate the Prince George's County Tricentennial, several of which garnered local, state and national awards. Annual festivities, special events and programs held throughout the county took advantage

of the tricentennial theme as thousands of people participated in a Passport program to promote visitation and education at numerous county historic sites. The launching of the "Barney Barge," a replica of an early 1800's war boat, was a visual event captivating hundreds as the boat was christened. Our cultural heritage was further preserved with the excavation and restoration of the foundation of the Northampton Slave Quarters site, and the delicate balance between man and nature was made evident with the dedication of the Quiet Meadow Environmental Park and Demonstration Area in a suburban setting. Notable annual crowd pleasers throughout the county included: the College Park Airfair; the Winter Festival of Lights; Marlborough Day; Montpelier Spring Festival; the Patuxent Wildlife Art Show; the Annual Hispanic Festival; and the Annual Jewish Festival. "The Commission was selected by the American Association for State and Local History as winner of the prestigious 1997 Award of Merit in recognition of outstanding accomplishments in planning and carrying out activities and programs commemorating Prince George's County's Tricentennial year".

Once again, fitness enthusiasts proved to be alive and well by visiting golf, swimming and tennis facilities year-round to perfect their swing and stroke. Athletics means sports, and a diversified program of athletics for men, women and children was offered and managed by the Sports/Permit Division. Numerous franchise leagues and tournament programs for adults were offered. Thousands of people permitted park facilities and the popular garden plots. The division also administered the Prince George's County Boys and Girls Club sports program.

A reorganization that drew new geographical service areas and staffing for programming and facilities resulted in better delivery of service to the communities. A multitude of community recreational programs were offered to meet the numerous interests of people of all ages. Teen programming continues to be emphasized offering clubs and special designated activities on Friday and Saturday nights. Summer playgrounds and day camps, teen centers, senior centers and a wide variety of recreation classes attracted thousands of participants.

The Prince George's Employees' Child Care Center in Upper Marlboro and the child care facility at Glenridge Elementary School continued to serve as models for child care across the nation. Excellence in child care was carried one step further as 88,459 lunches were served to needy children at 45 Department summer program sites in cooperation with the Department of Social Services.

The Special Populations Division, which is responsible for assisting individuals with disabilities, continued to spearhead the Department's efforts to comply with the Americans with Disabilities Act of 1990. To facilitate opportunities for people with and without disabilities to engage in leisure pursuits together, the Department of Parks and Recreation provides inclusion support services. The services include, but are not limited to, the provision of support staff, sign language interpreters, assistive listening devices, and adapted equipment.

The safety of the park patrons was ensured as the Park Police monitored all park facilities 24 hours a day. Park Police community outreach continued to be successful with the Drug Abuse Resistance Education program, a mentoring program for children, and an extremely active park community Volunteer Academy and Alumni Association. Specialized Park Police patrols continued at the USAir Arena, Prince George's Stadium and the Show Place Arena.

The Maintenance and Development Division supported activities and development county wide. The Vehicle Maintenance System, now in its second year of use, allows management to collect data on vehicles in the system. This system better monitors vehicle efficiency records, fleet effectiveness and air quality. Upgrades to this system were implemented at the satellite area garages.

PLANNING DEPARTMENT: Intergovernmental coordination and focus of resources, a major premise of the neighborhood revitalization program, heightened significantly during the course of the last year. Signature projects were identified in each of the revitalization focus areas, much of the community planning process

was completed, and the program is transitioning into an implementation role. Interagency/interdepartmental revitalization work groups, stemming from the Revitalization Steering Committee, have secured multiple year funding for infrastructure improvements designed to create a sense of community and change the face of the streetscape of major thoroughfares in the Port Towns (Bladensburg, Colmar Manor and Cottage City), Landover, Fairmount Heights, Seat Pleasant and Suitland. Partnerships have been forged with private sector organizations such as Potomac Electric Power Company and the Prince George's County Bankers' Task Force and financial commitment has been obtained from the State of Maryland for particular projects.

The Community Planning Division planning efforts included printing and distributing the Bladensburg, PA 68 (Hyattsville and Vicinity), Subregion V, and Subregion VI Master Plans and Sectional Map Amendments (Zoning Maps). Plan Amendment work continues with the community-based Heights Team. A planning team is developing a Metro area proposal and a community improvement plan in the vicinity of the Addison Road Metro station, and an implementation proposal for the MD 202 Corridor area in Largo-Lottsford was developed and transmitted. Interdisciplinary work groups supported County Council initiatives in developing Growth Management Policies and Economic Development Preferred Districts.

The Historic Preservation Section continued its support to the County Historic Preservation Commission in evaluating the significance of historic properties and reviewing historic area work permit applications and development applications. The publication of *African American Heritage Survey, 1996* was a highlight of the year and the Department's contribution to the Tricentennial celebration. Research for a National Historic Landmark nomination for Riversdale, a poster on Huntington/Old Bowie, and a survey of Old Town College Park was undertaken and a draft of design guidelines for the City of Greenbelt's National Historic Landmark historic district was completed.

The Urban Design Planning Division worked with a focus group of citizens, property owners, municipalities and other stakeholders in the Greenbelt Metro Area Study, to identify issues and formulate planning strategies, and with a town committee on the Brentwood Urban-Mixed Town Center Development Plan. The Division also continued to administer the Planning Assistance to Municipalities and Communities Program through the activities of 26 projects requested by 18 different localities, and provided team support and resources to other major planning projects.

The Development Review Division conducted review and analysis of applications, including zoning map amendments, special exceptions, conceptual and detailed site plans, and preliminary and final plats of subdivision. In FY 1997, the Division accepted over 700 applications in those categories, meeting timeliness standards and complying with Planning Board and District Council requirements. In FY 1997, the Information and Permit Review Division reviewed 15,107 permit applications, of which 12,446 were building permits, for compliance with appropriate codes and approval conditions, and provided various public information, street viewing and property addressing services.

The Transportation and Public Facilities Planning Division and the College Park-Riverdale Transit District Development planning team developed plans for the proposed College Park-Riverdale Transit District Overlay Zone. Staff completed the first phase of the Functional Master Plan for Public Schools and reviewed development proposals for adequate public facilities, trails and preservation of rights-of-way. Assistance and support was provided for the US 301 Task Force, Wilson Bridge Study, Addison Road Metro Extension and Redskins Stadium Access Improvement Studies and the County's Growth Management Initiative.

The Natural Resources Division received a State grant to study three pilot watersheds as part of a Countywide Woodland Conservation Implementation Strategy and completed a report on Native Plants for use in reforestation projects. The Division also reviewed 175 Tree Conservation Plans and facilitated a successful biennial review by the State of the County's Woodland Conservation program. A database and GIS coverage

of all mining sites in the County that have been issued State Surface Mining Permits was completed. In the area of watershed planning, staff continued to develop GIS models for water quality and floodplain analysis and to participate in a variety of State and regional activities including the Middle Potomac and Patuxent Tributary Strategy Teams and the Patuxent Commission.

Marking the celebration of the County's 300 Years, the Research Section published the Prince George's County Statistical Reference, a compilation of more than two hundred statistical tables on the County on topics ranging from agriculture to land use and zoning. In FY 1997, the Research Section completed the Household Demographic Survey. This survey marked the largest direct survey of households conducted by the Planning Department in Prince George's County and provides updated information about the characteristics of County residents. At the direction of the County Council, the Research Section completed a Study and Development Plan for the new Redskins Stadium's surrounding areas. This study documented the prospects for capitalizing on a major private investment in the County and on preserving the integrity of the neighborhoods in the immediate area.

The Data Systems Section coordinated continuing efforts to support the Commission's Home Page on the World Wide Web. Data Systems initiated a study and pilot project on the application of document imaging technology to the Development Review Process. The pilot will be completed in FY 1998 and will be followed by further integration of the technology into the Department's daily routines. The use of desktop computers also received a major push forward as Windows supplanted DOS as the platform for office applications.

The Geographic Information Systems (GIS) Section completed the development of the base layers. In addition, using the Windows environment, access of the GIS database was established for personal computers in the Department. The Department also accelerated the pace of converting data into a GIS format. In FY 1997, the conversion of the zoning layer was started as well as the development of a street centerline file for address geocoding. Both elements are expected to be completed in the first quarter of FY 1998. The GIS Section is also working to enhance the technical GIS skills of staff. Toward that end, the GIS Section hosted a series of training sessions on desktop GIS using ArcView, as well as conducting more advanced training.

MONTGOMERY COUNTY

DEPARTMENT OF PARK AND PLANNING:

Implementing Community-Based Planning - The Montgomery County Department of Park and Planning has reorganized the Community Planning Division and the Design and Zoning Division into a new Community-Based Planning Division. Planning, urban design and zoning professionals have been assigned to teams for seven geographically defined areas. In this way, planners will be able to maintain planning and implementation advice, sensitive to the unique circumstances of each community. It also will provide for a single point of contact service for people interested in any particular area. The Department has provided staff training to assure that the teams become fully functional in the up-coming fiscal year.

Focusing on Silver Spring/Takoma Park - Of the seven community-based planning teams, the Silver Spring/Takoma Park Team was the first to be formed. This enabled the Department's work on the revitalization of downtown Silver Spring to proceed with adequate resources. The staff prepared the development plan chapter (i.e., land use and design guidelines) of the Amendment to the Silver Spring Urban Renewal Plan, as well as several text amendments needed to implement the Urban Renewal Plan. Staff members also developed innovative concepts for the reconfiguration of the Silver Spring Transit Center, the Montgomery College expansion and the renovation of Jesup Blair Park in South Silver Spring. These three projects are significant contributions to the revitalization of the Central Business District. The Silver

Spring/Takoma Park Team also took the lead responsibility for implementing the unification of Takoma Park into Montgomery County.

Collaborating with Other Agencies - The Department is continuing its cooperative relationship with the County Government and municipal jurisdictions. Federal, state and county governments are working closely together with the Planning Board and staff to reach a decision on the Intercounty Connector, a proposed transportation facility linking I-270 in Gaithersburg with I-95 in Laurel. The consolidation of the U.S. Food and Drug Administration at the Naval Surface Warfare Center in White Oak has received Master Plan and Mandatory Referral approval. To accommodate a new conference center, the County Council adopted an amendment to the North Bethesda plan. With no disruption in planning, zoning or regulatory services, the former Prince George's County section of the City of Takoma Park became part of Montgomery County on July 1, 1997.

Evaluating the Development Review Process - A major accomplishment during the past year has been the completion of the first two phases of the Development Review Process Evaluation. Presented to the Planning Board in November, the Phase I Report consisted of the results of the focus group process evaluations of the portion of the Development Review process under the sole jurisdiction of the Department of Park and Planning. The Phase II Report, presented in March, proposed staff recommendations to address each of the 11 themes identified in the focus groups and respond to a benchmark survey of "best practices" developed as a part of the study process. The Planning Board accepted the staff's recommendations, and currently staff members are developing an implementation work program.

Another proposal by the Department was for a minor subdivision process (recently adopted by the County Council) that will reduce by nearly 10 percent the number of applications requiring preliminary plan review. This expedited process will be particularly beneficial to businesses who want to resubdivide to accommodate changing market conditions. It will also benefit the agricultural community and permit minor lot line adjustments between adjacent property owners.

Improving Design Capability - Department staff has developed and is now using an improved cost estimating system for new park development. In addition, staff initiated development of new open section roadway designs, providing more options for design without causing the environmental problems of closed section roads.

Operating Parks - Operating award-winning parks requires close coordination between the Park Planning and Development Division, Central Maintenance Division and the Northern and Southern Regional Management staff as they implement Capital Improvement Projects to develop new parks and renovate and maintain existing facilities. Volunteers made it possible to expand program offerings as Park Police continued to provide security for more than nine million park visitors during FY 1997.

Land Acquisition - The Waters House in Germantown, an historic three-story structure, was donated to M-NCPPC by the Milestone Corporation after the company completed a \$900,000 renovation. Acquisition of additional parcels of land in the Upper Paint Branch Stream Valley, enhanced the Commission's ability to protect the brown trout in Montgomery County's streams. As part of a subdivision approval, the Commission acquired 10 acres for Cedar Creek Local Park in Germantown from Clopper's Mill West L.C., which will share in the development of the park. With the acquisition of more than 338 acres during FY 1997, parkland in Montgomery County now totals 28,487 acres.

Skilled Trades - Fleet Management began to decentralize its vehicle maintenance program by installing systems in several regional shops. Parks skilled technicians refurbished 14 Park Police vehicles using a new program designed to extend vehicle life by 50,000 miles and/or three years. ManTech Environmental

Corporation provided Lead Abatement Training for all painters enabling staff to encapsulate more than 100 pieces of play equipment identified as having unacceptable levels of lead paint. Skilled crafts people worked on a variety of projects from playground renovations to restoration of several historic sites: the Hyattstown Mill and residence, Oakley Cabin, Seneca Store Complex, the Agricultural History Farm Park and sites within Little Bennett Regional Park.

Development Milestones - Commissioners hosted an official dedication on December 14, 1996, to celebrate the completion of the bridges across River Road and the Dalecarlia Reservoir on the Capital Crescent Trail. This popular "rails to trail" facility stretches 8.5 miles in Montgomery County and attracts more than 200,000 users each month. Near the end of the fiscal year, Enterprise staff was busy preparing for the opening of White Oak Golf Course, formerly a part of the Naval Surface Warfare Center in densely populated Silver Spring.

Focusing on the Environment - The Natural Resources Management group implemented several strategies to manage the burgeoning white-tailed deer population in the County. With the cooperation of other government agencies, staff launched an aggressive public information campaign with techniques useful to private landowners and businesses. In addition, staff organized two successful managed deer hunts at Little Bennett Regional Park and the Agricultural History Farm Park. A comprehensive aquatic resources management program for parks now includes resources inventory and monitoring, compliance with Special Protection Area regulations, storm water management facility monitoring, maintenance and retrofit. Parks staff reforested 15 acres of parkland scattered throughout the county with 1,611 trees, 21,000 annuals, 6,000 perennials and 15,000 spring and fall crops. In addition, Commission staff created five acres of wildflower meadow.

Parks Safety - Through preventive patrol, community policing, youth outreach programs, Volunteers in Policing (VIP) and investigation, the Park Police continue to provide a safe and secure environment for more than nine million visitors during the year. At the 1996 Summer Olympics, 22 officers provided security and police service to the international participants and visitors to the Summer Games in Atlanta.

Volunteer Support - During Fiscal Year 1997, the "Friends of Brookside Gardens" formed to support fundraising activities and programs. There are now three "Friends" groups established under the Montgomery County Parks Foundation which convened a new board of directors and elected new officers during the spring. Brookside Gardens' volunteer program expanded to include 130 volunteers, working in all areas of the Garden. Additional volunteers assisted with archaeological digs at Oakley Cabin, the Agricultural History Farm Park, Little Bennett Regional Park and Rock Creek Regional Park. In total, Montgomery County Parks benefitted from the contributions of 3,500 volunteers who donated more than 40,000 hours of service.

Grants and Awards - As a result of 1996 Historic Preservation training with the National Park Service, the Commission received an award from Montgomery Preservation, Inc., for the renovation and restoration of Poole's Store. Brookside Gardens received the Conservation Assessment Program Grant from the National Institute for the Conservation of Cultural Property providing funds for outside reviewers to assess operations and collection needs at Brookside Gardens. The Department of Justice awarded the Montgomery County Park Police three grants totaling \$1 million for enhanced technology to reduce crime and to further implement community policing programs. "Montgomery County Parks: Yours for Life" a monthly cable television program produced by the Community Services Unit, received the Communicator's Award from the National Society of Government Communicators for its episode on deer management.

Adult Education Program - Nine Commission employees officially graduated from the Adult Education Program during the fiscal year. Staff is currently setting up a listening workstation, equipped with computers and a shared tape recorder, where Commission students from both Montgomery and Prince George's Counties can work individually on software especially designed to help educate in a specific discipline. The program

is undergoing changes to enhance communication among the instructor, supervisors and students, and allow more frequent evaluation of students' progress.

CENTRAL ADMINISTRATIVE SERVICES

DEPARTMENT OF HUMAN RESOURCES AND MANAGEMENT: The Department of Human Resources and Management, under the leadership of the Commission's Executive Director, provides quality administrative, managerial and human resources services to the public and Commission. The Department is organized into two major divisions: Corporate Management and Human Resources. The work program is supported by a team structure in order to enhance service quality and increase productivity.

Highlighting FY 1997, the Department managed two elections for exclusive representation for the purpose of collective bargaining. The Department also successfully negotiated and implemented a three-year collective bargaining agreement for the Service/Labor Unit. The Department successfully directed two complex studies in the area of Affirmative Action/Equal Employment Opportunity and in procurement leading to the revisions of the Commission's Minority/Female/Disabled Program and a new Purchasing Policy and Purchasing Manual.

Other major accomplishments included implementing new contracts for employee health coverage which continued the Commission's effective record of cost containment for medical insurance, a classification and pay study, and upgrading of the park police proficiency program. The Department was an active participant on a multi-agency study on retiree health insurance issues.

The Department continued its automation efforts in the client/server environment and initiated a pilot optical disk filing, storage and retrieval system.

FINANCE DEPARTMENT: The Department of Finance provides fiscal management and oversight of all Commission financial activities. Services of the Department include financial reporting and policy development; processing of payroll, disbursements and purchasing transactions; investment management; debt issuance; internal audit; and information systems management. The Finance Department accomplished major milestones in 1996 while continuing to perform the Department's mission and basic work program. Emphasis was placed on generating cost savings both within the Department and for the Commission as a whole, while maintaining and/or improving the Department's level of service.

To increase market interest in Commission financings, the Department arranged two investor activities. The first was a reception at the Commission's Prince George's Stadium and the second was an investor luncheon in New York. The efforts proved very successful as the Commission received nine bids on the \$33,000,000 Prince George's County Park Acquisition and Development bond sale in January, 1997. The bonds were rated AA and sold at 5.391% which was the lowest rate for a comparable issue on that day.

The Department began efforts to finance the Prince George's Sports and Learning Complex by issuing an RFP and evaluating and selecting firms for remarketing and liquidity facility provider services related to a \$21,000,000 Prince George's County Park Acquisition and Development Variable Rate Bond Anticipation Notes sale scheduled for July of 1997.

The installation of the Performance Series, a new client-server windows-based full featured financial system began during FY 1997. The accounting module was implemented as of July 1997. The budget and fixed asset modules will be operational during FY 1998 and the purchasing module implementation is scheduled for July 1998. This new system is year-2000 compliant and provides opportunities for decentralized processing, reduced paper flow and expanded on-line information for operating departments.

The Department also implemented a state-of-the-art Fast Accounting System for Energy Reporting (FASER) which provides data for analysis to manage utilities efficiently.

The Commission received its 24th Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association of the United States and Canada for the FY1996 Comprehensive Annual Financial Report (CAFR) which was prepared by the Finance Department.

OFFICE OF THE GENERAL COUNSEL: The Office of the General Counsel provides comprehensive legal services to the Commission. Attorneys represent the Commission before federal and state courts and agencies in litigation and administrative matters which include but are not limited to the following areas: land use regulations, employment and Park Police matters, state and county legislative enactments, and the stewardship of park property and recreation programs (recreation programs in Prince George's County only). The Office of the General Counsel also provides advice and counsel to Commissioners, operating departments, Merit Board members and staff members regarding regulatory, administrative, procedural and corporate questions arising from Commission operations. In addition, attorneys work with other Commission staff in developing new solutions for problems arising from the Commission's planning, zoning, subdivision and park management activities, as well as in implementing newly imposed legislative mandates.

In FY 1997, Office of the General Counsel represented the Commission in lengthy and extensive negotiations with the Jack Kent Cooke organization for the sale of approximately 200 acres for the construction of the \$200 million dollar Jack Kent Cooke Stadium. The Office of the General Counsel also negotiated the award of the construction and construction management contracts for the Prince George's Sports and Learning Complex which will be constructed adjacent to the Jack Kent Cooke Stadium.

Also during FY 1997, the Office of the General Counsel tracked over 40 bills regarding the Commission, and prepared and presented position papers and testimony, drafted amendments and monitored and reported on the legislative initiatives through the legislative process. An agreement between the Montgomery County Planning Board and the Montgomery County Office of Intergovernmental Relations allowed the establishment of a satellite office in Annapolis. The Office of the General Counsel set up an on-line mechanism to monitor bills during the Session.

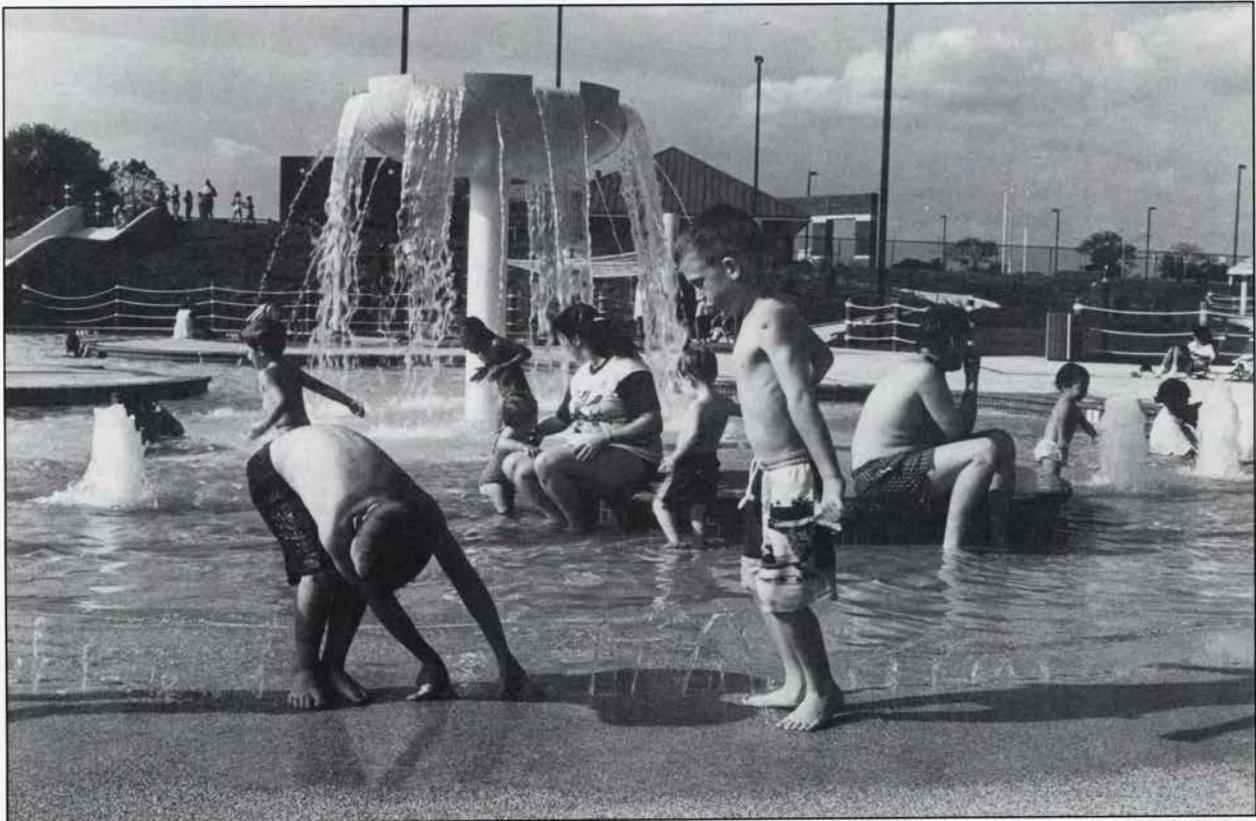
MERIT SYSTEM BOARD: The Merit System Board is an impartial board which provides recommendations and decisions regarding the Merit System of the Commission and is the highest level within the Commission for hearing appeals. One of the major work efforts accomplished during this past fiscal year was the revision of the Merit System Rules and Regulation.

EMPLOYEES' RETIREMENT SYSTEM: The Employees' Retirement System (ERS), administered by the 12 member Board of Trustees, in accordance with the Trust Agreement between the Board and the Commission, is a contributory defined benefit pension system with four plans, qualified under the Internal Revenue Service Code Section 401(a). The administrative operations are the responsibility of the ERS Staff and Board appointed Administrator, who reports directly to the Chairman of the Board of Trustees.

ERS Trust Fund assets closed the year with a fair market value in excess of \$367 million. The FY 1997 annualized rate of return on investments was a 20.5% gain. The Board of Trustees' actions for the year included: receipt of the GFOA Certificate of Achievement for Excellence in Financial Reporting for the ERS' Comprehensive Annual Financial Report; selection of a firm to develop enhanced benefit system software; and continuation of the comprehensive communications program to all members regarding the System, including publishing the System's third summary annual report, and conducting additional retirement planning workshops.

♦ PART IIA ♦
FINANCIAL SECTION

General Purpose Financial Statements



Children frolic at one of the Commission's most popular summertime attractions, the Glenn Dale Splash Park

ARTHUR ANDERSEN LLP

Report of Independent Public Accountants

To the Maryland-National Capital Park and Planning Commission:

We have audited the accompanying general-purpose financial statements (identified as Exhibits 1 through 6 in the accompanying Table of Contents) and the combining and individual fund and account group financial statements and schedules (identified as Exhibits A-1 through G-3 in the accompanying Table of Contents) of the Maryland-National Capital Park and Planning Commission, as of and for the year ended June 30, 1997. These financial statements and schedules are the responsibility of the Commission's management. Our responsibility is to express an opinion on these financial statements and schedules based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and *Government Auditing Standards* (1994 Revision), issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and schedules are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements and schedules. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general-purpose financial statements referred to above present fairly, in all material respects, the financial position of the Maryland-National Capital Park and Planning Commission as of June 30, 1997, and the results of its operations and cash flows of its proprietary fund types for the year then ended in conformity with generally accepted accounting principles. Also, in our opinion, the combining and individual fund and account group financial statements and schedules referred to above present fairly, in all material respects, the financial position of each of the individual funds and account groups of the Maryland-National Capital Park and Planning Commission as of June 30, 1997, and the results of operations of such funds and the cash flows of its proprietary fund types for the year then ended in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued our report, dated September 26, 1997, on our consideration of the Commission's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

Arthur Andersen LLP

Washington, D.C.
September 26, 1997

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

EXHIBIT 1

Combined Balance Sheet - ALL FUND TYPES AND ACCOUNT GROUPS
June 30, 1997

	Governmental Fund Types			Proprietary Fund Types		Fiduciary Fund Types		Account Groups		Totals
	General	Debt Service	Capital Projects	Enterprise	Internal Service	Trust and Agency Funds		General Fixed Assets	General Long-Term Obligations	(Memorandum Only)
						Pension Trust				June 30, 1997
ASSETS AND OTHER DEBITS										
Equity in Pooled Cash and Investments	\$ 61,205,074	\$ 128,835	\$ 34,416,905	\$ 7,588,967	\$ 21,466,603	\$ 18,250,262	\$ ---	\$ ---	\$ ---	\$ 143,056,646
Cash and Marketable Securities	---	---	---	---	---	23,172,150	411,771,370	---	---	434,943,520
Receivables - Taxes	5,173,000	---	---	---	---	---	---	---	---	5,173,000
Receivables - Other	626,282	---	1,194,789	87,217	2,477	4,825	1,791,037	---	---	3,706,627
Due from Other Funds	---	---	---	---	687,374	---	---	---	---	687,374
Due from Other Governments	1,166,676	---	6,938,138	---	156,856	53,000	---	---	---	8,314,670
Inventories, at Cost	---	---	---	1,208,448	---	---	---	---	---	1,208,448
Deposits and Other	6,573	---	---	---	1,303,274	---	23,638	---	---	1,333,485
Total Current Assets	68,177,605	128,835	42,549,832	8,884,632	23,616,584	41,480,237	413,586,045	---	---	598,423,770
Advances to Other Funds	---	---	---	---	---	1,734,875	---	---	---	1,734,875
Restricted Assets -										
Land Held for Transfer	---	---	---	---	---	40,220,911	---	---	---	40,220,911
Other	---	---	---	---	---	395,272	---	---	---	395,272
Fixed Assets	---	---	---	62,391,081	23,066,122	---	152,996	454,338,899	---	539,949,098
Accumulated Depreciation	---	---	---	(13,519,325)	(14,646,588)	---	---	---	---	(28,165,913)
Resources to be Provided in Future Years -										
Retirement of General Obligation Bonds	---	---	---	---	---	---	---	---	142,520,000	142,520,000
Retirement of Accrued Liability for										
Compensated Absences	---	---	---	---	---	---	---	---	8,488,000	8,488,000
Total Assets and Other Debits	\$ 68,177,605	\$ 128,835	\$ 42,549,832	\$ 57,756,388	\$ 32,036,118	\$ 83,831,295	\$ 413,739,041	\$ 454,338,899	\$ 151,008,000	\$ 1,303,566,013
LIABILITIES, EQUITY AND OTHER CREDITS										
Liabilities:										
Current Portion of Bonds Payable	\$ ---	\$ ---	\$ ---	\$ 160,000	\$ ---	\$ ---	\$ ---	\$ ---	\$ ---	\$ 160,000
Current Portion of Notes Payable	---	---	---	210,687	1,014,718	---	---	---	---	1,225,405
Accounts Payable	3,417,512	---	4,545,647	343,861	593,737	26,094,140	47,102,575	---	---	82,097,472
Accrued Liabilities	3,797,224	---	---	777,099	9,054,528	52,353	---	---	---	13,681,204
Due to Other Funds	---	---	---	---	687,374	---	---	---	---	687,374
Due to Other Governments	---	---	---	34	---	---	---	---	---	34
Deposits and Deferred Revenue	5,085,764	128,835	---	309,888	---	2,711,003	---	---	---	8,235,490
Matured Bonds and Interest Payable	---	---	---	92,090	---	---	---	---	---	92,090
Total Current Liabilities	12,300,500	128,835	4,545,647	1,893,659	11,350,357	28,857,496	47,102,575	---	---	106,179,069
General Obligation Bonds Payable	---	---	---	---	---	---	---	---	142,520,000	142,520,000
Revenue Bonds Payable - Net of Current Portion	---	---	---	4,305,000	---	---	---	---	---	4,305,000
Notes Payable - Net of Current Portion	---	---	---	242,123	3,789,704	---	---	---	---	4,031,827
Advances from Other Funds	---	---	---	1,734,875	---	---	---	---	---	1,734,875
Accrued Liability for Compensated Absences	---	---	---	---	---	---	---	---	8,488,000	8,488,000
Total Liabilities	12,300,500	128,835	4,545,647	8,175,657	15,140,061	28,857,496	47,102,575	---	151,008,000	267,258,771
Equity and Other Credits:										
Contributed Capital	---	---	---	31,025,680	529,988	---	---	---	---	31,555,668
Investment in General Fixed Assets	---	---	---	---	---	---	---	454,338,899	---	454,338,899
Retained Earnings (Deficit) -										
Reserved for Contingency	---	---	---	---	11,333,353	---	---	---	---	11,333,353
Unreserved	---	---	---	18,555,051	5,032,716	---	---	---	---	23,587,767
Fund Balances -										
Reserved for Encumbrances	8,974,403	---	7,624,242	---	---	---	---	---	---	16,598,645
Reserved for Land Held for Transfer	---	---	---	---	---	41,955,786	---	---	---	41,955,786
Reserved for Pension Benefits	---	---	---	---	---	---	366,636,466	---	---	366,636,466
Unreserved -										
Designated for Subsequent Years	30,254,116	---	30,379,943	---	---	13,018,013	---	---	---	73,652,072
Undesignated	16,648,586	---	---	---	---	---	---	---	---	16,648,586
Total Retained Earnings/Fund Balances	55,877,105	---	38,004,185	18,555,051	16,366,069	54,973,799	366,636,466	---	---	550,412,675
Total Equity and Other Credits	55,877,105	---	38,004,185	49,580,731	16,896,057	54,973,799	366,636,466	454,338,899	---	1,036,307,242
Total Liabilities, Equity and Other Credits	\$ 68,177,605	\$ 128,835	\$ 42,549,832	\$ 57,756,388	\$ 32,036,118	\$ 83,831,295	\$ 413,739,041	\$ 454,338,899	\$ 151,008,000	\$ 1,303,566,013

The notes to the financial statements are an integral part of this statement.

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

EXHIBIT 2

Combined Statement of Revenues, Expenditures, and Changes in Fund Balances -ALL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUNDS
For the Fiscal Year Ended June 30, 1997

	Governmental Fund Types			Fiduciary	Totals	
	General	Debt Service	Capital Projects	Fund	(Memorandum Only)	
				Expendable Trust	Year Ended	
				June 30,	June 30,	
				1997	1996	
Revenues:						
Property Taxes	\$ 152,189,577	\$ 2,239,885	\$ --	\$ --	\$ 154,429,462	\$ 148,737,944
Intergovernmental	1,111,106	--	10,903,580	2,081,117	14,095,803	7,462,033
Charges for Services	8,469,089	--	--	3,395,056	11,864,145	11,030,297
Interest	3,851,013	53,049	1,088,945	858,521	5,851,528	5,494,269
Miscellaneous	385,842	--	5,578,305	1,520,175	7,484,322	1,904,288
Total Revenues	166,006,627	2,292,934	17,570,830	7,854,869	193,725,260	174,628,831
Expenditures:						
Current -						
General Government	10,560,992	--	--	--	10,560,992	9,711,349
County Planning and Zoning	26,995,963	--	--	--	26,995,963	24,608,109
Park Operation and Maintenance	79,330,072	--	--	--	79,330,072	75,145,141
Recreation Programs	26,884,491	--	--	--	26,884,491	27,147,107
Miscellaneous Expendable Trust Funds	--	--	--	8,713,485	8,713,485	7,271,961
Capital Outlay - Land Acquisition and Development	--	--	26,470,371	--	26,470,371	18,631,368
Debt Service -						
Principal Retirement	--	7,055,000	--	--	7,055,000	7,300,000
Interest and Fiscal Charges	--	6,153,140	--	--	6,153,140	7,162,943
Total Expenditures	143,771,518	13,208,140	26,470,371	8,713,485	192,163,514	176,977,978
Excess of Revenues over (under) Expenditures	22,235,109	(10,915,206)	(8,899,541)	(858,616)	1,561,746	(2,349,147)
Other Financing Sources (Uses):						
Proceeds of General Obligation Bonds	--	--	33,000,000	--	33,000,000	--
Proceeds of Refunding Bonds	--	--	--	--	--	45,370,000
Payment to Refunded Bond Escrow Agent	--	--	--	--	--	(45,052,640)
Operating Transfers In	1,088,945	11,467,705	3,940,011	818,909	17,315,570	15,038,159
Operating Transfers Out	(15,581,480)	(731,402)	(1,088,945)	(1,829,762)	(19,231,589)	(19,538,765)
Total Other Financing Sources (Uses)	(14,492,535)	10,736,303	35,851,066	(1,010,853)	31,083,981	(4,183,246)
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses	7,742,574	(178,903)	26,951,525	(1,869,469)	32,645,727	(6,532,393)
Fund Balances, July 1	48,134,531	178,903	11,052,660	56,843,268	116,209,362	122,741,755
Fund Balances, June 30	\$ 55,877,105	\$ --	\$ 38,004,185	\$ 54,973,799	\$ 148,855,089	\$ 116,209,362

The notes to the financial statements are an integral part of this statement.

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

EXHIBIT 3

Combined Statement of Revenues, Expenditures/Encumbrances, and
Changes in Fund Balances - Budget (Non-GAAP Budgetary Basis) and Actual - GENERAL FUND
For the Fiscal Year Ended June 30, 1997

	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Property Taxes	\$ 150,953,671	\$ 152,189,577	\$ 1,235,906
Intergovernmental	1,503,914	1,111,106	(392,808)
Charges for Services	5,344,346	5,580,092	235,746
Rentals and Concessions	2,552,150	2,888,997	336,847
Interest	2,285,000	3,851,013	1,566,013
Miscellaneous	251,254	385,842	134,588
Total Revenues	<u>162,890,335</u>	<u>166,006,627</u>	<u>3,116,292</u>
Expenditures/Encumbrances:			
Current -			
General Government	10,518,855	10,213,094	305,761
County Planning and Zoning	26,209,551	26,158,350	51,201
Park Operation and Maintenance	82,230,590	78,892,094	3,338,496
Recreation Programs	28,206,549	27,123,500	1,083,049
Total Expenditures/Encumbrances	<u>147,165,545</u>	<u>142,387,038</u>	<u>4,778,507</u>
Excess of Revenues over (under) Expenditures/Encumbrances	<u>15,724,790</u>	<u>23,619,589</u>	<u>7,894,799</u>
Other Financing Sources (Uses):			
Operating Transfers In	950,000	1,088,945	138,945
Operating Transfers Out	<u>(16,798,547)</u>	<u>(15,581,480)</u>	<u>1,217,067</u>
Total Other Financing Sources (Uses)	<u>(15,848,547)</u>	<u>(14,492,535)</u>	<u>1,356,012</u>
Excess of Revenues and Other Sources over (under) Expenditures/Encumbrances and Other Uses - Budget Basis	<u>\$ (123,757)</u>	<u>9,127,054</u>	<u>\$ 9,250,811</u>
Fund Balances - Budget Basis, July 1		<u>37,775,648</u>	
Fund Balances - Budget Basis, June 30		<u>\$ 46,902,702</u>	

The notes to the financial statements are an integral part of this statement.

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

EXHIBIT 4

Combined Statement of Revenues, Expenses, and Changes in
Retained Earnings/Fund Balances - ALL PROPRIETARY FUND TYPES AND SIMILAR TRUST FUNDS
For the Fiscal Year Ended June 30, 1997

	Proprietary Fund Types		Fiduciary	Totals	
			Fund Types	(Memorandum Only)	
	Enterprise	Internal Service	Pension Trust	Year Ended	
				June 30,	June 30,
				1997	1996
Operating Revenues:					
Sales	\$ 2,478,783	\$ --	\$ --	\$ 2,478,783	\$ 2,382,560
Charges for Services	9,354,613	28,593,185	--	37,947,798	36,425,914
Rentals and Concessions	3,475,931	--	--	3,475,931	3,229,822
Investment Income	--	--	27,478,814	27,478,814	32,813,399
Unrealized Gain (Loss) on Investments	--	--	33,655,242	33,655,242	8,074,650
Pension Trust Contributions	--	--	9,946,458	9,946,458	10,117,296
Miscellaneous	--	193,601	--	193,601	260,039
Total Operating Revenues	15,309,327	28,786,786	71,080,514	115,176,627	93,303,680
Operating Expenses:					
Cost of Goods Sold	1,569,233	--	--	1,569,233	1,348,954
Personal Services	7,562,441	8,884,555	--	16,446,996	15,669,697
Supplies and Materials	1,803,694	80,811	--	1,884,505	1,887,147
Other Services and Charges	3,013,568	16,185,058	--	19,198,626	17,791,175
Depreciation	1,770,127	1,653,911	--	3,424,038	3,245,350
Retirement Benefit Payments	--	--	7,722,657	7,722,657	7,009,583
Refunds	--	--	369,546	369,546	353,841
Administrative Expenses	1,562,722	--	708,231	2,270,953	2,133,835
Total Operating Expenses	17,281,785	26,804,335	8,800,434	52,886,554	49,439,582
Operating Income (Loss)	(1,972,458)	1,982,451	62,280,080	62,290,073	43,864,098
Nonoperating Revenues	456,622	1,322,303	--	1,778,925	1,433,118
Nonoperating Expenses	(398,103)	(303,645)	--	(701,748)	(763,340)
Nonoperating Revenues (Expenses), Net	58,519	1,018,658	--	1,077,177	669,778
Income (Loss) Before Operating Transfers	(1,913,939)	3,001,109	62,280,080	63,367,250	44,533,876
Operating Transfers In	2,416,017	--	--	2,416,017	4,500,606
Operating Transfers Out	--	(500,000)	--	(500,000)	--
Total Operating Transfers	2,416,017	(500,000)	--	1,916,017	4,500,606
Net Income (Loss)	502,078	2,501,109	62,280,080	65,283,267	49,034,482
Add Depreciation Charge to Contributed Capital	228,566	--	--	228,566	228,566
Net Increase (Decrease) in Retained Earnings/ Fund Balances	730,644	2,501,109	62,280,080	65,511,833	49,263,048
Retained Earnings/Fund Balances, July 1	17,824,407	13,864,960	304,356,386	336,045,753	286,782,705
Retained Earnings/Fund Balances, June 30	\$ 18,555,051	\$ 16,366,069	\$ 366,636,466	\$ 401,557,586	\$ 336,045,753

The notes to the financial statements are an integral part of this statement.

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

EXHIBIT 5

Combined Statement of Cash Flows - ALL PROPRIETARY FUND TYPES
For the Fiscal Year Ended June 30, 1997

	Proprietary Fund Types		Totals (Memorandum Only)	
	Enterprise	Internal Service	Year Ended	
			June 30, 1997	June 30, 1996
Cash Flows from Operating Activities:				
Operating Income (Loss)	\$ (1,972,458)	\$ 1,982,451	\$ 9,993	\$ 887,331
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Depreciation	1,770,127	1,653,911	3,424,038	3,245,350
Changes in Assets and Liabilities:				
(Increase) Decrease in Accounts Receivable	(32,383)	(2,477)	(34,860)	(16,889)
(Increase) Decrease in Due from Other Funds	—	(687,374)	(687,374)	1,336,432
(Increase) Decrease in Due from County Government	—	6,088	6,088	(156,600)
(Increase) Decrease in Inventories, at Cost	35,892	—	35,892	(95,818)
(Increase) Decrease in Deposits and Other	8,908	615,048	623,956	(100,167)
Increase (Decrease) in Accounts Payable	(32,765)	164,841	132,076	296,836
Increase (Decrease) in Claims Payable	—	585,996	585,996	263,863
Increase (Decrease) in Accrued Salaries and Benefits	(107,041)	(187,143)	(294,184)	(19,348)
Increase (Decrease) in Accrued Leave	(2,440)	49,553	47,113	191,658
Increase (Decrease) in Interest Payable	(3,094)	—	(3,094)	(2,888)
Increase (Decrease) in Estimate of Incurred but Unreported Claims	—	(133,576)	(133,576)	(520,309)
Increase (Decrease) in Other Accrued Liabilities	—	—	—	(6,278)
Increase (Decrease) in Due to Other Funds	—	687,374	687,374	(2,880,363)
Increase (Decrease) in Due to Other Governments	(160)	—	(160)	123
Increase (Decrease) in Revenue Collected in Advance	(35,468)	—	(35,468)	(36,505)
Net Cash Provided (Used) by Operating Activities	<u>(370,882)</u>	<u>4,734,692</u>	<u>4,363,810</u>	<u>2,386,428</u>
Cash Flows from Noncapital Financing Activities:				
Operating Transfers In from Other Funds	2,416,017	—	2,416,017	4,500,606
Operating Transfers Out to Other Funds	—	(500,000)	(500,000)	—
Net Cash Provided (Used) by Noncapital Financing Activities	<u>2,416,017</u>	<u>(500,000)</u>	<u>1,916,017</u>	<u>4,500,606</u>
Cash Flows from Capital and Related Financing Activities:				
Acquisition of Fixed Assets	(2,590,622)	(2,256,403)	(4,847,025)	(4,261,721)
Principal Paid on Notes Payable	(208,057)	(1,197,970)	(1,406,027)	(2,089,319)
Principal Paid on Revenue Bonds	(150,000)	—	(150,000)	(140,000)
Interest Paid on Notes Payable	(26,647)	(303,645)	(330,292)	(379,716)
Interest Paid on Revenue Bonds	(371,456)	—	(371,456)	(383,624)
Proceeds from Financing	—	—	—	4,799,999
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(3,346,782)</u>	<u>(3,758,018)</u>	<u>(7,104,800)</u>	<u>(2,454,381)</u>
Cash Flows from Investing Activities:				
Interest on Investments	456,622	1,322,303	1,778,925	1,433,118
Net Cash Provided (Used) by Investing Activities	<u>456,622</u>	<u>1,322,303</u>	<u>1,778,925</u>	<u>1,433,118</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(845,025)	1,798,977	953,952	5,865,771
Cash and Cash Equivalents, July 1	8,433,992	19,667,626	28,052,593	22,186,822
Cash and Cash Equivalents, June 30	<u>\$ 7,588,967</u>	<u>\$ 21,466,603</u>	<u>\$ 29,006,545</u>	<u>\$ 28,052,593</u>

The notes to the financial statements are an integral part of this statement.

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

EXHIBIT 6

Statement of Plan Net Assets - PENSION TRUST FUND

June 30, 1997

	June 30, 1997
ASSETS	
Cash and Short Term Investments	\$ 61,733,725
Prepaid Expenses	23,638
Receivables:	
Plan Members	2,019
Interest Receivable	1,789,018
Total Receivables	<u>1,791,037</u>
Investments at Fair Value:	
U.S. Government Obligations	76,434,778
Domestic Corporate Bonds	57,916,418
Common Stock	208,857,793
Real Estate	6,828,656
Total Investments	<u>350,037,645</u>
Properties, at Cost, Net of Accumulated Depreciation of \$154,191	<u>152,996</u>
Total Assets	413,739,041
LIABILITIES	
Investment Payable and Other	<u>47,102,575</u>
NET ASSETS HELD IN TRUST FOR PENSION BENEFITS (A Schedule of Funding Progress is presented in Note 11)	\$ <u>366,636,466</u>

Statement of Changes in Plan Net Assets - PENSION TRUST FUND

For the Fiscal Year Ended June 30, 1997

ADDITIONS:	
Contributions:	
Employer	\$ 7,188,601
Plan Member	2,757,857
Total Contributions	<u>9,946,458</u>
Investment Income:	
Net Appreciation in Fair Value of Investments	50,192,632
Interest	9,070,759
Dividends	3,053,151
Real Estate Operating Income, Net	318,500
	<u>62,635,042</u>
Less: Investment Expense	(1,500,986)
Net Investment Income	61,134,056
Total Additions	<u>71,080,514</u>
DEDUCTIONS:	
Benefit Payments	7,722,657
Refunds of Contributions	369,546
Administrative Expenses	708,231
Total Deductions	<u>8,800,434</u>
Net Increase for the Year in Plan Net Assets	62,280,080
NET ASSETS HELD IN TRUST FOR PENSION BENEFITS	
July 1	304,356,386
June 30	<u>\$ <u>366,636,466</u></u>

The notes to the financial statements are an integral part of these statements.

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

NOTES TO FINANCIAL STATEMENTS

June 30, 1997

(1) - THE COMMISSION AND ITS SERVICES

(A) Background

The Maryland-National Capital Park and Planning Commission (the "Commission") is a body corporate of the State of Maryland established by the Maryland General Assembly in 1927. The Commission is a bi-county agency. It is empowered to acquire, develop, maintain and administer a regional system of parks in the defined Metropolitan District in Montgomery and Prince George's Counties and to prepare and administer a general plan for the physical development of a defined Regional District for the two Counties. The Commission also conducts the recreation program for Prince George's County. The express powers of the Commission are provided in Article 28 of the Annotated Code of Maryland. As a body corporate of the State of Maryland, the Commission is not generally subject to local county legislation such as the Tax Reform Initiative by Marylanders ("TRIM") Prince George's County Charter Amendment originally enacted in November 1978.

The major source of funding for the Commission's primary services are five property taxes levied on an individual County basis: Montgomery County administration tax - general administration and planning; Montgomery County park tax - park operations and debt service for park acquisition and development bonds; Prince George's County administration tax - general administration and planning; Prince George's County park tax - park operations and debt service for park acquisition and development bonds; and the Prince George's County recreation tax for the recreation program. Five separate accounts are maintained within the General Fund to account for the Commission's primary services. Revenues and expenditures that can be specifically identified with a County are recorded in the appropriate account of that County and those that apply to both Counties are allocated to the appropriate accounts. Other funds and accounts are maintained on a Commission-wide or on a separate County basis as necessary and appropriate.

The provisions of Sections 2-113 and 7-107 of Article 28 of the Annotated Code of Maryland require that the Commission publish an annual financial report and that it be certified by independent certified public accountants. The General Purpose Financial Statements have been presented on a Commission-wide basis to meet the financial reporting needs of the Commission and the requirements of Maryland law.

(B) Principles Used in Determining the Scope of Entity for Financial Reporting Purposes

As required by generally accepted accounting principles (GAAP), these financial statements present the government and its blended component unit, an entity for which the government is considered to be financially accountable. A blended component unit, although a legally separate entity, is, in substance, part of the government's operations and therefore data from this unit are combined with data of the primary government. Accordingly, the financial statements of the Employees' Retirement System are included as a trust fund in the accompanying financial statements and the System is the only such component unit of the Commission.

The applicability to the Commission of the Governmental Accounting Standards Board (GASB) criteria on consolidation has also been carefully reviewed by Montgomery and Prince George's Counties' financial staff. As a result of their review, they have determined that the Commission represents a joint venture of Montgomery County and Prince George's County, reportable in their respective financial statements as of June 30, 1997. The Counties' oversight of the Commission includes the selection of Commissioners and budget

approval. Additionally, each County is required by law to guarantee the general obligation bonds of the Commission issued for its respective jurisdiction. The financial activities of the Commission's Employees' Retirement System, Employees' Deferred Compensation Agency Fund, and the Maryland State Retirement System (MSRS) are not reported by either County. Therefore, the Commission prepares a Comprehensive Annual Financial Report (CAFR). The financial data of the Commission pertinent to Montgomery County and Prince George's County, excluding the Commission's Employees' Retirement System, the Employees' Deferred Compensation Agency Fund, and the MSRS Agency Fund are set forth on a County basis in Note 19.

(2) - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Commission conform to GAAP, applicable to governmental units.

The following is a summary of the more significant policies.

(A) Basis of Presentation - Fund Accounting

The accounts of the Commission are organized on the basis of Funds and Account Groups, each of which is considered a separate accounting entity. The financial position and operations of each Fund are accounted for with a separate set of self-balancing accounts that comprise the Fund's assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. Government resources are allocated to, and accounted for, in individual Funds based upon the purposes for which they are to be expended and the means by which spending activities are controlled. The various Funds are summarized by type, by County, and for the Commission in total in the financial statements within this report.

The following Funds and Account Groups are used by the Commission.

GOVERNMENTAL FUNDS

General Fund - The General Fund is the general operating fund of the Commission. It is used to account for the tax revenues and other revenues which fund the Commission's general operations and to account for all other financial resources except those required to be accounted for in another Fund.

Debt Service Funds - Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

Capital Projects Funds - Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds).

PROPRIETARY FUNDS

Enterprise Funds - Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent of the Commission is that the costs (operating expenses, before depreciation, and the payments for facility and equipment additions) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges or where the Commission has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes. A single Enterprise Fund is maintained for the numerous enterprise operations of each County. Relevant segment data for the Enterprise Funds are presented in Note 13. Supplemental information as requested by the Commissioners appears in Table 14.

Internal Service Funds - Internal Service Funds are used to account for the financing of certain goods or services provided by one department to other departments of the Commission on a cost-reimbursement basis.

FIDUCIARY FUNDS

Trust and agency funds are used to account for assets held by the Commission in a trustee capacity or as an agent for employees, individuals, private organizations, other governmental units and/or other funds. These include Expendable Trust, Pension Trust, and Agency Funds. Pension Trust Funds are accounted for in essentially the same manner as proprietary funds since capital maintenance is critical. Expendable Trust Funds are accounted for in essentially the same manner as governmental funds. Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

The Commission's Employees' Retirement System Pension Trust Fund, the Employees' Deferred Compensation Agency Fund, and the MSRS are not maintained on a separate County basis.

ACCOUNT GROUPS

General Fixed Assets Account Group - This Account Group is used to account for all fixed assets of the Commission, other than those accounted for in the proprietary and fiduciary funds.

General Long-Term Obligations Account Group - This Account Group is used to account for all long-term obligations of the Commission, except obligations accounted for in the proprietary and fiduciary funds.

(B) Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds and expendable trust funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these Funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

All proprietary funds and pension trust funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these Funds are included on the balance sheet. Fund equity (i.e., net total assets) is segregated into contributed capital and retained earnings components. Proprietary fund-type operating statements present increases (e.g., revenues) and decreases (e.g., expenses) in net total assets.

The governmental, expendable trust and agency funds are maintained on the modified accrual basis of accounting. Under this method of accounting, revenues are recorded in the accounting period in which they become both available and measurable. Revenues from taxes are recognized when they have been levied, are due on or before June 30 and collection is expected within 60 days thereafter. Proceeds from the sale of general obligation bonds/notes are recorded as "Other Financing Sources." All other revenue sources are recorded on the accrual basis of accounting. Expenditures are generally recorded as the liabilities are incurred. The exceptions to this general rule are that principal and interest on general long-term debt are considered expenditures when due, and accumulated unpaid annual and compensatory leave not expected to be taken within 60 days after the year-end is reported in the General Long-Term Obligations Account Group.

The proprietary funds are maintained on the accrual basis of accounting, under which revenues are recorded when earned and expenses are recorded when incurred. The accounts of the Employees' Retirement System Pension Trust Fund are also maintained on the accrual basis.

GASB Statement 20 allows governments to choose not to implement, in proprietary fund types, pronouncements of the Financial Accounting Standards Board (FASB) issued after November 30, 1989 (provided that this is applied on a consistent basis) or to continue to follow FASB standards for these fund types. The Commission has elected to implement FASB pronouncements issued after that date for any proprietary fund type activity of the Primary Government that are not in conflict with or contradict GASB guidance.

(C) Budgets and Budgetary Accounting

The following procedures are used in establishing the annual budget.

- o On or before January 15, the Commission submits to the County Executive of each County a proposed budget for the respective accounts of the General Fund (including park debt service), and a budget plan for the respective Enterprise Funds and Internal Service Funds. The Capital Projects Funds' budgets and six-year expenditure plans are submitted prior to November 1. These budgets and plans include proposed expenditures and the means of financing them.
- o The budgets and plans are transmitted by the County Executive with recommendations to the respective County Council. The County Councils conduct public hearings on the budgets and plans, and the budgets and plans are legally adopted prior to July 1.
- o The legal level of budgetary control is the department or function for the Administration Accounts and account level for the Montgomery County Park Account, Prince George's County Park Account, and Prince George's County Recreation Account. The Commission's expenditures may not exceed the total approved budget for its General Fund without prior approval by the respective County Council, except in Prince George's County, where grant funds received with the knowledge and approval of the County constitute an automatic budget amendment, thereby increasing the appropriations. The budget is prepared by account, department, and major object for the General Fund.
- o General Fund unencumbered appropriations lapse at year-end. Capital project appropriations do not lapse until the project is completed. The budget plans for the proprietary funds serve as a guide to the Commission and not as legally binding limitations.
- o During fiscal year 1997 supplemental appropriations were approved that increased the General Fund and Capital Projects Funds by \$1,101,770 and \$19,000,000, respectively.

Formal budgetary integration is employed as a management control device for the General Fund. The budget for the General Fund is adopted on a basis consistent with GAAP except that encumbrances are treated as expenditures.

The actual expenditures in the Combined Statement of Revenues, Expenditures/Encumbrances, and Changes in Fund Balances - Budget (Non-GAAP Budgetary Basis) and Actual are presented on a basis consistent with The Maryland-National Capital Park and Planning Commission Adopted Annual Budget. All expenditures made during 1997 were within the legal limitations pertinent to the Commission.

(D) Encumbrances

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded when initiated, is employed in the governmental funds for budgetary reporting purposes. Encumbrances outstanding at year-end are reported as reservations of fund balance since they do not constitute expenditures or liabilities under GAAP.

(E) Pooled Cash and Investments

The cash and investments of all Funds are combined into a common pool to maintain investment flexibility and maximize earnings. The Commission's Finance Department manages the pool. Investment earnings are allocated to participating Funds based upon their average monthly equity in pooled cash balances. Investments, except those of the Pension Trust and the Agency Funds, are stated at cost, adjusted for amortization of premiums and discounts, which approximates market value. Pension Trust and Agency Fund investments are stated at market value.

In March 1997, the GASB issued Statement No. 31, "Accounting and Financial Reporting for Certain Investments and for External Investment Pools," which establishes accounting and financial reporting standards for all investments held by governmental external investment pools. Statement No. 31 also establishes fair value standards for certain investments. The Commission will implement this statement in fiscal year 1998. Management does not believe that implementation of this statement will have a material effect on its General Purpose Financial Statements.

(F) Inventories

Inventories are valued at cost, based on specific identification of the inventory item, for governmental funds and at the lower of cost (first-in, first-out) or market for proprietary funds. Inventories in the General Fund are offset by corresponding reserves of fund balance. Inventories in the General Fund are recorded as expenditures at the time of sale or use.

(G) Advances to Other Funds

Long-term interfund advances at June 30, 1997, consist of \$1,734,875 of land acquired by the Prince George's County Advance Land Acquisition Fund that is being used for park purposes in the Enterprise Fund. The advances are recorded as noncurrent receivables/payables in the respective Funds.

(H) General Fixed Assets

General fixed assets have been acquired primarily for parks and recreational facilities. Assets purchased or constructed are recorded as expenditures in the governmental funds and capitalized at cost in the General Fixed Assets Account Group, or in the proprietary funds, as appropriate. Donated assets are recorded at estimated fair market value at the time received. Normal repair and maintenance costs are expensed when incurred. No depreciation of general fixed assets has been recorded. See Note 9.

(I) Property, Plant and Equipment - Proprietary Funds

Property, plant and equipment purchased by the Enterprise and Internal Service Funds are stated at cost. Depreciation is calculated using the straight-line method with useful lives of 10 to 40 years for buildings and improvements and 5 to 15 years for equipment.

(J) Employee Leave and Group Insurance

Commission employees earn annual leave and sick leave in varying amounts, and are granted three days personal leave annually. Annual leave is recorded as an expenditure when earned. Some employees may also earn compensatory leave in lieu of overtime pay. The accumulated unpaid annual and compensatory leave expected to be taken within 60 days after the year end has been expensed in the General Fund. The Employee Benefits Internal Service Fund receives revenue from the General Fund for leave earned by employees. When leave is taken, it is recorded as an expense in the Employee Benefits Internal Service Fund. The liability for leave expected to be taken within 60 days after year end is recorded in the Employee Benefits Internal Service

Fund. The accumulated leave balances in which employees have vested rights, but which are not expected to be used within 60 days after year-end, have been recorded in the General Long-Term Obligations Account Group. See Note 18.

Group insurance costs are recorded as expenditures in the General Fund and as revenue in the Employee Benefits Internal Service Fund. Payments for group insurance premiums are recorded as expenses in the Employee Benefits Internal Service Fund.

(K) Deferred Compensation Plans

The Commission offers its employees deferred compensation plans created in accordance with Internal Revenue Code Section 457. One plan, available to all career Commission employees, permits them to defer a portion of their salary to future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency. The Commission also offers a separate deferred compensation plan to its officers and to the staff of the Employees' Retirement System.

It is the opinion of the Commission's General Counsel that the Commission will incur no liability for losses under the plans, but does have the duty of due care that would be required of an ordinary prudent investor.

(L) Reserves

Fund balances in the governmental funds are reserved for encumbrances, inventories, debt service and restricted assets to indicate the amounts not available for other expenditures. Retained earnings in the Employee Benefits and Risk Management Internal Service Funds are reserved to pay future claims.

(M) Comparative Data/Total Columns

Comparative total data for 1996 have been presented in the accompanying financial statements to provide an understanding of changes in the Commission's financial position and operations. However, complete comparative data have not been presented since their inclusion would make the statements unduly complex and difficult to read. Certain reclassifications have been made to 1996 to be consistent with 1997 presentations.

Total columns (memorandum only) in the General Purpose Financial Statements are presented to facilitate financial analysis and are not intended to present financial information in conformity with generally accepted accounting principles or on a consolidated basis.

(N) Statement of Cash Flows

The Commission uses cash management pools, which allow the proprietary funds to withdraw funds at any time without prior notice or penalty. For Statement of Cash Flow purposes, the Commission has defined cash equivalents as Equity in Pooled Cash and Investments for proprietary funds. During fiscal years 1997 and 1996 there were no noncash financing activities.

(3) - CASH AND INVESTMENTS

The Commission's deposits and investments as of June 30, 1997, totaled \$578,000,166, presented in the combined balance sheet as the sum of "Equity in Pooled Cash and Investments" and "Cash and Marketable Securities," of which \$576,875,469 was held and managed in three separate pools: the Commission's pool of deposits and investments, the Pension Trust Fund investments, and the Deferred Compensation Agency Fund. The remaining balance is composed of \$1,124,697 Cash Reserved for Debt Service and cash at various Commission facilities (\$921,787 and \$202,910, respectively). The Commission's pool is available to all Funds, except for the Pension Trust Fund and the Deferred Compensation Agency Fund. The following is a schedule of total cash and investments.

	<u>Commission</u>	<u>Pension Trust Fund</u>	<u>Deferred Compensation Agency Fund</u>	<u>Total</u>
Equity in Pooled Cash and Investments:				
Cash in Banks	\$ (178,259)	\$ ---	\$ ---	\$ (178,259)
Investments	142,110,208	---	---	142,110,208
Cash Reserved for Debt Service	921,787	---	---	921,787
Other Cash	202,910	---	---	202,910
Total Equity in Pooled Cash and Investments	<u>143,056,646</u>	<u>---</u>	<u>---</u>	<u>143,056,646</u>
Cash and Marketable Securities	---	411,771,370	23,172,150	434,943,520
Total Cash and Investments	<u>\$143,056,646</u>	<u>\$411,771,370</u>	<u>\$23,172,150</u>	<u>\$578,000,166</u>

(A) Commission's Cash and Investments

Cash in Bank - At year-end, the carrying amount of deposits was an overdraft of \$178,259 and the bank balance was \$1,844,231. Of the bank balance, \$660,862 was covered by Federal depository insurance and \$1,183,369 was collateralized with securities held by a member of the Federal Reserve banking system in the name of the Commission and the Commission's bank.

The Commission requires collateral for the pooled cash and investments of ten or more days duration to be held in the Commission's name by the trust department of a bank other than the pledging bank. The Commission's policy was complied with throughout the year ended June 30, 1997.

Cash Reserved for Debt Service - At year-end, the Commission had \$921,787 held in reserve to pay debt service for Little Bennett Golf Course Revenue Bonds, Series 1991, and for various equipment note financings.

Investments - The Annotated Code of Maryland authorizes the Commission to invest in obligations for which the United States has pledged its full faith and credit for the payment of principal and interest, obligations that are issued by a Federal agency, repurchase agreements, bankers' acceptances, commercial paper, money market mutual funds, the State Treasurer's investment pool, certificates of deposits and municipal bonds and notes.

Statutes require that investments comply with the guidelines relative to investment grade and/or ratings and SEC registrations where applicable. Also, statutes require that securities underlying repurchase agreements have a market value of at least 102% of the cost of the investment. If during the year, the market value of securities underlying such investments falls below this required level, additional collateral is pledged or other collateral in the amount of the required level is substituted. Collateral shall be maintained in excess of FDIC insurance coverage for all Commission bank accounts, certificates of deposits and time deposits. All collateral must meet statutory requirements and is held in the Commission's name by a third-party custodian.

There were no unusual variations in the mix or volume of the investment portfolio during the fiscal year. The Commission was in compliance with all applicable investment statutes throughout the fiscal year.

(B) Pension Trust Fund and Deferred Compensation Agency Fund Investments

Statutes do not restrict the investment activity of these two Funds.

(C) Categories of Investments

Investments are categorized to give an indication of the level of risk assumed by the Commission at year end. Category 1 includes investment securities that are insured, registered, or held by the Commission or its agent in the Commission's name. Category 2 includes uninsured and unregistered investment securities held by the financial institution's trust department or agent in the Commission's name. Category 3 includes uninsured and unregistered investment securities held by the counterparty or its trust department or agent but not in the Commission's name. The Commission did not hold Category 3 investments during the year ended June 30, 1997, and did not hold Category 2 or 3 investments at year-end. The Commission does not have the authority to enter into reverse repurchase agreements and did not do so during the year ended June 30, 1997. Insurance contracts, real estate, and mutual funds are not subject to categorization.

The Commission's investments at June 30, 1997 were as follows:

	<u>Category 1</u>	<u>Carrying Amount</u>	<u>Market Value</u>
Commission Investments:			
Federal Farm Credit Banks	\$ 30,277,808	\$ 30,277,808	\$ 30,236,408
Commercial Paper	987,667	987,667	987,667
Federal National Mortgage Association	6,610,134	6,610,134	6,610,134
Federal Home Loan Mortgage Corporation	26,108,155	26,108,155	26,108,155
U.S. Treasury	2,383,851	2,383,851	2,383,851
Bankers' Acceptances	4,971,183	4,971,183	4,971,183
Repurchase Agreements	<u>65,735,248</u>	<u>65,735,248</u>	<u>65,735,248</u>
Total Investments	<u>137,074,046</u>	<u>137,074,046</u>	<u>137,032,646</u>
Total Pooled Investments Held in			
Mutual Funds		5,036,162	5,036,162
Total Pension Trust Fund		411,771,370	411,771,370
Total Deferred Compensation			
Agency Fund		<u>23,172,150</u>	<u>23,172,150</u>
Commission Total	<u>\$137,074,046</u>	<u>\$577,053,728</u>	<u>\$577,012,328</u>

(4) - PROPERTY TAXES

Property taxes are levied and collected for the special taxing districts of the Commission by Montgomery and Prince George's County Governments, as appropriate. Real property taxes are levied on July 1 each year and become delinquent on October 1, at which time interest and penalties commence. Effective July 1, 1996, there is an exception for those homeowners living in their properties who have requested a semiannual payment plan. Semiannual taxpayers must pay one-half of the annual taxes by September 30 and the remaining one-half plus a service charge by January 31 of the following year. Personal property and real property taxes levied for a fraction of a year are due when billed. Tax liens on real property are sold at public auction on the second Monday in June in Montgomery County and on the second Monday in May in Prince George's County for taxes remaining overdue since the preceding October 1. The Commission periodically reviews property tax assessments to ensure proper receipt of such taxes. From time to time, the Commission may determine that additional taxes are due or refunds are required. Only after such amounts are measurable will the Commission record the appropriate receivable or reserve for the entire amounts.

Property taxes assessed in 1996 and prior that are estimated to be collectible have been recorded as a receivable in the accompanying 1997 financial statements with an offsetting equivalent amount included in deferred revenue.

Repayment of the Commission's park acquisition and development general obligation bonds is provided by a mandatory tax levied by each County on its respective Metropolitan District. Proceeds of the mandatory tax are recorded in the General Fund and transfers are made to the respective Park Debt Service Funds to pay interest and principal payments.

The property tax revenues and rates of the Commission are not subject to any legislative limitations. However, such revenues are approved by the respective County Council when budgets are approved.

County-wide taxes are levied in each County for the retirement of Advance Land Acquisition Bonds. Any variance from the tax proceeds and the debt service payments is transferred to/from the Advance Land Acquisition Expendable Trust Fund.

(5) - DUE FROM OTHER GOVERNMENTS

The total "Due from Other Governments" at June 30, 1997, was \$8,314,670 for the Commission (\$3,729,713 and \$4,584,957 for Montgomery and Prince George's Counties, respectively). A summary of amounts due by source and nature of receivable is listed below.

	<u>MONTGOMERY COUNTY</u>		
	<u>General Fund Accounts</u>	<u>Capital Projects Funds</u>	<u>Internal Service Funds</u>
U.S. Environmental Protection Agency	\$ 10,606	\$ ---	\$ ---
Community Oriented Services	232,316	---	---
U.S. Army Corps of Engineers	---	8,165	---
Federal Highway Administration	---	422,039	---
State of Maryland	63,894	679,576	---
Montgomery County	501,053	1,673,636	78,428
Local Government	---	60,000	---
Montgomery County Totals	<u>\$ 807,869</u>	<u>\$2,843,416</u>	<u>\$ 78,428</u>

	<u>PRINCE GEORGE'S COUNTY</u>			
	<u>General Fund Accounts</u>	<u>Capital Projects Funds</u>	<u>Internal Service Funds</u>	<u>Expendable Trust Funds</u>
U.S. Dept. Of Transportation	\$ ---	\$ 2,009,752	\$ ---	\$ ---
State of Maryland	13,376	2,084,737	---	---
Prince George's County	345,431	233	78,428	53,000
Prince George's Public Schools	---	---	---	---
Prince George's County Totals	<u>\$ 358,807</u>	<u>\$4,094,722</u>	<u>\$ 78,428</u>	<u>\$ 53,000</u>
Commission Totals	<u>\$1,166,676</u>	<u>\$6,938,138</u>	<u>\$156,856</u>	<u>\$ 53,000</u>

(6) - INTERFUND RECEIVABLES/PAYABLES

The following summarizes the individual interfund receivable and payable balances at June 30, 1997.

	<u>Montgomery County</u>	
	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
Internal Service Funds		
ISF - Capital Equipment Fund	---	\$687,374
ISF - Employee Benefits	<u>\$687,374</u>	---
	<u>\$687,374</u>	<u>\$687,374</u>

(7) - CONTRIBUTED CAPITAL

The changes in the Commission's contributed capital accounts for its proprietary funds were as follows:

	<u>Enterprise</u>		<u>Internal Service</u>	
	<u>Montgomery</u>	<u>Prince George's</u>	<u>Montgomery Capital Equipment</u>	<u>Prince George's Capital Equipment</u>
Beginning Balance, Contributed Capital	\$4,876,936	\$26,377,310	\$525,128	\$4,860
Contributing Sources	---	---	---	---
Less: Depreciation Added Back	---	(228,566)	---	---
Ending Balance, Contributed Capital	<u>\$4,876,936</u>	<u>\$26,148,744</u>	<u>\$525,128</u>	<u>\$4,860</u>

(8) - DESIGNATED FUND BALANCES AND DEFICIT RETAINED EARNINGS FOR INDIVIDUAL FUNDS

The Commission and respective County governments have designated \$30,254,116 of budget basis fund balances in the General Fund at June 30, 1997, as restricted to fund 1998 operations and provide reserves for contingencies.

	<u>Montgomery County</u>	<u>Prince George's County</u>	<u>Total</u>
Administration Account	\$ 605,590	\$ 1,419,100	\$ 2,024,690
Park Account	1,624,210	26,012,474	27,636,684
Recreation Account	N/A	592,742	592,742
	<u>\$2,229,800</u>	<u>\$28,024,316</u>	<u>\$30,254,116</u>

The amount of available fund balance as defined on a GAAP basis and on a non-GAAP budgetary basis is \$16,648,586 (\$467,725 and \$16,180,861 for Montgomery and Prince George's County, respectively).

There were no deficits in retained earnings for the year ended June 30, 1997.

(9) - GENERAL FIXED ASSETS

A summary of changes in general fixed assets is set forth below (\$000's).

<u>General Fixed Assets</u>	<u>Balance June 30, 1996</u>	<u>Additions</u>	<u>Deductions</u>	<u>Transfers</u>	<u>Balance June 30, 1997</u>
Montgomery County					
Land	\$100,303	\$ 2,841	\$ ---	\$ ---	\$103,144
Buildings and Improvements	66,051	---	---	3,212	69,263
Machinery and Equipment	8,522	938	(114)	---	9,346
Construction in Progress	7,697	7,362	---	(3,212)	11,847
Total General Fixed Assets	<u>\$182,573</u>	<u>\$11,141</u>	<u>\$ (114)</u>	<u>\$ ---</u>	<u>\$193,600</u>
Prince George's County					
Land	\$ 82,765	\$ 1,581	\$ ---	\$ ---	\$ 84,346
Buildings and Improvements	117,500	572	---	11,248	129,320
Machinery and Equipment	25,824	3,036	(479)	---	28,381
Construction in Progress	16,923	13,016	---	(11,248)	18,691
Total General Fixed Assets	<u>\$243,012</u>	<u>\$18,205</u>	<u>\$ (479)</u>	<u>\$ ---</u>	<u>\$260,738</u>
Commission-wide Totals	<u>\$425,585</u>	<u>\$29,346</u>	<u>\$ (593)</u>	<u>\$ ---</u>	<u>\$454,338</u>

A summary of proprietary fund type fixed assets at June 30, 1997 follows.

	<u>Enterprise</u>	<u>Internal Service</u>
Montgomery County		
Land	\$ 8,632,328	\$ ---
Buildings	8,448,408	102,469
Improvements Other Than Buildings	1,523,177	---
Machinery and Equipment	5,045,690	18,345,117
Construction in Progress	<u>2,071,265</u>	<u>---</u>
Total	25,720,868	18,447,586
Less-Accumulated Depreciation	<u>(5,557,539)</u>	<u>(13,356,029)</u>
Net	<u>\$ 20,163,329</u>	<u>\$ 5,091,557</u>
Prince George's County		
Land	\$ 5,684,643	\$ 748,497
Buildings	19,596,264	2,680,229
Improvements Other Than Buildings	7,193,974	---
Machinery and Equipment	<u>4,195,332</u>	<u>1,189,810</u>
Total	36,670,213	4,618,536
Less-Accumulated Depreciation	<u>(7,961,786)</u>	<u>(1,290,559)</u>
Net	<u>\$ 28,708,427</u>	<u>\$ 3,327,977</u>
Total Commission Fixed Assets	\$ 62,391,081	\$ 23,066,122
Less-Accumulated Depreciation	<u>(13,519,325)</u>	<u>(14,646,588)</u>
Net	<u>\$ 48,871,756</u>	<u>\$ 8,419,534</u>

(10) - LONG-TERM DEBT

The Commission is authorized to issue general obligation bonds to provide resources for the acquisition of park land and the development of parks, designated as Park Acquisition and Development Bonds ("Park Bonds"), to provide resources for advance land acquisition for highways, schools and other public purposes, designated as Advance Land Acquisition Bonds ("Advance Land Bonds"), and to refund certain outstanding bonds to realize interest savings ("Refunding Bonds"). The Commission is also authorized to issue revenue bonds to finance the cost of revenue producing facilities. Commission bonds are issued for a specific County. The Park Bonds, Advance Land Bonds and Advance Refunding Bonds are general obligations of the Commission and the County for which they are issued. The revenue bonds are not general obligations of the Commission and County and are payable solely from revenues generated from revenue producing facilities.

(A) General Long-Term Obligation Account Group

Mandatory taxes of 9 cents per \$100 of assessed valuation in Montgomery County and 10 cents per \$100 of assessed valuation in Prince George's County are required by Article 28 of the Annotated Code of Maryland to be levied in the Metropolitan District in the respective Counties for the payment of Park Bond and Refunding Bond debt service. In 1997, the actual debt service expenditures per \$100 of assessed valuation for Park Bonds approximated 1.2 cents in Montgomery County and 5.5 cents in Prince George's County. The remainder of the proceeds of the mandatory taxes was used for operating and maintaining the park system of the respective Counties.

New Debt Issue - On January 29, 1997, the Commission issued \$33,000,000 Prince George's County Park Acquisition and Development Bonds (Series T-2), dated January 15, 1997.

Subsequent to June 30, 1997, the Commission issued \$21,000,000 Prince George's County Variable Rate Bond Anticipation Notes (Series V-2), dated August 1, 1997, with a term of five years. Additionally, a settlement was held on September 18, 1997, for a Revenue Note of \$3,600,000 at a rate of 6.06% amortized over 15 years to finance the construction of an ice rink at Wheaton Regional Park. This Note is payable from receipts

of the golf courses operated by the Commission's Montgomery County Enterprise Fund during construction and from the Wheaton skating facilities upon completion. The Note is subordinated indebtedness to the previously issued revenue bonds for Little Bennett Golf Facilities Series 1991, which is described below.

(B) Proprietary Funds

The Commission is authorized to issue revenue bonds to finance the cost of revenue producing facilities. The Commission issued \$5,000,000 of revenue bonds in fiscal year 1992 to finance the construction of a golf course at Little Bennett Regional Park. These bonds are payable from the receipts of four existing golf courses operated by the Commission's Montgomery County Enterprise Fund including the Little Bennett Golf Course. There are no authorized and unissued revenue bonds available to the Commission. Revenue bond proceeds are restricted as follows:

<u>Purpose</u>	
Debt Service Account - used to pay principal and interest on bonds	\$ 7,026
Debt Service Reserve Account - used to pay principal and interest on bonds when there is insufficient money available in Debt Service Account	506,250
Redemption Account - used to pay principal on bonds	<u>1,401</u>
Total	<u>\$ 514,677</u>
 <u>Debt Service Coverage Calculation on Revenue Bonds:</u>	
Revenues	\$5,835,037
Expenses (not applicable per indenture)	---
Net Revenue Available for Debt Service	<u>\$5,835,037</u>
Debt Service Requirements	<u>524,550</u>
Debt Service Coverage - %	1,112%
Rate Covenant Required - %	150%
Excess Debt Service Coverage - %	<u>962%</u>

General obligation bonds, notes, and revenue bonds payable at June 30, 1997, consist of the following individual issues (\$000's).

<u>Series</u>	<u>Effective Interest Rate at Date of Sale</u>	<u>Dated</u>	<u>Final Maturity Date</u>	<u>FY 1998 Serial Payment</u>	<u>Original Issue</u>	<u>Outstanding at June 30, 1997</u>
<u>Montgomery County</u>						
Park Acquisition and Development Bonds & Notes						
1990 Advance Refunding, E-2	6.7983	06-01-90	07-01-03	\$ 550	\$ 6,675	\$ 3,960
Series H-2	6.7983	06-01-90	07-01-10	300	7,500	1,200
Series K-2	5.9212	05-01-92	07-01-12	250	6,000	5,000
Series N-2	4.7561	12-01-93	07-01-14	275	5,500	4,950
Series Q-2	6.3609	11-15-94	11-01-14	150	5,000	1,450
Series R-2 Advance Refunding	4.8972	12-01-95	07-01-14	<u>75</u>	<u>8,700</u>	<u>8,625</u>
				1,600	39,375	25,185
Advance Land Acquisition						
Bonds of 1990	6.7983	06-01-90	07-01-10	200	5,000	800
Bonds of 1994	6.3609	11-15-94	11-01-14	70	2,200	2,060
Bonds of 1995 Advance Refunding	4.7707	12-01-95	07-01-10	<u>35</u>	<u>3,345</u>	<u>3,310</u>
				<u>305</u>	<u>10,545</u>	<u>6,170</u>
Revenue Bonds						
Little Bennett Golf Course	8.2500	08-29-91	10-01-11	<u>160</u>	<u>5,000</u>	<u>4,465</u>
County Total				<u>\$2,065</u>	<u>\$54,920</u>	<u>\$ 35,820</u>

Series	Effective Interest Rate at Date of Sale	Dated	Final Maturity Date	FY 1998 Serial Payment	Original Issue	Outstanding at June 30, 1997
Prince George's County						
Park Acquisition and Development Bonds & Notes						
1990 Advance Refunding, G-2	6.8867	06-01-90	07-01-06	\$ 800	\$ 12,390	\$ 8,295
Series J-2	6.8867	06-01-90	07-01-10	950	23,500	3,800
Series L-2	5.9922	05-01-92	07-01-12	950	23,000	5,700
Series M-2	5.1483	05-01-93	07-01-13	600	15,250	13,450
Series P-2	4.8382	12-01-93	07-01-14	725	14,500	13,050
Series S-2 Advance Refunding	4.9787	12-01-95	07-01-12	225	30,025	29,800
Series T-2	5.3913	01-15-97	01-15-17	1,000	33,000	33,000
				<u>5,250</u>	<u>151,665</u>	<u>107,095</u>
Advance Land Acquisition						
Bonds of 1990	6.8867	06-01-90	07-01-10	200	5,000	800
Bonds of 1995 Advance Refunding	4.8991	12-01-95	07-01-10	<u>30</u>	<u>3,300</u>	<u>3,270</u>
				<u>230</u>	<u>8,300</u>	<u>4,070</u>
County Total				<u>\$5,480</u>	<u>\$159,965</u>	<u>\$111,165</u>
Commission Total				<u>\$7,545</u>	<u>\$214,885</u>	<u>\$146,985</u>

Distribution:		
General Long-Term Obligations Account Group - Montgomery County		\$ 31,355
- Prince George's County		<u>111,165</u>
Account Group Total		<u>142,520</u>
Proprietary Funds - Montgomery County (Revenue Bonds)		<u>4,465</u>
Commission Total		<u>\$146,985</u>

The following is a summary of the general obligation bonds and notes and revenue bonds payable transactions of the Commission for the two years ended June 30, 1997 (\$000's).

	Montgomery County			Prince George's County		Total
	Park Bonds & Notes	Advance Land Bonds	Proprietary Revenue Bonds	Park Bonds & Notes	Advance Land Bonds	
Bonds Payable at June 30, 1995	\$27,730	\$6,960	\$4,755	\$80,530	\$4,535	\$124,510
Advance Refunding Bonds Issued	8,700	3,345	---	30,025	3,300	45,370
Serial Bonds Refunded	(7,750)	(3,000)	---	(27,500)	(3,000)	(41,250)
Serial Bonds Retired	<u>(1,710)</u>	<u>(550)</u>	<u>(140)</u>	<u>(4,595)</u>	<u>(445)</u>	<u>(7,440)</u>
Bonds Payable at June 30, 1996	\$26,970	\$6,755	\$4,615	\$ 78,460	\$4,390	\$121,190
Serial Bonds Issued	---	---	---	33,000	---	33,000
Serial Bonds Retired	<u>(1,785)</u>	<u>(585)</u>	<u>(150)</u>	<u>(4,365)</u>	<u>(320)</u>	<u>(7,205)</u>
Bonds Payable at June 30, 1997	<u>\$25,185</u>	<u>\$6,170</u>	<u>\$4,465</u>	<u>\$107,095</u>	<u>\$4,070</u>	<u>\$146,985</u>

The annual requirements to amortize all debt outstanding as of June 30, 1997 including interest payments of \$16,727,336 for Montgomery County (\$10,571,103 for Park Bonds & Notes, \$2,860,564 for Advance Land Bonds and \$3,295,669 for Revenue Bonds) and \$54,331,199 for Prince George's County (\$52,807,297 for Park Bonds & Notes and \$1,523,902 for Advance Land Bonds) are as follows (\$000's).

Year Ending June 30	Montgomery County			Prince George's County		Total
	Park Bonds & Notes	Advance Land Bonds	Proprietary Revenue Bonds	Park Bonds & Notes	Advance Land Bonds	
1998	\$ 2,941	\$ 641	\$ 522	\$10,879	\$ 442	\$ 15,425
1999	2,845	622	523	10,581	432	15,003
2000	2,797	602	523	10,385	416	14,723
2001	2,740	607	522	10,081	400	14,350
2002	2,782	680	519	10,210	484	14,675
2003-2007	11,243	3,105	2,592	49,592	2,111	68,643
2008-2012	8,057	2,278	2,561	39,145	1,310	53,351
2013-2017	2,352	495	---	19,028	---	21,875
TOTAL	<u>\$35,757</u>	<u>\$ 9,030</u>	<u>\$ 7,762</u>	<u>\$159,901</u>	<u>\$5,595</u>	<u>\$218,045</u>

(11) - RETIREMENT ARRANGEMENTS

(A) Defined Benefit Pension Plan

Plan Description

The Commission contributes to The Maryland-National Capital Park and Planning Commission Employees' Retirement System (the "System"), a single-employer defined benefit public employee retirement plan. Benefit provisions and all other requirements are established by a Trust Agreement between the Commission and the Board of Trustees of the System. Accounting and financial reporting for the system is performed by non-Commission employees who are employed directly by the System. The System's financial records are not maintained on a separate County basis. The System issues a publicly available financial report that includes its audited financial statements and certain other supplementary information. The Comprehensive Annual Financial Report is available at the administrative offices of The Maryland-National Capital Park and Planning Commission Employees' Retirement System, 6611 Kenilworth Avenue, Suite 100, Riverdale, Maryland 20737.

Basis of Accounting

The System's financial statements have been prepared on the accrual basis of accounting. Employee and employer contributions are recognized as revenues (additions to net assets) in the period in which employee services are performed. Both benefits and refunds paid are recognized as expenses (deductions from net assets) in the period in which employee services are performed.

There are no outstanding long-term contract contributions to the plan as of the reporting date.

Method Used to Value Investments

Marketable securities are carried at market value based on quotes from the active market. The fair value of real estate is determined by appraisals performed at the end of the calendar year by independent appraisers, and is adjusted to reflect market conditions at June 30, 1997. The System has invested in a mutual fund composed of more than 300 international securities with T. Rowe Price-Fleming which exceed 5 percent of net plan assets.

Related Party Transactions

The System did not hold securities (loans, notes, bonds or other instruments) of the Commission or related parties (Montgomery and Prince George's Counties) at June 30, 1997, or at any time during the year.

Funding Status and Progress

The actuarially accrued liability at the valuation date shown on the Schedule of Funding Progress (see following page) is a measure of the present value of pension benefits, adjusted for the effects of projected salary increases and step-rate benefits, estimated to be payable in the future as a result of employee service to date. The measure is intended to help users assess the funding status of the System on a going-concern basis, assess progress made in accumulating sufficient assets to pay benefits when due, and make comparisons among employers. This measure is the actuarial present value of credited projected benefits and is independent of the funding method used to determine required contributions to the System.

Actuarial Methods

Actuarial Cost Method: The Projected Unit Credit Actuarial Cost method is used to determine costs. Under this funding method, the normal cost for any year is equal to the actuarial present value of the benefits expected to accrue in that year. The actuarial present value of benefits that have accrued in prior years is called the actuarial liability. The portion of the actuarial liability in excess of plan assets is funded according to a schedule that is intended to amortize such unfunded actuarial liability fully after a period of years. This is in addition to each year's employer normal cost. Under this cost method, actuarial gains and losses are directly reflected in the size of the unfunded actuarial liability.

Actuarial Valuation of Assets: The actuarial value of assets was market value (on an accrual basis) reduced by a four-year weighted average of realized and unrealized gains/losses and further reduced by the sum of outstanding employee contributions subject to return as of the valuation date. The weights applied to the prior four years realized and unrealized gains/losses allow 20% recognition in each year.

Amortization Method: The funding policy of the System is to meet long-term benefit promises through actuarially determined periodic contributions that remain approximately level from year to year as a percent of annual covered payroll.

Amortization Period: In accordance with actuarial recommendations, adopted by the Board of Trustees, the unfunded actuarial liability is being amortized by annual payments over a period ending January 1, 2016.

Economic Assumptions: The actuarial accrued liability was estimated as part of an actuarial valuation performed as of July 1, 1996. Significant actuarial assumptions used in the valuation include (a) a rate of return on the investment of present and future assets of 7% a year compounded annually, (b) projected salary increases of 6% a year compounded annually, and (c) postretirement benefit increases of 3.75% a year, compounded annually, based on the Plan's provision for annual increases of 100% of the first 3% of change in the CPI-Urban Index for major U.S. cities plus half of the change in excess of 3%, but no more than 5% in total.

The net assets in excess of the total pension benefit obligations is \$53,127,617 at July 1, 1996. The net assets available for benefits at June 30, 1997 totaled \$366,636,466. As of July 1, 1996, the actuarial value of assets exceeded the unfunded actuarial accrued liability by \$13,557,904.

Trend Information

Trend information gives an indication of the progress made in accumulating sufficient assets to pay benefits when due. Trend information for four years is presented below and for ten years within the System's Comprehensive Annual Financial Report for June 30, 1997. For the four years ended June 30, 1994, 1995, 1996 and 1997, the Commission's contributions to the System, which were all made in accordance with

actuarially determined requirements, were 13.4%, 13.8%, 10.9% and 9.6% respectively, of annual covered payroll. Below is a Schedule of Funding Progress.

SCHEDULE OF FUNDING PROGRESS (000's)				
	July 1, 1993	July 1, 1994	July 1, 1995	July 1 1996
Actuarial Valuation of Plan Assets	\$195,485	\$213,245	\$236,821	\$264,787
Actuarial Accrued Liability	196,985	217,790	229,235	251,229
Funded Ratio	99.2%	97.9%	103.3%	105.4%
Actuarial Value of Assets in Excess of (Unfunded) Actuarial Accrued Liability	(1,500)	(4,545)	7,586	13,558
Annual Covered Payroll	59,571	64,192	68,625	72,668
Actuarial Value of Assets in Excess of (Unfunded) Actuarial Accrued Liability as a Percentage of Covered Payroll	-2.5%	-7.1%	11.1%	18.7%

Postretirement Benefits

In addition to the pension benefits provided by the System, the Commission itself provides postretirement health care benefits, in accordance with Commission approval, to all full-time and part-time career employees, directors appointed by the Prince George's Planning Board, Merit System Board Members, Commissioners and appointed officials who retire under a Commission Retirement Plan or the State of Maryland Retirement Plan and who have been insured under any Commission-sponsored group medical plan during the three years immediately preceding the date of retirement. Currently, 391 retirees meet those eligibility requirements. Continuance of medical, dental, and vision benefits requires a minimum of three years' participation in a Commission-sponsored plan immediately prior to retirement. The Commission contributes 85 percent of the amount of medical and dental insurance rates and 80 percent of vision benefit rates. The System contributes the same percentages for its full-time and part-time employees.

Expenditures for postretirement health care benefits are recognized as retirees' insurance premiums are paid. The portion of estimated Incurred But Not Reported (IBNR) claims relating to retirees is included in the active employee category. The Commission paid \$1,345,955 and \$1,368,602 for the years ending June 30, 1996 and 1997 respectively, for these benefits.

Securities Lending Transactions

The System Board of Trustees policies authorize the lending of investment securities. These lending transactions are managed by The Northern Trust Company. There were no significant violations of legal or contractual provisions, or borrower or lending agent default losses known to the securities lending agent as of June 30, 1997.

Securities are loaned against collateral that may include cash, U.S. government securities and irrevocable letters of credit. U.S. securities are loaned against collateral valued at 102% of the market value of the securities plus any accrued interest. Non-U.S. securities are loaned against collateral valued at 105% of the market value of the securities plus any accrued interest. Noncash collateral cannot be pledged or sold unless the borrower defaults. All securities loans can be terminated on demand by either the lender or the borrower, although the average term of overall loans is 10 days.

The two types of collateral loans are open and term. Open loans have no fixed time frame but are still one year or less in duration. Term loans have a fixed time frame set at the beginning of the loan. Cash collateral is invested in a short-term investment pool, the Core Qualified Collateral Section, which has an average weighted maturity of 29.2 days as of this financial statement date. Cash open collateral may also be invested

separately in term loans, in which case the investments match the loan term. These loans can be terminated on demand by either the lender or the borrower.

As of June 30, 1997, any coupon payments for securities loaned have been paid; there are no pending or outstanding amounts. Securities lending earnings are credited to participating clients on approximately the fifteenth day of the following month.

The trustee bank, The Northern Trust Company, is responsible for performing borrower and collateral investment credit analyses, demanding adequate types and levels of collateral, and complying with applicable Department of Labor and Federal Financial Institutions Examination Council regulations concerning securities lending. Loss indemnification is provided in a situation in which securities are not returned due to the insolvency of a borrower and the trustee bank fails to fulfill its contractual responsibilities relating to the lending of those securities to that borrower.

Cash received as securities lending collateral as of June 30, 1997 was \$30,213,503. The market value of securities on loan as of June 30, 1997 totaled \$32,838,455, of which \$29,664,706 was cash collateral and \$3,173,749 was noncash collateral. Guidelines for the Core-Qualified Collateral define eligible noncash collateral investments as obligations issued or guaranteed by the U.S. Government or its agencies or instrumentalities, and irrevocable letters of credit if issued by banks approved by the agent's Trust Credit Committee at the time of issuance.

Investments are classified as Category 1, because securities are held by the System's managers in the System's name. Detailed security lending information as of June 30, 1997 can be found in the System's report.

(B) Social Security

Commission employees, other than Park Police, participate in the Federal Social Security System for which the Commission contributed \$5,771,630 and \$6,033,890 respectively, in 1996 and 1997.

(C) Maryland State Retirement System (MSRS)

Pension costs for certain employees/retirees who elected to remain in the State Plan were \$68,625 in 1996 and \$72,668 in 1997. A total of 17 employees/retirees are covered in the State Plan (vs. 2,437 in the System described above). This amount includes the current service costs plus an amount sufficient to amortize the prior service cost over a 40-year period ending June 30, 2020. The Commission has established its State Retirement Trust Fund which has sufficient assets to fund all future MSRS costs.

(12) - SELF INSURANCE

The Commission operates a self-insurance program for the risk management function and an Administrative Services Only plan for the prescription drug program. Other group insurance options available to employees include a minimum premium-split funding arrangement for a Preferred Provider Organization and an indemnity dental program. All other group health benefits, which includes five Health Maintenance Organizations (HMO's) and a vision plan are fully funded. The Commission expended \$12,345,486 for all group health benefits in fiscal year 1997. The basis for estimating IBNR claims at year-end is an annual actuarial analysis performed by the plans' administrators.

The Commission is a participant in the Montgomery County Self-Insurance Program (the "Program") for the purpose of economic pooling of risks and resources. The Program provides the Commission with self-insurance administration for workers' compensation (Maryland state mandatory limits), comprehensive general liability, automobile liability, police professional liability, public officials liability, property and fire damage, boiler and machinery damage, data processing system breakdown and excess liability (up to \$10,000,000). The Commission does not participate in risk-sharing with the other participants and is required to reimburse the full amount of any claims paid by the Program. The Commission has directly purchased additional liability and property loss coverage through commercial policies for claims arising out of real and personal property damage for losses over \$100,000. The Commission also carries honesty bond coverage for its public officials and employees.

Premiums are paid into the Risk Management Internal Service Fund by the General Fund and Enterprise Funds and are available to pay claims, claim reserves and administrative costs of the program. Claims paid during fiscal year 1997 totalled \$1,637,904. Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for IBNR claims which is determined annually based on an actuarial evaluation. In addition, individual claim liabilities are established for each case based on the effects of inflation, recent claim settlement trends including frequency and amount of payouts and other economic and social factors. Changes in the balances of claims liabilities during the past two years are as follows:

	<u>Medical</u>	<u>Risk Management</u>
Unpaid Claims, June 30, 1995	\$ 1,925,240	\$ 5,296,843
Incurred Claims, Fiscal Year 1996	5,009,557	1,404,672
Claims Paid, Fiscal Year 1996	<u>(5,255,201)</u>	<u>(1,415,474)</u>
Unpaid Claims, June 30, 1996	1,679,596	5,286,041
Incurred Claims, Fiscal Year 1997	5,016,767	2,297,900
Claims Paid, Fiscal Year 1997	<u>(5,224,343)</u>	<u>(1,637,904)</u>
Unpaid Claims, June 30, 1997	<u>\$ 1,472,020</u>	<u>\$5,946,037</u>

The medical column excludes HMO expenses that are fully insured.

(13) - ENTERPRISE FUNDS

The Commission accounts for the operation of numerous cultural and recreational facilities in an Enterprise Fund for each County. The recreational facilities include an historical airport, a marina, ice rinks, golf courses, conference centers, an equestrian center, train rides and carousels.

The Commission's objective is that total user fees for the Enterprise Fund of each County cover the operating expenses, before depreciation, and the payments for facility and equipment additions. Budget plans for these funds are reviewed in total by the respective County. There are no restrictions on operating subsidies among the facilities and activities within each County. The various facilities are reported in a single segment for each county as recreational and cultural facilities.

Key financial data for these Funds for the year ended June 30, 1997 follow (\$000's):

	<u>Montgomery County</u>	<u>Prince George's County</u>	
	Recreational and Cultural Facilities	Recreational and Cultural Facilities	Commission Total
Operating Revenues	\$10,202	\$ 5,107	\$15,309
Depreciation	754	1,016	1,770
Other Operating Expenses	8,593	6,919	15,512
Operating Income (Loss)	855	(2,827)	(1,972)
Operating Transfers In (Out)	86	2,330	2,416
Net Income (Loss)	961	(459)	502
Property, Plant, and Equipment Additions	2,392	198	2,590
Net Working Capital (Deficit)	6,463	528	6,991
Long-Term Liabilities	4,547	1,735	6,282
Retained Earnings (Deficit)	17,202	1,353	18,555
Total Equity	22,079	27,502	49,581
Total Assets	27,880	29,876	57,756

During the fiscal year, there was no activity involving operating grants within these Funds.

(14) - RELATED PARTY

The Commission was involved in the following related party transactions during fiscal year 1997:

(A) Payments to Prince George's County -The Commission paid Prince George's County \$578,760 in annual rental charges for office space in the County Administration Building and \$621,000 for processing the Commission's property tax collections in fiscal year 1997.

(B) Rental of Executive Office Building Space - The Maryland-National Capital Park and Planning Commission Employees' Retirement System paid the Commission \$70,000 in fiscal year 1997 for annual rental of space in the Kenilworth Executive Office Building.

(15) - BUDGETARY DATA

The General Purpose Financial Statements are presented in accordance with GAAP applicable to governmental units, except for Exhibit 3 and Notes 19(C) and 19(H) to the financial statements, which are presented on a basis consistent with the legally adopted budget. Under the budgetary method, current-year outstanding encumbrances are charged to the budgetary appropriations and are considered expenditures of the current period; inventories are treated as expenditures when received. Governmental accounting considers outstanding encumbrances and inventory balances as reservations of fund balances that are charged to expenditures in the period in which the goods or services are used or received.

A reconciliation of the Budget Basis to GAAP Basis is as follows.

	<u>Montgomery County</u>		<u>Prince George's County</u>			<u>Commission</u>
	<u>Adminis- tration Account</u>	<u>Park Account</u>	<u>Adminis- tration Account</u>	<u>Park Account</u>	<u>Recreation Account</u>	<u>Total General Fund</u>
Reconciliation from Budget Basis to GAAP Basis for the year ended June 30, 1997:						
Adjustment to Expenditures						
To Increase -						
Encumbrances -						
June 30, 1996	\$ 1,797,083	\$ 1,071,016	\$ 2,630,376	\$ 3,717,508	\$ 1,055,392	\$10,271,375
Beginning Inventories	---	---	---	---	87,508	87,508
To Decrease -						
Encumbrances -						
June 30, 1997	(1,391,609)	(1,052,534)	(1,850,339)	(3,298,012)	(1,381,909)	(8,974,403)
Ending Inventories	---	---	---	---	---	---
Total Adjustment	405,474	18,482	780,037	419,496	(239,009)	1,384,480
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses:						
Budget Basis	(144,682)	104,647	239,069	7,112,500	1,815,520	9,127,054
GAAP Basis	(550,156)	86,165	(540,968)	6,693,004	2,054,529	7,742,574
Fund Balance, July 1, 1996						
GAAP Basis	2,704,642	2,901,017	5,380,168	32,292,370	4,856,334	48,134,531
Fund Balance, June 30, 1997						
GAAP Basis	\$ 2,154,486	\$ 2,987,182	\$ 4,839,200	\$38,985,374	\$ 6,910,863	\$55,877,105

(16) - LITIGATION

The Commission is a defendant in various legal actions that fall into three major categories - those arising from the Commission's planning and zoning powers, those arising from incidents occurring on Commission property and those arising from personnel actions. The Commission's management and its Acting General Counsel estimates that the resolution of claims resulting from all litigation against the Commission not covered by insurance will not materially affect the financial position or operations of the Commission.

(17) - COMMITMENTS AND CONTINGENCIES

(A) - Operating Leases and Notes Payable

The Commission is committed under several operating lease and installment purchase agreements for office space and equipment expiring at various dates through 2012. Each agreement provides for termination in the event of nonappropriation of funds. All equipment installment purchases are financed by the proprietary funds and have been capitalized; there are no notes payable in the governmental funds.

Future minimum commitments under noncancelable notes payable and operating leases at June 30, 1997 are as follows (\$000's).

Year Ending June 30	Notes Payable			Operating Leases		
	Total	Montgomery County	Prince George's County	Total	Montgomery County	Prince George's County
1998	\$ 1,522	\$1,147	\$ 375	\$ 856	\$ 48	\$ 808
1999	1,289	1,046	243	845	49	796
2000	1,281	1,046	235	815	50	765
2001	235	---	235	200	50	150
2002	236	---	236	175	25	150
2003 and Beyond	<u>2,471</u>	<u>---</u>	<u>2,471</u>	<u>1,503</u>	<u>---</u>	<u>1,503</u>
Total minimum lease payments	7,034	3,239	3,795	<u>\$4,394</u>	<u>\$222</u>	<u>\$4,172</u>
Less: Amount representing interest	(1,777)	(266)	(1,511)			
Net present value of minimum lease payments	<u>\$5,257</u>	<u>\$2,973</u>	<u>\$2,284</u>			

In fiscal year 1997 expenditures in the General Fund included \$858,515 (Montgomery - \$39,866, Prince George's - \$818,649) relating to the rental of office space.

(B) Grant Program

The Commission, as grantee or subgrantee, participates in several Federal and State grant programs, which are subject to financial and compliance audits. As of June 30, 1997, audits of certain programs had not been conducted. The Commission believes it has complied with applicable grant requirements and the amount of expenditures that may be disallowed by the granting agencies, if any, would be immaterial. Direct and indirect grant revenues from the Federal government for 1997 were \$2,505,413. The Commission engaged independent accountants to conduct an audit of Federal grants as required by the Single Audit Act of 1996 as revised and Circular A-133 issued by the Office of Management and Budget.

(18) COMPENSATED ABSENCES

(A) Governmental and Internal Service Fund Types

As of June 30, 1997, Commission employees had earned, but not taken, annual leave and compensatory leave which, at their current salary rates, amounted to approximately \$10,045,000 (Montgomery - \$4,632,000; Prince George's - \$5,413,000). If this leave is not taken by employees during their employment, the Commission is committed to make certain cash payments upon termination or retirement at the salary rates then in effect.

The liability for compensated absences is determined at the end of each fiscal year. The amount recorded as an expenditure is the amount to be liquidated within 60 days, with expendable available financial resources. This amount is recorded as a current liability in the Employee Benefits Internal Service Fund and has been expensed in the General Fund. The remainder of the liability is recorded in the General Long-Term Obligations Account Group.

Below is a schedule of change in the accrued liability for compensated absences.

	<u>Montgomery County</u>	<u>Prince George's County</u>	<u>Total</u>
Liability as of June 30, 1996:			
Current Portion	\$ 678,000	\$ 836,000	\$ 1,514,000
Remaining Portion	<u>3,777,000</u>	<u>4,608,000</u>	<u>8,385,000</u>
Total	<u>4,455,000</u>	<u>5,444,000</u>	<u>9,899,000</u>
Change in Liability:			
Current Portion -			
Expenditure for FY 1997	35,000	8,000	43,000
Remaining Portion -			
Increase in General Long-Term			
Obligations Account Group	<u>142,000</u>	<u>(39,000)</u>	<u>103,000</u>
Total	<u>177,000</u>	<u>(31,000)</u>	<u>146,000</u>
Liability as of June 30, 1997:			
Current Portion	713,000	844,000	1,557,000
Remaining Portion	<u>3,919,000</u>	<u>4,569,000</u>	<u>8,488,000</u>
Total	<u>\$4,632,000</u>	<u>\$5,413,000</u>	<u>\$10,045,000</u>

(B) Proprietary Fund Types

Compensated absences in these fund types are accrued in total within each respective Fund.

(19) - COUNTY FINANCIAL DATA

The following financial data pertains to both Montgomery and Prince George's Counties.

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

NOTE 19 (A)

MONTGOMERY COUNTY

Schedule of Assets, Liabilities and Fund Equity - ALL FUND TYPES AND ACCOUNT GROUPS
June 30, 1997

	Governmental Fund Types			Proprietary Fund Types		Fiduciary Fund Types	Account Groups		Totals (Memorandum Only)	
	General Accounts	Debt Service	Capital Projects	Enterprise	Internal Service	Trust Funds	General Fixed Assets	General Long-Term Obligations	June 30, 1997	June 30, 1996
ASSETS AND OTHER DEBITS										
Equity in Pooled Cash and Investments	\$ 6,573,579	\$ ---	\$ 3,120,847	\$ 7,095,389	\$ 10,325,460	\$ 3,802,450	\$ ---	\$ ---	\$ 30,917,725	\$ 38,371,072
Receivables - Taxes	3,433,000	---	---	---	---	---	---	---	3,433,000	1,651,000
Receivables - Other	36,784	---	---	2,569	2,477	544	---	---	42,374	49,984
Due from Other Funds	---	---	---	---	687,374	---	---	---	687,374	---
Due from Other Governments	807,869	---	2,843,416	---	78,428	---	---	---	3,729,713	4,834,399
Inventories, at Cost	---	---	---	619,125	---	---	---	---	619,125	623,054
Deposits and Other	2,198	---	---	---	651,637	---	---	---	653,835	969,566
Total Current Assets	10,853,430	---	5,964,263	7,717,083	11,745,376	3,802,994	---	---	40,083,146	46,499,075
Restricted Assets -										
Land Held for Transfer	---	---	---	---	---	25,914,091	---	---	25,914,091	23,791,332
Fixed Assets	---	---	---	25,720,868	18,447,586	---	193,600,417	---	237,768,871	222,770,556
Accumulated Depreciation	---	---	---	(5,557,539)	(13,356,029)	---	---	---	(18,913,568)	(17,419,153)
Amount Available in Debt Service Funds	---	---	---	---	---	---	---	---	---	22,998
Resources to be Provided in Future Years -										
Retirement of General Obligation Bonds	---	---	---	---	---	---	---	31,355,000	31,355,000	33,702,002
Retirement of Accrued Liability for Compensated Absences	---	---	---	---	---	---	---	3,919,000	3,919,000	3,777,000
Total Assets and Other Debits	\$ 10,853,430	\$ ---	\$ 5,964,263	\$ 27,880,412	\$ 16,836,933	\$ 29,717,085	\$ 193,600,417	\$ 35,274,000	\$ 320,126,540	\$ 313,143,810
LIABILITIES, EQUITY AND OTHER CREDITS										
Liabilities:										
Current Portion of Bonds Payable	\$ ---	\$ ---	\$ ---	\$ 160,000	\$ ---	\$ ---	\$ ---	\$ ---	\$ 160,000	\$ 150,000
Current Portion of Notes Payable	---	---	---	210,687	803,584	---	---	---	1,014,271	1,208,609
Accounts Payable	1,027,801	---	2,217,659	205,867	343,154	5,402	---	---	3,799,883	2,552,586
Accrued Liabilities	1,682,945	---	---	370,245	4,086,959	---	---	---	6,140,149	6,412,480
Due to Other Governments	---	---	---	34	---	---	---	---	34	74,487
Due to Other Funds	---	---	---	---	687,374	---	---	---	687,374	---
Deposits and Deferred Revenue	3,001,016	---	---	215,278	---	1,470,667	---	---	4,686,961	3,421,032
Matured Bonds and Interest Payable	---	---	---	92,090	---	---	---	---	92,090	95,184
Total Current Liabilities	5,711,762	---	2,217,659	1,254,201	5,921,071	1,476,069	---	---	16,580,762	13,914,378
General Obligation Bonds Payable	---	---	---	---	---	---	---	31,355,000	31,355,000	33,725,000
Revenue Bonds Payable - Net of Current Portion	---	---	---	4,305,000	---	---	---	---	4,305,000	4,465,000
Notes Payable - Net of Current Portion	---	---	---	242,123	1,717,278	---	---	---	1,959,401	2,973,673
Accrued Liability for Compensated Absences	---	---	---	---	---	---	---	3,919,000	3,919,000	3,777,000
Total Liabilities	5,711,762	---	2,217,659	5,801,324	7,638,349	1,476,069	---	35,274,000	58,119,163	58,855,051
Equity and Other Credits:										
Contributed Capital	---	---	---	4,876,936	525,128	---	---	---	5,402,064	5,402,064
Investment in General Fixed Assets	---	---	---	---	---	---	193,600,417	---	193,600,417	182,572,881
Retained Earnings (Deficit) -										
Reserved for Contingency	---	---	---	---	5,358,162	---	---	---	5,358,162	3,551,293
Unreserved	---	---	---	17,202,152	3,315,294	---	---	---	20,517,446	18,787,212
Fund Balances -										
Reserved for Encumbrances	2,444,143	---	3,746,604	---	---	---	---	---	6,190,747	9,472,458
Reserved for Land Held for Transfer	---	---	---	---	---	25,914,091	---	---	25,914,091	23,791,332
Reserved for Debt Service	---	---	---	---	---	---	---	---	---	22,998
Unreserved -										
Designated for Subsequent Years	2,229,800	---	---	---	---	2,326,925	---	---	4,556,725	9,362,521
Undesignated	467,725	---	---	---	---	---	---	---	467,725	1,326,000
Total Retained Earnings/Fund Balances	5,141,668	---	3,746,604	17,202,152	8,673,456	28,241,016	---	---	63,004,896	66,313,814
Total Equity and Other Credits	5,141,668	---	3,746,604	22,079,088	9,198,584	28,241,016	193,600,417	---	262,007,377	254,288,759
Total Liabilities, Equity and Other Credits	\$ 10,853,430	\$ ---	\$ 5,964,263	\$ 27,880,412	\$ 16,836,933	\$ 29,717,085	\$ 193,600,417	\$ 35,274,000	\$ 320,126,540	\$ 313,143,810

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

NOTE 19 (B)

MONTGOMERY COUNTY

Schedule of Revenues, Expenditures, and Changes in Fund Balances - ALL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUNDS
For the Fiscal Year Ended June 30, 1997

	Governmental Fund Types			Fiduciary	Totals	
	General	Debt	Capital	Fund	(Memorandum Only)	
	Accounts	Service	Projects	Expendable	Year Ended	
			Trust	June 30,	June 30,	
				1997	1996	
Revenues:						
Property Taxes	\$ 56,405,289	\$ 1,207,523	\$ --	\$ --	\$ 57,612,812	\$ 53,880,270
Intergovernmental	603,801	--	6,050,825	--	6,654,626	5,424,794
Charges for Services	1,691,186	--	--	--	1,691,186	1,702,040
Interest	683,642	--	129,569	325,448	1,138,659	1,428,870
Miscellaneous	124,113	--	37,360	225,093	386,566	343,686
Total Revenues	<u>59,508,031</u>	<u>1,207,523</u>	<u>6,217,754</u>	<u>550,541</u>	<u>67,483,849</u>	<u>62,779,660</u>
Expenditures:						
Current -						
General Government	4,949,621	--	--	--	4,949,621	4,493,900
County Planning and Zoning	13,067,495	--	--	--	13,067,495	11,726,301
Park Operation and Maintenance	38,060,834	--	--	--	38,060,834	37,112,446
Miscellaneous Expendable Trust Funds	--	--	--	281,841	281,841	235,571
Capital Outlay - Land Acquisition and Development	--	--	12,319,049	--	12,319,049	6,040,622
Debt Service -						
Principal Retirement	--	2,370,000	--	--	2,370,000	2,260,000
Interest and Fiscal Charges	--	1,810,980	--	--	1,810,980	2,069,544
Total Expenditures	<u>56,077,950</u>	<u>4,180,980</u>	<u>12,319,049</u>	<u>281,841</u>	<u>72,859,820</u>	<u>63,938,384</u>
Excess of Revenues over (under) Expenditures	<u>3,430,081</u>	<u>(2,973,457)</u>	<u>(6,101,295)</u>	<u>268,700</u>	<u>(5,375,971)</u>	<u>(1,158,724)</u>
Other Financing Sources (Uses):						
Proceeds of Refunding Bonds	--	--	--	--	--	12,045,000
Payment to Refunded Bond Escrow Agent	--	--	--	--	--	(11,901,296)
Operating Transfers In	129,569	3,205,641	1,747,207	255,182	5,337,599	4,455,378
Operating Transfers Out	(4,023,641)	(255,182)	(129,569)	(1,015,208)	(5,423,600)	(4,541,378)
Total Other Financing Sources (Uses)	<u>(3,894,072)</u>	<u>2,950,459</u>	<u>1,617,638</u>	<u>(760,026)</u>	<u>(86,001)</u>	<u>57,704</u>
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses	<u>(463,991)</u>	<u>(22,998)</u>	<u>(4,483,657)</u>	<u>(491,326)</u>	<u>(5,461,972)</u>	<u>(1,101,020)</u>
Fund Balances, July 1	<u>5,605,659</u>	<u>22,998</u>	<u>8,230,261</u>	<u>28,732,342</u>	<u>42,591,260</u>	<u>43,692,280</u>
Fund Balances, June 30	<u>\$ 5,141,668</u>	<u>\$ --</u>	<u>\$ 3,746,604</u>	<u>\$ 28,241,016</u>	<u>\$ 37,129,288</u>	<u>\$ 42,591,260</u>

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

NOTE 19 (C)

MONTGOMERY COUNTY

Schedule of Revenues, Expenditures/Encumbrances, and
 Changes in Fund Balances - Budget (Non-GAAP Budgetary Basis) and Actual - GENERAL FUND ACCOUNTS
 For the Fiscal Year Ended June 30, 1997

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Revenues:			
Property Taxes	\$ 56,402,150	\$ 56,405,289	\$ 3,139
Intergovernmental	786,645	603,801	(182,844)
Charges for Services	578,250	655,850	77,600
Rentals and Concessions	1,025,250	1,035,336	10,086
Interest	605,000	683,642	78,642
Miscellaneous	<u>81,900</u>	<u>124,113</u>	<u>42,213</u>
Total Revenues	<u>59,479,195</u>	<u>59,508,031</u>	<u>28,836</u>
Expenditures/Encumbrances:			
Current -			
General Government	4,925,690	4,747,206	178,484
County Planning and Zoning	12,732,120	12,864,436	(132,316)
Park Operation and Maintenance	<u>38,462,335</u>	<u>38,042,352</u>	<u>419,983</u>
Total Expenditures/Encumbrances	<u>56,120,145</u>	<u>55,653,994</u>	<u>466,151</u>
Excess of Revenues over (under)			
Expenditures/Encumbrances	<u>3,359,050</u>	<u>3,854,037</u>	<u>494,987</u>
Other Financing Sources (Uses):			
Operating Transfers In	200,000	129,569	(70,431)
Operating Transfers Out	<u>(4,065,000)</u>	<u>(4,023,641)</u>	<u>41,359</u>
Total Other Financing Sources (Uses)	<u>(3,865,000)</u>	<u>(3,894,072)</u>	<u>(29,072)</u>
Excess of Revenues and Other Sources			
over (under) Expenditures and			
Other Uses - Budget Basis	<u>\$ (505,950)</u>	(40,035)	<u>\$ 465,915</u>
Fund Balances - Budget Basis, July 1		<u>2,737,560</u>	
Fund Balances - Budget Basis, June 30		<u>\$ 2,697,525</u>	

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

NOTE 19 (D)

MONTGOMERY COUNTY

Schedule of Revenues, Expenses, and Changes in Retained Earnings -
ALL PROPRIETARY FUND TYPES
For the Fiscal Year Ended June 30, 1997

	Proprietary Fund Types		Totals (Memorandum Only)	
	Enterprise	Internal Service	Year Ended	
			June 30, 1997	June 30, 1996
Operating Revenues:				
Sales	\$ 1,154,423	\$ —	\$ 1,154,423	\$ 973,627
Charges for Services	7,172,753	14,148,109	21,320,862	20,227,779
Rentals and Concessions	1,874,807	—	1,874,807	1,829,334
Miscellaneous	—	113,400	113,400	106,893
Total Operating Revenues	<u>10,201,983</u>	<u>14,261,509</u>	<u>24,463,492</u>	<u>23,137,633</u>
Operating Expenses:				
Cost of Goods Sold	714,923	—	714,923	547,482
Personal Services	4,309,236	3,775,983	8,085,219	7,615,164
Supplies and Materials	912,285	16,255	928,540	907,514
Other Services and Charges	1,662,671	7,054,855	8,717,526	8,738,675
Administrative Charges	993,702	—	993,702	935,339
Depreciation	<u>754,372</u>	<u>1,415,405</u>	<u>2,169,777</u>	<u>2,011,572</u>
Total Operating Expenses	<u>9,347,189</u>	<u>12,262,498</u>	<u>21,609,687</u>	<u>20,755,746</u>
Operating Income (Loss)	<u>854,794</u>	<u>1,999,011</u>	<u>2,853,805</u>	<u>2,381,887</u>
Nonoperating Revenues	418,430	702,890	1,121,320	881,802
Nonoperating Expenses	<u>(398,103)</u>	<u>(125,919)</u>	<u>(524,022)</u>	<u>(572,791)</u>
Nonoperating Revenues (Expenses), Net	<u>20,327</u>	<u>576,971</u>	<u>597,298</u>	<u>309,011</u>
Income (Loss) Before Operating Transfers	<u>875,121</u>	<u>2,575,982</u>	<u>3,451,103</u>	<u>2,690,898</u>
Operating Transfers In	<u>86,000</u>	<u>—</u>	<u>86,000</u>	<u>86,000</u>
Total Operating Transfers	<u>86,000</u>	<u>—</u>	<u>86,000</u>	<u>86,000</u>
Net Income (Loss)	961,121	2,575,982	3,537,103	2,776,898
Retained Earnings, July 1	<u>16,241,031</u>	<u>6,097,474</u>	<u>22,338,505</u>	<u>19,561,607</u>
Retained Earnings, June 30	<u>\$ 17,202,152</u>	<u>\$ 8,673,456</u>	<u>\$ 25,875,608</u>	<u>\$ 22,338,505</u>

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

Note 19 (E)

MONTGOMERY COUNTY

Schedule of Cash Flows - ALL PROPRIETARY FUND TYPES
For the Fiscal Year Ended June 30, 1997

	Proprietary Fund Types		Totals (Memorandum Only)	
	Enterprise	Internal Service	Year Ended	
			June 30, 1997	June 30, 1996
Cash Flows from Operating Activities:				
Operating Income (Loss)	\$ 854,794	\$ 1,999,011	\$ 2,853,805	\$ 2,381,887
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Depreciation	754,372	1,415,405	2,169,777	2,011,572
Changes in Assets and Liabilities:				
(Increase) Decrease in Accounts Receivable	3,270	(2,477)	793	(3,350)
(Increase) Decrease in Due From Other Funds	—	(687,374)	(687,374)	1,017,432
(Increase) Decrease in Due from County Government	—	3,044	3,044	(78,300)
(Increase) Decrease in Inventories, at Cost	3,929	—	3,929	(27,110)
(Increase) Decrease in Deposits and Other	8,208	307,524	315,732	(51,748)
Increase (Decrease) in Accounts Payable	(10,139)	78,128	67,989	231,537
Increase (Decrease) in Claims Payable	—	(5,638)	(5,638)	226,620
Increase (Decrease) in Accrued Salaries and Benefits	(43,582)	(68,971)	(112,553)	(10,659)
Increase (Decrease) in Accrued Leave	26,552	34,874	61,426	61,517
Increase (Decrease) in Interest Payable	(3,094)	—	(3,094)	(2,888)
Increase (Decrease) in Estimate of Incurred but Unreported Claims	—	(331,963)	(331,963)	(166,589)
Increase (Decrease) in Other Accrued Liabilities	—	—	—	(3,139)
Increase (Decrease) in Due to Other Governments	(160)	—	(160)	123
Increase (Decrease) in Due to Other Funds	—	687,374	687,374	(1,017,432)
Increase (Decrease) in Revenue Collected in Advance	(18,054)	—	(18,054)	(6,520)
Net Cash Provided (Used) by Operating Activities	<u>1,576,096</u>	<u>3,428,937</u>	<u>5,005,033</u>	<u>4,562,953</u>
Cash Flows from Noncapital Financing Activities:				
Operating Transfers In from Other Funds	86,000	—	86,000	86,000
Net Cash Provided (Used) by Noncapital Financing Activities	<u>86,000</u>	<u>—</u>	<u>86,000</u>	<u>86,000</u>
Cash Flows from Capital and Related Financing Activities:				
Acquisition of Fixed Assets	(2,392,253)	(2,253,888)	(4,646,141)	(3,799,830)
Principal Paid on Notes Payable	(208,057)	(1,000,553)	(1,208,610)	(1,904,722)
Principal Paid on Revenue Bonds	(150,000)	—	(150,000)	(140,000)
Interest Paid on Notes Payable	(26,647)	(125,919)	(152,566)	(189,167)
Interest Paid on Revenue Bonds	(371,456)	—	(371,456)	(383,624)
Proceeds from Financing	—	—	—	4,799,999
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(3,148,413)</u>	<u>(3,380,360)</u>	<u>(6,528,773)</u>	<u>(1,617,344)</u>
Cash Flows from Investing Activities:				
Interest on Investments	418,430	702,890	1,121,320	881,802
Net Cash Provided (Used) by Investing Activities	<u>418,430</u>	<u>702,890</u>	<u>1,121,320</u>	<u>881,802</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(1,067,887)	751,467	(316,420)	3,913,411
Cash and Cash Equivalents, July 1	8,163,276	9,573,993	17,737,269	13,823,858
Cash and Cash Equivalents, June 30	<u>\$ 7,095,389</u>	<u>\$ 10,325,460</u>	<u>\$ 17,420,849</u>	<u>\$ 17,737,269</u>

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

NOTE 19 (F)

PRINCE GEORGE'S COUNTY

Schedule of Assets, Liabilities and Fund Equity - ALL FUND TYPES AND ACCOUNT GROUPS
June 30, 1997

	Governmental Fund Types			Proprietary Fund Types		Fiduciary Fund Types	Account Groups		Totals (Memorandum Only)	
	General Accounts	Debt Service	Capital Projects	Enterprise	Internal Service	Trust Funds	General Fixed Assets	General Long-Term Obligations	June 30, 1997	June 30, 1996
	ASSETS AND OTHER DEBITS									
Equity in Pooled Cash and Investments	\$ 54,631,495	\$ 128,835	\$ 31,296,058	\$ 493,578	\$ 11,141,143	\$ 11,626,214	\$ --	\$ --	\$ 109,317,323	\$ 70,534,364
Cash With Fiscal Agents	--	--	--	--	--	--	--	--	--	11,150
Receivables - Taxes	1,740,000	--	--	--	--	--	--	--	1,740,000	1,647,000
Receivables - Other	589,498	--	1,194,789	84,648	--	4,281	--	--	1,873,216	1,800,402
Due from Other Governments	358,807	--	4,094,722	--	78,428	53,000	--	--	4,584,957	2,503,769
Inventories, at Cost	--	--	--	589,323	--	--	--	--	589,323	708,794
Deposits and Other	4,375	--	--	--	651,637	--	--	--	656,012	962,333
Total Current Assets	57,324,175	128,835	36,585,569	1,167,549	11,871,208	11,683,495	--	--	118,760,831	78,167,812
Advances to Other Funds	--	--	--	--	--	1,734,875	--	--	1,734,875	1,734,875
Restricted Assets -										
Land Held for Transfer	--	--	--	--	--	14,306,820	--	--	14,306,820	18,439,607
Other	--	--	--	--	--	395,272	--	--	395,272	400,915
Fixed Assets	--	--	--	36,670,213	4,618,536	--	260,738,482	--	302,027,231	284,499,888
Accumulated Depreciation	--	--	--	(7,961,786)	(1,290,559)	--	--	--	(9,252,345)	(8,397,682)
Amount Available in Debt Service Funds	--	--	--	--	--	--	--	--	--	155,905
Resources to be Provided in Future Years -										
Retirement of General Obligation Bonds	--	--	--	--	--	--	--	111,165,000	111,165,000	82,694,095
Retirement of Accrued Liability for										
Compensated Absences	--	--	--	--	--	--	--	4,569,000	4,569,000	4,608,000
Total Assets and Other Debits	\$ 57,324,175	\$ 128,835	\$ 36,585,569	\$ 29,875,976	\$ 15,199,185	\$ 28,120,462	\$ 260,738,482	\$ 115,734,000	\$ 543,706,684	\$ 462,303,415
LIABILITIES, EQUITY AND OTHER CREDITS										
Liabilities:										
Current Portion of Notes Payable	\$ --	\$ --	\$ --	\$ --	\$ 211,134	\$ --	\$ --	\$ --	\$ 211,134	\$ 197,415
Accounts Payable	2,389,711	--	2,327,988	137,994	250,583	94,990	--	--	5,201,266	5,921,940
Accrued Liabilities	2,114,279	--	--	406,854	4,967,569	52,353	--	--	7,541,055	7,026,953
Deposits and Deferred Revenue	2,084,748	128,835	--	94,610	--	1,240,336	--	--	3,548,529	3,921,913
Matured Bonds and Interest Payable	--	--	--	--	--	--	--	--	--	11,150
Total Current Liabilities	6,588,738	128,835	2,327,988	639,458	5,429,286	1,387,679	--	--	16,501,984	17,079,371
General Obligation Bonds Payable	--	--	--	--	--	--	--	111,165,000	111,165,000	82,850,000
Notes Payable - Net of Current Portion	--	--	--	--	2,072,426	--	--	--	2,072,426	2,283,562
Advances from Other Funds	--	--	--	1,734,875	--	--	--	--	1,734,875	1,734,875
Accrued Liability for Compensated Absences	--	--	--	--	--	--	--	4,569,000	4,569,000	4,608,000
Total Liabilities	6,588,738	128,835	2,327,988	2,374,333	7,501,712	1,387,679	--	115,734,000	136,043,285	108,555,808
Equity and Other Credits:										
Contributed Capital	--	--	--	26,148,744	4,860	--	--	--	26,153,604	26,382,170
Investment in General Fixed Assets	--	--	--	--	--	--	260,738,482	--	260,738,482	243,012,425
Retained Earnings (Deficit) -										
Reserved for Contingency	--	--	--	--	5,975,191	--	--	--	5,975,191	4,067,981
Unreserved	--	--	--	1,352,899	1,717,422	--	--	--	3,070,321	5,282,881
Fund Balances -										
Reserved for Encumbrances	6,530,260	--	3,877,638	--	--	--	--	--	10,407,898	10,225,675
Reserved for Inventories	--	--	--	--	--	--	--	--	--	87,508
Reserved for Land Held for Transfer	--	--	--	--	--	16,041,695	--	--	16,041,695	20,174,482
Reserved for Debt Service	--	--	--	--	--	--	--	--	--	155,905
Unreserved -										
Designated for Subsequent Years	28,024,316	--	30,379,943	--	--	10,691,088	--	--	69,095,347	31,399,439
Undesignated	16,180,861	--	--	--	--	--	--	--	16,180,861	12,959,141
Total Retained Earnings/Fund Balances	50,735,437	--	34,257,581	1,352,899	7,692,613	26,732,783	--	--	120,771,313	84,353,012
Total Equity and Other Credits	50,735,437	--	34,257,581	27,501,643	7,697,473	26,732,783	260,738,482	--	407,663,399	353,747,607
Total Liabilities, Equity and Other Credits	\$ 57,324,175	\$ 128,835	\$ 36,585,569	\$ 29,875,976	\$ 15,199,185	\$ 28,120,462	\$ 260,738,482	\$ 115,734,000	\$ 543,706,684	\$ 462,303,415

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

NOTE 19 (G)

PRINCE GEORGE'S COUNTY

Schedule of Revenues, Expenditures, and Changes in Fund Balances - ALL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUNDS
For the Fiscal Year Ended June 30, 1997

	Governmental Fund Types			Fiduciary	Totals	
	General	Debt	Capital	Fund	(Memorandum Only)	
	Accounts	Service	Projects	Expendable Trust	Year Ended	
					June 30,	June 30,
					1997	1996
Revenues:						
Property Taxes	\$ 95,784,288	\$ 1,032,362	\$ —	\$ —	\$ 96,816,650	\$ 94,857,674
Intergovernmental	507,305	—	4,852,755	2,081,117	7,441,177	2,037,239
Charges for Services	6,777,903	—	—	3,395,056	10,172,959	9,328,257
Interest	3,167,371	53,049	959,376	533,073	4,712,869	4,065,399
Miscellaneous	261,729	—	5,540,945	1,295,082	7,097,756	1,560,602
Total Revenues	<u>106,498,596</u>	<u>1,085,411</u>	<u>11,353,076</u>	<u>7,304,328</u>	<u>126,241,411</u>	<u>111,849,171</u>
Expenditures:						
Current -						
General Government	5,611,371	—	—	—	5,611,371	5,217,449
County Planning and Zoning	13,928,468	—	—	—	13,928,468	12,881,808
Park Operation and Maintenance	41,269,238	—	—	—	41,269,238	38,032,695
Recreation Programs	26,884,491	—	—	—	26,884,491	27,147,107
Miscellaneous Expendable Trust Funds	—	—	—	8,431,644	8,431,644	7,036,390
Capital Outlay - Land Acquisition and Development	—	—	14,151,322	—	14,151,322	12,590,746
Debt Service -						
Principal Retirement	—	4,685,000	—	—	4,685,000	5,040,000
Interest and Fiscal Charges	—	4,342,160	—	—	4,342,160	5,093,399
Total Expenditures	<u>87,693,568</u>	<u>9,027,160</u>	<u>14,151,322</u>	<u>8,431,644</u>	<u>119,303,694</u>	<u>113,039,594</u>
Excess of Revenues over (under) Expenditures	<u>18,805,028</u>	<u>(7,941,749)</u>	<u>(2,798,246)</u>	<u>(1,127,316)</u>	<u>6,937,717</u>	<u>(1,190,423)</u>
Other Financing Sources (Uses):						
Proceeds of Refunding Bonds	—	—	33,000,000	—	33,000,000	33,325,000
Payment to Refunded Bond Escrow Agent	—	—	—	—	—	(33,151,344)
Operating Transfers In	959,376	8,262,064	2,192,804	563,727	11,977,971	10,582,781
Operating Transfers Out	(11,557,839)	(476,220)	(959,376)	(814,554)	(13,807,989)	(14,997,387)
Total Other Financing Sources (Uses)	<u>(10,598,463)</u>	<u>7,785,844</u>	<u>34,233,428</u>	<u>(250,827)</u>	<u>31,169,982</u>	<u>(4,240,950)</u>
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses	8,206,565	(155,905)	31,435,182	(1,378,143)	38,107,699	(5,431,373)
Fund Balances, July 1	42,528,872	155,905	2,822,399	28,110,926	73,618,102	79,049,475
Fund Balances, June 30	<u>\$ 50,735,437</u>	<u>\$ —</u>	<u>\$ 34,257,581</u>	<u>\$ 26,732,783</u>	<u>\$ 111,725,801</u>	<u>\$ 73,618,102</u>

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

NOTE 19 (H)

PRINCE GEORGE'S COUNTY

Schedule of Revenues, Expenditures/Encumbrances, and
 Changes in Fund Balances - Budget (Non-GAAP Budgetary Basis) and Actual - GENERAL FUND ACCOUNTS
 For the Fiscal Year Ended June 30, 1997

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Revenues:			
Property Taxes	\$ 94,551,521	\$ 95,784,288	\$ 1,232,767
Intergovernmental	717,269	507,305	(209,964)
Charges for Services	4,766,096	4,924,242	158,146
Rentals and Concessions	1,526,900	1,853,661	326,761
Interest	1,680,000	3,167,371	1,487,371
Miscellaneous	<u>169,354</u>	<u>261,729</u>	<u>92,375</u>
Total Revenues	<u>103,411,140</u>	<u>106,498,596</u>	<u>3,087,456</u>
Expenditures/Encumbrances:			
Current:			
General Government	5,593,165	5,465,888	127,277
County Planning and Zoning	13,477,431	13,293,914	183,517
Park Operation and Maintenance	43,768,255	40,849,742	2,918,513
Recreation Programs	<u>28,206,549</u>	<u>27,123,500</u>	<u>1,083,049</u>
Total Expenditures/Encumbrances	<u>91,045,400</u>	<u>86,733,044</u>	<u>4,312,356</u>
Excess of Revenues over (under)			
Expenditures/Encumbrances	<u>12,365,740</u>	<u>19,765,552</u>	<u>7,399,812</u>
Other Financing Sources (Uses):			
Operating Transfers In	750,000	959,376	209,376
Operating Transfers Out	<u>(12,733,547)</u>	<u>(11,557,839)</u>	<u>1,175,708</u>
Total Other Financing Sources (Uses)	<u>(11,983,547)</u>	<u>(10,598,463)</u>	<u>1,385,084</u>
Excess of Revenues and Other Sources			
over (under) Expenditures and			
Other Uses - Budget Basis	\$ <u>382,193</u>	9,167,089	\$ <u>8,784,896</u>
Fund Balances - Budget Basis, July 1		<u>35,038,088</u>	
Fund Balances - Budget Basis, June 30		\$ <u>44,205,177</u>	

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

NOTE 19 (I)

PRINCE GEORGE'S COUNTY

Schedule of Revenues, Expenses, and Changes in Retained Earnings -
ALL PROPRIETARY FUND TYPES
For the Fiscal Year Ended June 30, 1997

	Proprietary Fund Types		Totals (Memorandum Only)	
	Enterprise	Internal Service	Year Ended	
			June 30, 1997	June 30, 1996
Operating Revenues:				
Sales	\$ 1,324,360	\$ —	\$ 1,324,360	\$ 1,408,933
Charges for Services	2,181,860	14,445,076	16,626,936	16,198,135
Rentals and Concessions	1,601,124	—	1,601,124	1,400,488
Miscellaneous	—	80,201	80,201	153,146
Total Operating Revenues	<u>5,107,344</u>	<u>14,525,277</u>	<u>19,632,621</u>	<u>19,160,702</u>
Operating Expenses:				
Cost of Goods Sold	854,310	—	854,310	801,472
Personal Services	3,253,205	5,108,572	8,361,777	8,054,533
Supplies and Materials	891,409	64,556	955,965	979,633
Other Services and Charges	1,350,897	9,130,203	10,481,100	9,052,500
Administrative Charges	569,020	—	569,020	533,342
Depreciation	<u>1,015,755</u>	<u>238,506</u>	<u>1,254,261</u>	<u>1,233,778</u>
Total Operating Expenses	<u>7,934,596</u>	<u>14,541,837</u>	<u>22,476,433</u>	<u>20,655,258</u>
Operating Income (Loss)	<u>(2,827,252)</u>	<u>(16,560)</u>	<u>(2,843,812)</u>	<u>(1,494,556)</u>
Nonoperating Revenues	38,192	619,413	657,605	551,316
Nonoperating Expenses	—	(177,726)	(177,726)	(190,549)
Nonoperating Revenues (Expenses), Net	<u>38,192</u>	<u>441,687</u>	<u>479,879</u>	<u>360,767</u>
Income (Loss) Before Operating Transfers	<u>(2,789,060)</u>	<u>425,127</u>	<u>(2,363,933)</u>	<u>(1,133,789)</u>
Operating Transfers In	2,330,017	—	2,330,017	4,414,606
Operating Transfer Out	—	(500,000)	(500,000)	—
Total Operating Transfers	<u>2,330,017</u>	<u>(500,000)</u>	<u>1,830,017</u>	<u>4,414,606</u>
Net Income (Loss)	(459,043)	(74,873)	(533,916)	3,280,817
Add Depreciation Charge to Contributed Capital	<u>228,566</u>	—	<u>228,566</u>	<u>228,566</u>
Net Increase (Decrease) in Retained Earnings	(230,477)	(74,873)	(305,350)	3,509,383
Retained Earnings (Deficit), July 1	<u>1,583,376</u>	<u>7,767,486</u>	<u>9,350,862</u>	<u>5,841,479</u>
Retained Earnings (Deficit), June 30	<u>\$ 1,352,899</u>	<u>\$ 7,692,613</u>	<u>\$ 9,045,512</u>	<u>\$ 9,350,862</u>

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

NOTE 19 (J)

PRINCE GEORGE'S COUNTY

Schedule of Cash Flows - ALL PROPRIETARY FUND TYPES
For the Fiscal Year Ended June 30, 1997

	Proprietary Fund Types		Totals (Memorandum Only)	
	Enterprise	Internal Service	Year Ended	
			June 30, 1997	June 30, 1996
Cash Flows from Operating Activities:				
Operating Income (Loss)	\$ (2,827,252)	\$ (16,560)	\$ (2,843,812)	\$ (1,494,556)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Depreciation	1,015,755	238,506	1,254,261	1,233,778
Changes in Assets and Liabilities:				
(Increase) Decrease in Accounts Receivable	(35,653)	—	(35,653)	(13,539)
(Increase) Decrease in Due from Other Funds	—	—	—	319,000
(Increase) Decrease in Due from County Government	—	3,044	3,044	(78,300)
(Increase) Decrease in Inventories, at Cost	31,963	—	31,963	(68,708)
(Increase) Decrease in Deposits and Other	700	307,524	308,224	(48,419)
Increase (Decrease) in Accounts Payable	(22,626)	86,713	64,087	65,299
Increase (Decrease) in Claims Payable	—	591,634	591,634	37,243
Increase (Decrease) in Accrued Salaries and Benefits	(63,459)	(118,172)	(181,631)	(8,689)
Increase (Decrease) in Accrued Leave	(28,992)	14,679	(14,313)	130,141
Increase (Decrease) in Estimate of Incurred but Unreported Claims	—	198,387	198,387	(353,720)
Increase (Decrease) in Other Accrued Liabilities	—	—	—	(3,139)
Increase (Decrease) in Due to Other Funds	—	—	—	(1,862,931)
Increase (Decrease) in Revenue Collected in Advance	(17,414)	—	(17,414)	(29,985)
Net Cash Provided (Used) by Operating Activities	<u>(1,946,978)</u>	<u>1,305,755</u>	<u>(641,223)</u>	<u>(2,176,525)</u>
Cash Flows from Noncapital Financing Activities:				
Operating Transfers In from Other Funds	2,330,017	—	2,330,017	4,414,606
Operating Transfers Out to Other Funds	—	(500,000)	(500,000)	—
Net Cash Provided (Used) by Noncapital Financing Activities	<u>2,330,017</u>	<u>(500,000)</u>	<u>1,830,017</u>	<u>4,414,606</u>
Cash Flows from Capital and Related Financing Activities:				
Acquisition of Fixed Assets	(198,369)	(2,515)	(200,884)	(461,891)
Principal Paid on Notes Payable	—	(197,417)	(197,417)	(184,597)
Interest Paid on Notes Payable	—	(177,726)	(177,726)	(190,549)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(198,369)</u>	<u>(377,658)</u>	<u>(576,027)</u>	<u>(837,037)</u>
Cash Flows from Investing Activities:				
Interest on Investments	38,192	619,413	657,605	551,316
Net Cash Provided (Used) by Investing Activities	<u>38,192</u>	<u>619,413</u>	<u>657,605</u>	<u>551,316</u>
Net Increase (Decrease) in Cash and Cash Equivalents	222,862	1,047,510	1,270,372	1,952,360
Cash and Cash Equivalents, July 1	270,716	10,093,633	10,364,349	8,411,989
Cash and Cash Equivalents, June 30	<u>\$ 493,578</u>	<u>\$ 11,141,143</u>	<u>\$ 11,634,721</u>	<u>\$ 10,364,349</u>

♦ PART II B ♦
FINANCIAL SECTION

Combining Statements and Schedules



Canoes await fisherman and other park visitors to the serene Little Seneca Lake in Black Hill Regional Park

GENERAL FUND

The General Fund accounts for the proceeds of tax revenues and other general revenues which are expended for the Commission's general operations comprised of park operation and maintenance, recreation (Prince George's County only), and planning and administration.

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

EXHIBIT A-1

Schedule of Assets, Liabilities and Fund Balance - GENERAL FUND

June 30, 1997

	MONTGOMERY COUNTY				PRINCE GEORGE'S COUNTY				TOTALS		
	Adminis- tration Account	Park Account	Totals		Adminis- tration Account	Park Account	Recreation Account	Totals		June 30, 1997	June 30, 1996
			June 30, 1997	June 30, 1996				June 30, 1997	June 30, 1996		
ASSETS											
Equity in Pooled Cash and Investments	\$ 2,409,308	\$ 4,164,271	\$ 6,573,579	\$ 6,069,961	\$ 5,589,645	\$ 40,668,339	\$ 8,373,511	\$ 54,631,495	\$ 46,676,980	\$ 61,205,074	\$ 52,746,941
Receivables - Taxes	1,010,000	2,423,000	3,433,000	1,651,000	324,000	991,000	425,000	1,740,000	1,647,000	5,173,000	3,298,000
Receivables - Other	10,528	26,256	36,784	44,062	11,351	569,017	9,130	589,498	459,684	626,282	503,746
Due From County Governments	246,512	254,541	501,053	1,904,156	112,704	160,100	72,627	345,431	153,079	846,484	2,057,235
Due From Other Governments	53,012	253,804	306,816	39,624	3,089	9,268	1,019	13,376	64,243	320,192	103,867
Inventories, At Cost	—	—	—	—	—	—	—	—	87,508	—	87,508
Deposits and Other	2,198	—	2,198	2,197	4,375	—	—	4,375	2,472	6,573	4,669
Total Current Assets	\$ 3,731,558	\$ 7,121,872	\$ 10,853,430	\$ 9,711,000	\$ 6,045,164	\$ 42,397,724	\$ 8,881,287	\$ 57,324,175	\$ 49,090,966	\$ 68,177,605	\$ 58,801,966
LIABILITIES AND FUND BALANCE											
Liabilities:											
Accounts Payable	\$ 427,927	\$ 599,874	\$ 1,027,801	\$ 891,329	\$ 598,495	\$ 976,308	\$ 814,908	\$ 2,389,711	\$ 2,223,707	\$ 3,417,512	\$ 3,115,036
Accrued Salaries and Benefits	268,947	1,413,998	1,682,945	1,566,370	258,469	1,368,076	487,734	2,114,279	2,206,031	3,797,224	3,772,401
Due To County Government	—	—	—	74,293	—	—	—	—	—	—	74,293
Deposits and Deferred Revenue	880,198	2,120,818	3,001,016	1,573,349	349,000	1,067,966	667,782	2,084,748	2,132,356	5,085,764	3,705,705
Total Current Liabilities	1,577,072	4,134,690	5,711,762	4,105,341	1,205,964	3,412,350	1,970,424	6,588,738	6,562,094	12,300,500	10,667,435
Fund Balance:											
Reserved for Encumbrances	1,391,609	1,052,534	2,444,143	2,868,099	1,850,339	3,298,012	1,381,909	6,530,260	7,403,276	8,974,403	10,271,375
Reserved for Inventories	—	—	—	—	—	—	—	—	87,508	—	87,508
Unreserved -											
Designated for Subsequent Years	605,590	1,624,210	2,229,800	1,411,560	1,419,100	26,012,474	592,742	28,024,316	22,078,947	30,254,116	23,490,507
Undesignated	157,287	310,438	467,725	1,326,000	1,569,761	9,674,888	4,936,212	16,180,861	12,959,141	16,648,586	14,285,141
Total Fund Balance	2,154,486	2,987,182	5,141,668	5,605,659	4,839,200	38,985,374	6,910,863	50,735,437	42,528,872	55,877,105	48,134,531
Total Liabilities and Fund Balance	\$ 3,731,558	\$ 7,121,872	\$ 10,853,430	\$ 9,711,000	\$ 6,045,164	\$ 42,397,724	\$ 8,881,287	\$ 57,324,175	\$ 49,090,966	\$ 68,177,605	\$ 58,801,966

The notes to the financial statements are an integral part of this schedule.

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

EXHIBIT A-2

Schedule of Revenues, Expenditures, and Changes in Fund Balance - GENERAL FUND
For the Fiscal Year Ended June 30, 1997

	MONTGOMERY COUNTY				PRINCE GEORGE'S COUNTY			TOTALS			
	Adminis- tration Account	Park Account	Totals Year Ended		Adminis- tration Account	Park Account	Recreation Account	Totals Year Ended		Year Ended	
			June 30, 1997	June 30, 1996				June 30, 1997	June 30, 1996	June 30, 1997	June 30, 1996
Revenues:											
Property Taxes	\$ 16,375,821	\$ 40,029,468	\$ 56,405,289	\$ 52,741,881	\$ 17,836,924	\$ 54,577,505	\$ 23,369,859	\$ 95,784,288	\$ 93,833,111	\$ 152,189,577	\$ 146,574,992
Intergovernmental -											
Federal	—	249,137	249,137	65,242	10,110	16,350	900	27,360	32,575	276,497	97,817
State	63,498	21,488	84,986	73,935	—	285	222,335	222,620	247,032	307,606	320,967
County	269,678	—	269,678	258,388	257,325	—	—	257,325	250,777	527,003	509,165
Local	—	—	—	75,000	—	—	—	—	—	—	75,000
Charges for Services	414,085	240,540	654,625	658,478	379,423	90,702	4,454,117	4,924,242	4,710,125	5,578,867	5,368,603
Rentals and Concessions	1,225	1,035,336	1,036,561	1,043,562	—	1,534,675	318,986	1,853,661	1,370,683	2,890,222	2,414,245
Interest	267,048	416,594	683,642	810,526	504,471	2,120,994	541,906	3,167,371	2,726,613	3,851,013	3,537,139
Miscellaneous	75,605	48,508	124,113	112,824	10,618	132,686	118,425	261,729	321,103	385,842	433,927
Total Revenues	<u>17,466,960</u>	<u>42,041,071</u>	<u>59,508,031</u>	<u>55,839,836</u>	<u>18,998,871</u>	<u>58,473,197</u>	<u>29,026,528</u>	<u>106,498,596</u>	<u>103,492,019</u>	<u>166,006,627</u>	<u>159,331,855</u>
Expenditures:											
General Government	4,949,621	—	4,949,621	4,493,900	5,611,371	—	—	5,611,371	5,217,449	10,560,992	9,711,349
Planning Department	13,067,495	—	13,067,495	11,726,301	13,928,468	—	—	13,928,468	12,881,808	26,995,963	24,608,109
Park Operation and Maintenance	—	38,060,834	38,060,834	37,112,446	—	41,269,238	—	41,269,238	38,032,695	79,330,072	75,145,141
Recreation Programs	—	—	—	—	—	—	26,884,491	26,884,491	27,147,107	26,884,491	27,147,107
Total Expenditures	<u>18,017,116</u>	<u>38,060,834</u>	<u>56,077,950</u>	<u>53,332,647</u>	<u>19,539,839</u>	<u>41,269,238</u>	<u>26,884,491</u>	<u>87,693,568</u>	<u>83,279,059</u>	<u>143,771,518</u>	<u>136,611,706</u>
Excess of Revenues over (under) Expenditures	<u>(550,156)</u>	<u>3,980,237</u>	<u>3,430,081</u>	<u>2,507,189</u>	<u>(540,968)</u>	<u>17,203,959</u>	<u>2,142,037</u>	<u>18,805,028</u>	<u>20,212,960</u>	<u>22,235,109</u>	<u>22,720,149</u>
Other Financing Sources (Uses):											
Operating Transfers In	—	129,569	129,569	299,130	—	959,376	—	959,376	914,400	1,088,945	1,213,530
Operating Transfers Out	—	(4,023,641)	(4,023,641)	(3,998,670)	—	(11,470,331)	(87,508)	(11,557,839)	(13,789,455)	(15,581,480)	(17,788,125)
Total Other Financing Sources (Uses)	<u>—</u>	<u>(3,894,072)</u>	<u>(3,894,072)</u>	<u>(3,699,540)</u>	<u>—</u>	<u>(10,510,955)</u>	<u>(87,508)</u>	<u>(10,598,463)</u>	<u>(12,875,055)</u>	<u>(14,492,535)</u>	<u>(16,574,595)</u>
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses	<u>(550,156)</u>	<u>86,165</u>	<u>(463,991)</u>	<u>(1,192,351)</u>	<u>(540,968)</u>	<u>6,693,004</u>	<u>2,054,529</u>	<u>8,206,565</u>	<u>7,337,905</u>	<u>7,742,574</u>	<u>6,145,554</u>
Fund Balance, July 1	<u>2,704,642</u>	<u>2,901,017</u>	<u>5,605,659</u>	<u>6,798,010</u>	<u>5,380,168</u>	<u>32,292,370</u>	<u>4,856,334</u>	<u>42,528,872</u>	<u>35,190,967</u>	<u>48,134,531</u>	<u>41,988,977</u>
Fund Balance, June 30	<u>\$ 2,154,486</u>	<u>\$ 2,987,182</u>	<u>\$ 5,141,668</u>	<u>\$ 5,605,659</u>	<u>\$ 4,839,200</u>	<u>\$ 38,985,374</u>	<u>\$ 6,910,863</u>	<u>\$ 50,735,437</u>	<u>\$ 42,528,872</u>	<u>\$ 55,877,105</u>	<u>\$ 48,134,531</u>

The notes to the financial statements are an integral part of this schedule.

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

EXHIBIT A-3

MONTGOMERY COUNTY

GENERAL FUND

Comparative Schedule of Revenues, Expenditures/Encumbrances, and
Changes in Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual - ADMINISTRATION ACCOUNT
For the Fiscal Years Ended June 30, 1997 and 1996

	1997		Variance	1996
	Budget	Actual	Favorable (Unfavorable)	Actual
Revenues:				
Property Taxes	\$ 16,374,820	\$16,375,821	\$ 1,001	\$ 15,541,131
Intergovernmental -				
Federal	—	—	—	16,450
State	—	63,498	63,498	48,935
County	294,720	269,678	(25,042)	156,568
Local	—	—	—	75,000
Charges for Services	445,000	415,310	(29,690)	366,441
Interest	290,000	267,048	(22,952)	295,136
Miscellaneous	—	75,605	75,605	10,851
Total Revenues	<u>17,404,540</u>	<u>17,466,960</u>	<u>62,420</u>	<u>16,510,512</u>
Expenditures/Encumbrances:				
Commissioners' Office	887,740	848,405	39,335	849,636
Central Administrative Services -				
Department of Human Resources and Management	1,287,500	1,266,524	20,976	1,275,214
Legal	621,660	529,139	92,521	555,430
Finance	1,703,500	1,666,830	36,670	1,636,348
Support Services	390,840	409,593	(18,753)	416,046
Total Central Administrative Services	<u>4,003,500</u>	<u>3,872,086</u>	<u>131,414</u>	<u>3,883,038</u>
Merit System Board	34,450	26,715	7,735	29,790
Planning Department	12,732,120	12,942,536	(210,416)	11,994,049
Non-Departmental	—	(78,100)	78,100	(44,843)
Total Expenditures/Encumbrances	<u>17,657,810</u>	<u>17,611,642</u>	<u>46,168</u>	<u>16,711,670</u>
Excess of Revenues over (under) Expenditures/Encumbrances	<u>\$ (253,270)</u>	<u>(144,682)</u>	<u>\$ 108,588</u>	<u>(201,158)</u>
Fund Balance - Budget Basis, July 1		907,559		1,108,717
Fund Balance - Budget Basis, June 30		<u>\$ 762,877</u>		<u>\$ 907,559</u>

The notes to the financial statements are an integral part of this schedule.

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

EXHIBIT A-3

MONTGOMERY COUNTY

GENERAL FUND

Comparative Schedule of Revenues, Expenditures/Encumbrances, and
Changes in Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual - PARK ACCOUNT
For the Fiscal Years Ended June 30, 1997 and 1996

	1997		Variance Favorable (Unfavorable)	1996
	Budget	Actual		Actual
Revenues:				
Property Taxes	\$ 40,027,330	\$ 40,029,468	\$ 2,138	\$ 37,200,750
Intergovernmental -				
Federal	491,925	249,137	(242,788)	48,792
State	—	21,488	21,488	25,000
County	—	—	—	101,820
Charges for Services	133,250	240,540	107,290	292,037
Rentals and Concessions	1,025,250	1,035,336	10,086	1,043,562
Interest	315,000	416,594	101,594	515,390
Miscellaneous	81,900	48,508	(33,392)	101,973
Total Revenues	<u>42,074,655</u>	<u>42,041,071</u>	<u>(33,584)</u>	<u>39,329,324</u>
Expenditures/Encumbrances:				
Director of Parks	2,154,070	2,133,424	20,646	1,956,729
Park Planning, Engineering and Design	1,390,570	1,545,713	(155,143)	1,603,503
Park Police	8,009,455	7,476,134	533,321	7,062,240
Natural Resources	3,650,490	3,675,682	(25,192)	3,449,352
Central Maintenance	6,324,740	6,489,926	(165,186)	6,145,559
Region I & II	12,198,930	12,159,564	39,366	12,302,911
Property Management	814,000	789,540	24,460	735,582
Support Services	3,920,080	3,936,085	(16,005)	3,852,083
Non-Departmental	—	(163,716)	163,716	(74,169)
Total Expenditures/Encumbrances	<u>38,462,335</u>	<u>38,042,352</u>	<u>419,983</u>	<u>37,033,790</u>
Excess of Revenues over (under) Expenditures/Encumbrances	<u>3,612,320</u>	<u>3,998,719</u>	<u>386,399</u>	<u>2,295,534</u>
Other Financing Sources (Uses):				
Operating Transfers In (Out) -				
Capital Projects Funds - Interest	200,000	129,569	(70,431)	299,130
Debt Service - Park Fund	(3,247,000)	(3,205,641)	41,359	(3,234,670)
Capital Projects Funds - Development	(732,000)	(732,000)	—	(678,000)
Enterprise Fund	(86,000)	(86,000)	—	(86,000)
Total Other Financing Sources (Uses)	<u>(3,865,000)</u>	<u>(3,894,072)</u>	<u>(29,072)</u>	<u>(3,699,540)</u>
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses	<u>\$ (252,680)</u>	<u>104,647</u>	<u>\$ 357,327</u>	<u>(1,404,006)</u>
Fund Balance - Budget Basis, July 1		1,830,001		3,234,007
Fund Balance - Budget Basis, June 30		<u>\$ 1,934,648</u>		<u>\$ 1,830,001</u>

The notes to the financial statements are an integral part of this schedule.

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

EXHIBIT A-3

PRINCE GEORGE'S COUNTY

GENERAL FUND

Comparative Schedule of Revenues, Expenditures/Encumbrances, and
Changes in Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual - ADMINISTRATION ACCOUNT
For the Fiscal Years Ended June 30, 1997 and 1996

	1997		Variance Favorable (Unfavorable)	1996
	Budget	Actual		Actual
Revenues:				
Property Taxes	\$ 17,741,350	\$ 17,836,924	\$ 95,574	\$ 17,655,902
Intergovernmental -				
Federal	10,110	10,110	—	—
State	—	—	—	16,114
County	283,924	257,325	(26,599)	249,777
Charges for Services	300,000	379,423	79,423	419,398
Interest	330,000	504,471	174,471	484,954
Miscellaneous	—	10,618	10,618	9,885
Total Revenues	<u>18,665,384</u>	<u>18,998,871</u>	<u>333,487</u>	<u>18,836,030</u>
Expenditures/Encumbrances:				
Commissioners' Office	1,619,840	1,567,086	52,754	1,496,930
Central Administrative Services -				
Department of Human Resources and Management	1,281,800	1,266,524	15,276	1,275,215
Legal	593,385	529,139	64,246	555,430
Finance	1,672,850	1,666,831	6,019	1,636,348
Support Services	390,840	409,593	(18,753)	416,046
Total Central Administrative Services	<u>3,938,875</u>	<u>3,872,087</u>	<u>66,788</u>	<u>3,883,039</u>
Merit System Board	34,450	26,715	7,735	29,791
Planning Department	13,477,431	13,358,775	118,656	13,386,762
Non-Departmental	—	(64,861)	64,861	(26,909)
Total Expenditures/Encumbrances	<u>19,070,596</u>	<u>18,759,802</u>	<u>310,794</u>	<u>18,769,613</u>
Excess of Revenues over (under) Expenditures/Encumbrances	<u>(405,212)</u>	<u>239,069</u>	<u>644,281</u>	<u>66,417</u>
Other Financing Sources (Uses):				
Operating Transfers In (Out) -				
Capital Projects Funds - (Development)	—	—	—	(20,500)
Total Financing Sources (Uses)	<u>—</u>	<u>—</u>	<u>—</u>	<u>(20,500)</u>
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses	<u>\$ (405,212)</u>	<u>239,069</u>	<u>\$ 644,281</u>	<u>45,917</u>
Fund Balance - Budget Basis, July 1		<u>2,749,792</u>		<u>2,703,875</u>
Fund Balance - Budget Basis, June 30		<u>\$ 2,988,861</u>		<u>\$ 2,749,792</u>

The notes to the financial statements are an integral part of this schedule.

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

EXHIBIT A-3

PRINCE GEORGE'S COUNTY

GENERAL FUND

Comparative Schedule of Revenues, Expenditures/Encumbrances, and
Changes in Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual - PARK ACCOUNT
For the Fiscal Years Ended June 30, 1997 and 1996

	1997		Variance Favorable (Unfavorable)	1996
	Budget	Actual		Actual
Revenues:				
Property Taxes	\$ 53,558,111	\$ 54,577,505	\$ 1,019,394	\$ 53,893,313
Intergovernmental -				
Federal	—	16,350	16,350	14,944
State	200,000	285	(199,715)	—
Charges for Services	110,000	90,702	(19,298)	94,893
Rentals and Concessions	1,267,000	1,534,675	267,675	1,103,352
Interest	1,200,000	2,120,994	920,994	1,752,312
Miscellaneous	76,260	132,686	56,426	195,438
Total Revenues	<u>56,411,371</u>	<u>58,473,197</u>	<u>2,061,826</u>	<u>57,054,252</u>
Expenditures/Encumbrances:				
Director's Office	2,309,933	1,891,786	418,147	1,889,010
Park Police	8,457,455	7,981,593	475,862	7,994,464
Support Services	4,846,852	4,683,317	163,535	4,211,376
Child Care/Special Projects	37,750	34,052	3,698	—
Park Permits	164,853	151,158	13,695	179,734
Facility Operations -				
Associate Director	318,306	277,936	40,370	229,953
Design and Engineering	2,732,723	2,558,585	174,138	2,575,081
Maintenance and Development	12,187,315	11,598,551	588,764	12,024,740
Property Management	1,308,862	1,035,834	273,028	962,172
Total Facility Operations	<u>16,547,206</u>	<u>15,470,906</u>	<u>1,076,300</u>	<u>15,791,946</u>
Area Operations -				
Northern Area	3,732,855	3,561,355	171,500	3,454,428
Central Area	3,285,411	3,157,915	127,496	3,135,058
Southern Area	2,794,781	2,685,415	109,366	2,721,771
Natural and Historical Resources	843,647	759,992	83,655	356,898
Total Area Operations	<u>10,656,694</u>	<u>10,164,677</u>	<u>492,017</u>	<u>9,668,155</u>
Non-Departmental	747,512	472,253	275,259	246,977
Total Expenditures/Encumbrances	<u>43,768,255</u>	<u>40,849,742</u>	<u>2,918,513</u>	<u>39,981,662</u>
Excess of Revenues over (under) Expenditures/Encumbrances	<u>12,643,116</u>	<u>17,623,455</u>	<u>4,980,339</u>	<u>17,072,590</u>
Other Financing Sources (Uses):				
Operating Transfers In (Out) -				
Capital Projects Funds - Interest	750,000	959,376	209,376	914,400
Debt Service - Park Fund	(9,525,280)	(8,262,064)	1,263,216	(9,227,149)
Enterprise Fund	(2,330,017)	(2,330,017)	—	(4,059,606)
Capital Projects Funds - Development	(878,250)	(878,250)	—	(127,200)
Total Other Financing Sources (Uses)	<u>(11,983,547)</u>	<u>(10,510,955)</u>	<u>1,472,592</u>	<u>(12,499,555)</u>
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses	<u>\$ 659,569</u>	<u>7,112,500</u>	<u>\$ 6,452,931</u>	<u>4,573,035</u>
Fund Balance - Budget Basis, July 1		28,574,862		24,001,827
Fund Balance - Budget Basis, June 30		<u>\$ 35,687,362</u>		<u>\$ 28,574,862</u>

The notes to the financial statements are an integral part of this schedule.

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

PRINCE GEORGE'S COUNTY

EXHIBIT A-3

GENERAL FUND

Comparative Schedule of Revenues, Expenditures/Encumbrances, and
Changes in Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual - RECREATION ACCOUNT
For the Fiscal Years Ended June 30, 1997 and 1996

	1997		Variance Favorable (Unfavorable)	1996
	Budget	Actual		Actual
Revenues:				
Property Taxes	\$ 23,252,060	\$ 23,369,859	\$ 117,799	\$ 22,283,896
Intergovernmental -				
Federal	900	900	—	17,631
State	222,335	222,335	—	230,918
County	—	—	—	1,000
Charges for Services	4,356,096	4,454,117	98,021	4,195,834
Rentals and Concessions	259,900	318,986	59,086	267,331
Interest	150,000	541,906	391,906	489,347
Miscellaneous	93,094	118,425	25,331	115,780
Total Revenues	<u>28,334,385</u>	<u>29,026,528</u>	<u>692,143</u>	<u>27,601,737</u>
Expenditures/Encumbrances:				
Director's Office	155,315	134,774	20,541	135,710
Area Operations -				
Associate Director	380,302	241,852	138,450	289,707
Child Care	1,689,866	1,828,353	(138,487)	1,501,621
Northern Area	4,656,065	4,257,628	398,437	3,301,419
Central Area	4,063,317	3,788,796	274,521	3,736,186
Southern Area	3,254,215	3,112,023	142,192	2,987,639
Total Area Operations	<u>14,043,765</u>	<u>13,228,652</u>	<u>815,113</u>	<u>11,816,572</u>
Countywide Operations -				
Associate Director	—	—	—	104,637
Natural and Historical Resources	2,530,342	2,421,706	108,636	2,386,351
Special Populations	1,212,692	1,189,361	23,331	1,515,229
Sports/Athletics	2,318,740	2,304,057	14,683	2,387,080
Arts	2,488,558	2,503,169	(14,611)	2,523,387
Aquatics	2,691,077	2,955,526	(264,449)	2,609,144
Total Countywide Operations	<u>11,241,409</u>	<u>11,373,819</u>	<u>(132,410)</u>	<u>11,525,828</u>
Support Services	2,299,498	2,162,505	136,993	2,724,434
Non-Departmental	466,562	223,750	242,812	274,099
Total Expenditures/Encumbrances	<u>28,206,549</u>	<u>27,123,500</u>	<u>1,083,049</u>	<u>26,476,643</u>
Excess of Revenues over (under) Expenditures/Encumbrances	<u>127,836</u>	<u>1,903,028</u>	<u>1,775,192</u>	<u>1,125,094</u>
Other Financing Sources (Uses):				
Operating Transfers In (Out) -				
Enterprise Fund	—	—	—	(355,000)
Self-Sustaining Trust Fund	—	(87,508)	(87,508)	—
Total Other Financing Sources (Uses)	<u>—</u>	<u>(87,508)</u>	<u>(87,508)</u>	<u>(355,000)</u>
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses	<u>\$ 127,836</u>	<u>1,815,520</u>	<u>\$ 1,687,684</u>	<u>770,094</u>
Fund Balance - Budget Basis, July 1		<u>3,713,434</u>		<u>2,943,340</u>
Fund Balance - Budget Basis, June 30		<u>\$ 5,528,954</u>		<u>\$ 3,713,434</u>

The notes to the financial statements are an integral part of this schedule.



State-of-the-art design and quality recreational facilities characterize the new Cedar Heights Community Center

DEBT SERVICE FUNDS

The Debt Service Funds are used to account for the accumulation of resources and the payment of general obligation bond principal, interest, and related costs. The Commission maintains Park Debt Service and Advance Land Acquisition Debt Service Funds for each County.

Park Debt Service Funds

The Park Debt Service Funds are used to account for the accumulation of resources for the payment of general obligation bonds issued to fund the cost of the acquisition of parkland, and the development of new and expansion of existing parks and recreation facilities.

Advance Land Acquisition Debt Service Funds

The Advance Land Acquisition Debt Service Funds are used to account for the accumulation of resources for the payment of general obligation bonds issued to fund the acquisition of land at the request of and for the ultimate use of other public agencies.

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

EXHIBIT B-1

Combining Balance Sheet - DEBT SERVICE FUNDS

June 30, 1997

	MONTGOMERY COUNTY				PRINCE GEORGE'S COUNTY				TOTALS	
	Park	Advance Land Acquisition	Totals		Park	Advance Land Acquisition	Totals		June 30, 1997	June 30, 1996
			June 30, 1997	June 30, 1996			June 30, 1997	June 30, 1996		
ASSETS										
Equity in Pooled Cash and Investments	\$ --	\$ --	\$ --	\$ 77,288	\$ 128,835	\$ --	\$ 128,835	\$ 309,642	\$ 128,835	\$ 386,930
Cash with Fiscal Agents	--	--	--	--	--	--	--	11,150	--	11,150
Total Current Assets	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 77,288</u>	<u>\$ 128,835</u>	<u>\$ --</u>	<u>\$ 128,835</u>	<u>\$ 320,792</u>	<u>\$ 128,835</u>	<u>\$ 398,080</u>
LIABILITIES AND FUND BALANCES										
Liabilities:										
Deposits	\$ --	\$ --	\$ --	\$ 54,290	\$ 128,835	\$ --	\$ 128,835	\$ 153,737	\$ 128,835	\$ 208,027
Matured Bonds and Interest Payable	--	--	--	--	--	--	--	11,150	--	11,150
Total Current Liabilities	<u>--</u>	<u>--</u>	<u>--</u>	<u>54,290</u>	<u>128,835</u>	<u>--</u>	<u>128,835</u>	<u>164,887</u>	<u>128,835</u>	<u>219,177</u>
Fund Balances:										
Reserved for Debt Service	--	--	--	22,998	--	--	--	155,905	--	178,903
Total Fund Balances	<u>--</u>	<u>--</u>	<u>--</u>	<u>22,998</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>155,905</u>	<u>--</u>	<u>178,903</u>
Total Liabilities and Fund Balances	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 77,288</u>	<u>\$ 128,835</u>	<u>\$ --</u>	<u>\$ 128,835</u>	<u>\$ 320,792</u>	<u>\$ 128,835</u>	<u>\$ 398,080</u>

The notes to the financial statements are an integral part of this statement.

- 74 -

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

EXHIBIT B-2

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - DEBT SERVICE FUNDS
For the Fiscal Year Ended June 30, 1997

	MONTGOMERY COUNTY				PRINCE GEORGE'S COUNTY				TOTALS	
	Park	Advance Land Acquisition	Totals		Park	Advance Land Acquisition	Totals		Year Ended	
			Year Ended				Year Ended		Year Ended	
			June 30, 1997	June 30, 1996			June 30, 1997	June 30, 1996	June 30, 1997	June 30, 1996
Revenues:										
Property Taxes	\$ --	\$ 1,207,523	\$ 1,207,523	\$ 1,138,389	\$ --	\$ 1,032,362	\$ 1,032,362	\$ 1,024,563	\$ 2,239,885	\$ 2,162,952
Interest Revenue	--	--	--	--	53,049	--	53,049	--	53,049	--
Total Revenues	--	1,207,523	1,207,523	1,138,389	53,049	1,032,362	1,085,411	1,024,563	2,292,934	2,162,952
Expenditures:										
Principal Retirement	1,785,000	585,000	2,370,000	2,260,000	4,365,000	320,000	4,685,000	5,040,000	7,055,000	7,300,000
Interest	1,433,623	353,946	1,787,569	1,930,963	4,078,048	225,790	4,303,838	4,892,298	6,091,407	6,823,261
Fiscal Charges	10,016	13,395	23,411	138,581	27,970	10,352	38,322	201,101	61,733	339,682
Total Expenditures	3,228,639	952,341	4,180,980	4,329,544	8,471,018	556,142	9,027,160	10,133,399	13,208,140	14,462,943
Excess of Revenues over (under) Expenditures	(3,228,639)	255,182	(2,973,457)	(3,191,155)	(8,417,969)	476,220	(7,941,749)	(9,108,836)	(10,915,206)	(12,299,991)
Other Financing Sources (Uses):										
Proceeds of Refunding Bonds	--	--	--	12,045,000	--	--	--	33,325,000	--	45,370,000
Payment to Refunded Bond Escrow Agent	--	--	--	(11,901,296)	--	--	--	(33,151,344)	--	(45,052,640)
Operating Transfers In (Out) -										
Park Funds	3,205,641	--	3,205,641	3,234,670	8,262,064	--	8,262,064	9,227,149	11,467,705	12,461,819
Expendable Trust Funds	--	(255,182)	(255,182)	(164,221)	--	(476,220)	(476,220)	(285,592)	(731,402)	(449,813)
Total Other Financing Sources (Uses)	3,205,641	(255,182)	2,950,459	3,214,153	8,262,064	(476,220)	7,785,844	9,115,213	10,736,303	12,329,366
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses	(22,998)	--	(22,998)	22,998	(155,905)	--	(155,905)	6,377	(178,903)	29,375
Fund Balances, July 1	22,998	--	22,998	--	155,905	--	155,905	149,528	178,903	149,528
Fund Balances, June 30	\$ --	\$ --	\$ --	\$ 22,998	\$ --	\$ --	\$ --	\$ 155,905	\$ --	\$ 178,903

The notes to the financial statements are an integral part of this statement.

- 75 -



The historic Hershell Carousel in Wheaton Regional Park is a popular destination in the metropolitan Washington area for park visitors of all ages

CAPITAL PROJECTS FUNDS

Capital Projects Funds are used to account for the acquisition, development or improvement of parkland and the acquisition or construction of major capital facilities other than those accounted for in the proprietary funds and the Advance Land Acquisition Expendable Trust Funds. The Commission maintains separate Funds for each County.

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

EXHIBIT C-1

Combining Balance Sheet - CAPITAL PROJECTS FUNDS June 30, 1997

	MONTGOMERY COUNTY		PRINCE GEORGE'S COUNTY		TOTALS	
	Totals		Totals			
	June 30, 1997	June 30, 1996	June 30, 1997	June 30, 1996	June 30, 1997	June 30, 1996
ASSETS						
Equity in Pooled Cash and Investments	\$ 3,120,847	\$ 6,597,476	\$ 31,296,058	\$ 2,551,976	\$ 34,416,905	\$ 9,149,452
Accounts Receivable	---	---	1,194,789	1,289,483	1,194,789	1,289,483
Due from County Government	1,673,636	1,955,913	233	116,846	1,673,869	2,072,759
Due from Other Governments	1,169,780	853,234	4,094,489	2,088,099	5,264,269	2,941,333
Total Current Assets	<u>\$ 5,964,263</u>	<u>\$ 9,406,623</u>	<u>\$ 36,585,569</u>	<u>\$ 6,046,404</u>	<u>\$ 42,549,832</u>	<u>\$ 15,453,027</u>
 LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts Payable	\$ 1,161,426	\$ 746,782	\$ 756,828	\$ 1,760,112	\$ 1,918,254	\$ 2,506,894
Contract Retainages	1,056,233	429,580	1,571,160	1,463,893	2,627,393	1,893,473
Total Current Liabilities	<u>2,217,659</u>	<u>1,176,362</u>	<u>2,327,988</u>	<u>3,224,005</u>	<u>4,545,647</u>	<u>4,400,367</u>
Fund Balances:						
Reserved for Encumbrances	3,746,604	6,604,359	3,877,638	2,822,399	7,624,242	9,426,758
Unreserved -						
Designated for Projects	---	1,625,902	30,379,943	---	30,379,943	1,625,902
Total Fund Balances	<u>3,746,604</u>	<u>8,230,261</u>	<u>34,257,581</u>	<u>2,822,399</u>	<u>38,004,185</u>	<u>11,052,660</u>
Total Liabilities and Fund Balances	<u>\$ 5,964,263</u>	<u>\$ 9,406,623</u>	<u>\$ 36,585,569</u>	<u>\$ 6,046,404</u>	<u>\$ 42,549,832</u>	<u>\$ 15,453,027</u>

The notes to the financial statements are an integral part of this statement.

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

EXHIBIT C-2

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - CAPITAL PROJECTS FUNDS
For the Fiscal Year Ended June 30, 1997

	MONTGOMERY COUNTY		PRINCE GEORGE'S COUNTY		TOTALS	
	Totals		Totals		Year Ended	
	Year Ended June 30, 1997	June 30, 1996	Year Ended June 30, 1997	June 30, 1996	Year Ended June 30, 1997	June 30, 1996
Revenues:						
Intergovernmental -						
Federal	\$ 263,627	\$ 546,311	\$ 1,987,329	\$ —	\$ 2,250,956	\$ 546,311
State	1,869,606	505,781	2,621,722	1,276,701	4,491,328	1,782,482
County	3,917,592	3,130,137	243,704	126,043	4,161,296	3,256,180
Local	—	770,000	—	—	—	770,000
Interest	129,569	299,130	959,376	914,400	1,088,945	1,213,530
Sale of Land	—	9,745	4,134,737	—	4,134,737	9,745
Miscellaneous	37,360	—	1,406,208	688,520	1,443,568	688,520
Total Revenues	<u>6,217,754</u>	<u>5,261,104</u>	<u>11,353,076</u>	<u>3,005,664</u>	<u>17,570,830</u>	<u>8,266,768</u>
Expenditures:						
Park Acquisition	503,638	372,403	1,135,545	769,087	1,639,183	1,141,490
Park Development	11,815,411	5,668,219	13,015,777	11,821,659	24,831,188	17,489,878
Total Expenditures	<u>12,319,049</u>	<u>6,040,622</u>	<u>14,151,322</u>	<u>12,590,746</u>	<u>26,470,371</u>	<u>18,631,368</u>
Excess of Revenues Over (under) Expenditures	<u>(6,101,295)</u>	<u>(779,518)</u>	<u>(2,798,246)</u>	<u>(9,585,082)</u>	<u>(8,899,541)</u>	<u>(10,364,600)</u>
Other Financing Sources (Uses):						
Proceeds of General Obligation Bonds	—	—	33,000,000	—	33,000,000	—
Operating Transfers In (Out) -						
Debt Service Fund	—	—	—	20,500	—	20,500
Internal Service Fund - Risk Management	—	—	500,000	—	500,000	—
General Fund - Park Account, Development	732,000	678,000	878,250	127,200	1,610,250	805,200
Expendable Trust Funds	1,015,207	79,357	814,554	7,940	1,829,761	87,297
General Fund - Park Account, Interest	(129,569)	(299,130)	(959,376)	(914,400)	(1,088,945)	(1,213,530)
Total Other Financing Sources (Uses)	<u>1,617,638</u>	<u>458,227</u>	<u>34,233,428</u>	<u>(758,760)</u>	<u>35,851,066</u>	<u>(300,533)</u>
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses	<u>(4,483,657)</u>	<u>(321,291)</u>	<u>31,435,182</u>	<u>(10,343,842)</u>	<u>26,951,525</u>	<u>(10,665,133)</u>
Fund Balances, July 1	<u>8,230,261</u>	<u>8,551,552</u>	<u>2,822,399</u>	<u>13,166,241</u>	<u>11,052,660</u>	<u>21,717,793</u>
Fund Balances, June 30	<u>\$ 3,746,604</u>	<u>\$ 8,230,261</u>	<u>\$ 34,257,581</u>	<u>\$ 2,822,399</u>	<u>\$ 38,004,185</u>	<u>\$ 11,052,660</u>

The notes to the financial statements are an integral part of this statement.





Golfers take to the greens at Enterprise Golf Course, consistently ranked as one of the top public courses in the country

ENTERPRISE FUNDS

Enterprise Funds are used to account for recreational and cultural facilities that are operated in a manner similar to private business enterprises, where the Commission's intent is that the costs of providing goods or services to the general public will be recovered primarily through user charges.

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

EXHIBIT D-1

Combining Balance Sheet - ENTERPRISE FUNDS
June 30, 1997

	MONTGOMERY COUNTY		PRINCE GEORGE'S COUNTY		TOTALS	
	Recreational and Cultural Facilities		Recreational and Cultural Facilities			
	Totals		Totals			
	June 30, 1997	June 30, 1996	June 30, 1997	June 30, 1996	June 30, 1997	June 30, 1996
Assets						
Current Assets:						
Equity in Pooled Cash and Investments	\$ 7,095,389	\$ 8,163,276	\$ 493,578	\$ 270,716	\$ 7,588,967	\$ 8,433,992
Accounts Receivable	2,569	5,839	84,648	48,995	87,217	54,834
Inventories, at Cost	619,125	623,054	589,323	621,286	1,208,448	1,244,340
Deposits and Other	—	8,208	—	700	—	8,908
Total Current Assets	<u>7,717,083</u>	<u>8,800,377</u>	<u>1,167,549</u>	<u>941,697</u>	<u>8,884,632</u>	<u>9,742,074</u>
Fixed Assets, at Cost:						
Land	8,632,328	8,601,296	5,684,643	5,684,643	14,316,971	14,285,939
Buildings	8,448,408	8,369,752	19,596,264	19,568,733	28,044,672	27,938,485
Improvements Other Than Buildings	1,523,177	1,458,786	7,193,974	7,193,976	8,717,151	8,652,762
Machinery and Equipment	5,045,690	4,522,346	4,195,332	4,024,492	9,241,022	8,546,838
Construction in Progress	2,071,265	439,683	—	—	2,071,265	439,683
	25,720,868	23,391,863	36,670,213	36,471,844	62,391,081	59,863,707
Less - Accumulated Depreciation	(5,557,539)	(4,866,415)	(7,961,786)	(6,946,031)	(13,519,325)	(11,812,446)
Net Fixed Assets	<u>20,163,329</u>	<u>18,525,448</u>	<u>28,708,427</u>	<u>29,525,813</u>	<u>48,871,756</u>	<u>48,051,261</u>
Total Assets	<u>\$ 27,880,412</u>	<u>\$ 27,325,825</u>	<u>\$ 29,875,976</u>	<u>\$ 30,467,510</u>	<u>\$ 57,756,388</u>	<u>\$ 57,793,335</u>
Liabilities and Equity						
Current Liabilities:						
Current Portion of Bonds Payable	\$ 160,000	\$ 150,000	\$ —	\$ —	\$ 160,000	\$ 150,000
Current Portion of Notes Payable	210,687	208,057	—	—	210,687	208,057
Accounts Payable	205,867	216,006	137,994	160,620	343,861	376,626
Accrued Salaries and Benefits	74,792	118,374	61,767	125,226	136,559	243,600
Accrued Leave	295,453	268,901	345,087	374,079	640,540	642,980
Interest Payable	92,090	95,184	—	—	92,090	95,184
Due to Other Governments	34	194	—	—	34	194
Revenue Collected in Advance	215,278	233,332	94,610	112,024	309,888	345,356
Total Current Liabilities	<u>1,254,201</u>	<u>1,290,048</u>	<u>639,458</u>	<u>771,949</u>	<u>1,893,659</u>	<u>2,061,997</u>
Revenue Bonds Payable - Net of Current Portion	4,305,000	4,465,000	—	—	4,305,000	4,465,000
Notes Payable - Net of Current Portion	242,123	452,810	—	—	242,123	452,810
Advanced from Advance Land Acquisition Fund	—	—	1,734,875	1,734,875	1,734,875	1,734,875
Total Liabilities	<u>5,801,324</u>	<u>6,207,858</u>	<u>2,374,333</u>	<u>2,506,824</u>	<u>8,175,657</u>	<u>8,714,682</u>
Equity:						
Contributed Capital	4,876,936	4,876,936	26,148,744	26,377,310	31,025,680	31,254,246
Retained Earnings (Deficit)	17,202,152	16,241,031	1,352,899	1,583,376	18,555,051	17,824,407
Total Equity	<u>22,079,088</u>	<u>21,117,967</u>	<u>27,501,643</u>	<u>27,960,686</u>	<u>49,580,731</u>	<u>49,078,653</u>
Total Liabilities and Equity	<u>\$ 27,880,412</u>	<u>\$ 27,325,825</u>	<u>\$ 29,875,976</u>	<u>\$ 30,467,510</u>	<u>\$ 57,756,388</u>	<u>\$ 57,793,335</u>

The notes to the financial statements are an integral part of this statement.

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

EXHIBIT D-2

Combining Statement of Revenues, Expenses, and Changes in Retained Earnings - ENTERPRISE FUNDS
For the Fiscal Year Ended June 30, 1997

	MONTGOMERY COUNTY		PRINCE GEORGE'S COUNTY		TOTALS	
	Recreational and Cultural Facilities		Recreational and Cultural Facilities			
	Totals		Totals			
	Year Ended		Year Ended		Year Ended	
	June 30, 1997	June 30, 1996	June 30, 1997	June 30, 1996	June 30, 1997	June 30, 1996
Operating Revenues:						
Sales	\$ 1,154,423	\$ 973,627	\$ 1,324,360	\$ 1,408,933	\$ 2,478,783	\$ 2,382,560
Charges for Services	7,172,753	6,956,167	2,181,860	2,021,768	9,354,613	8,977,935
Rentals and Concessions	1,874,807	1,829,334	1,601,124	1,400,488	3,475,931	3,229,822
Total Operating Revenues	<u>10,201,983</u>	<u>9,759,128</u>	<u>5,107,344</u>	<u>4,831,189</u>	<u>15,309,327</u>	<u>14,590,317</u>
Operating Expenses:						
Cost of Goods Sold	714,923	547,482	854,310	801,472	1,569,233	1,348,954
Personal Services	4,309,236	4,089,363	3,253,205	3,368,004	7,562,441	7,457,367
Supplies and Materials	912,285	901,372	891,409	932,861	1,803,694	1,834,233
Communications	102,900	93,587	249,534	244,015	352,434	337,602
Utilities	430,875	426,031	269,718	200,307	700,593	626,338
Maintenance	246,190	142,561	276,948	246,675	523,138	389,236
Contractual Services	727,297	747,697	316,951	387,551	1,044,248	1,135,248
Other Services and Charges	155,409	173,347	237,746	333,491	393,155	506,838
Administrative Charges	993,702	935,339	569,020	533,342	1,562,722	1,468,681
Depreciation	754,372	650,588	1,015,755	1,001,782	1,770,127	1,652,370
Total Operating Expenses	<u>9,347,189</u>	<u>8,707,367</u>	<u>7,934,596</u>	<u>8,049,500</u>	<u>17,281,785</u>	<u>16,756,867</u>
Operating Income (Loss)	<u>854,794</u>	<u>1,051,761</u>	<u>(2,827,252)</u>	<u>(3,218,311)</u>	<u>(1,972,458)</u>	<u>(2,166,550)</u>
Nonoperating Revenues (Expenses) -						
Interest Income	418,430	417,937	38,192	12,341	456,622	430,278
Interest Expense	(398,103)	(420,429)	—	—	(398,103)	(420,429)
Total Nonoperating Revenues (Expenses)	<u>20,327</u>	<u>(2,492)</u>	<u>38,192</u>	<u>12,341</u>	<u>58,519</u>	<u>9,849</u>
Income (Loss) Before Operating Transfers	<u>875,121</u>	<u>1,049,269</u>	<u>(2,789,060)</u>	<u>(3,205,970)</u>	<u>(1,913,939)</u>	<u>(2,156,701)</u>
Operating Transfers In (Out) -						
General Fund - Park Account	86,000	86,000	2,330,017	4,059,606	2,416,017	4,145,606
General Fund - Recreation Account	—	—	—	355,000	—	355,000
Net Operating Transfers	<u>86,000</u>	<u>86,000</u>	<u>2,330,017</u>	<u>4,414,606</u>	<u>2,416,017</u>	<u>4,500,606</u>
Net Income (Loss)	961,121	1,135,269	(459,043)	1,208,636	502,078	2,343,905
Add Depreciation Charge to Contributed Capital	—	—	228,566	228,566	228,566	228,566
Net Increase (Decrease) In Retained Earnings	961,121	1,135,269	(230,477)	1,437,202	730,644	2,572,471
Retained Earnings (Deficit), July 1	<u>16,241,031</u>	<u>15,105,762</u>	<u>1,583,376</u>	<u>146,174</u>	<u>17,824,407</u>	<u>15,251,936</u>
Retained Earnings (Deficit), June 30	<u>\$ 17,202,152</u>	<u>\$ 16,241,031</u>	<u>\$ 1,352,899</u>	<u>\$ 1,583,376</u>	<u>\$ 18,555,051</u>	<u>\$ 17,824,407</u>

The notes to the financial statements are an integral part of this statement.

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

EXHIBIT D-3

Combining Statement of Cash Flows - ENTERPRISE FUNDS
For the Fiscal Year Ended June 30, 1997

	MONTGOMERY COUNTY		PRINCE GEORGE'S COUNTY		TOTALS	
	Recreational and Cultural Facilities		Recreational and Cultural Facilities			
	Totals		Totals		Year Ended	
	Year Ended	Year Ended	Year Ended	Year Ended	Year Ended	Year Ended
	June 30, 1997	June 30, 1996	June 30, 1997	June 30, 1996	June 30, 1997	June 30, 1996
Cash Flows from Operating Activities:						
Operating Income (Loss)	\$ 854,794	\$ 1,051,761	\$ (2,827,252)	\$ (3,218,311)	\$ (1,972,458)	\$ (2,166,550)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:						
Depreciation	754,372	650,588	1,015,755	1,001,782	1,770,127	1,652,370
Changes in Assets and Liabilities:						
(Increase) Decrease in Accounts Receivable	3,270	(3,350)	(35,653)	(13,539)	(32,383)	(16,889)
(Increase) Decrease in Inventories, at Cost	3,929	(27,110)	31,963	(68,708)	35,892	(95,818)
(Increase) Decrease in Deposits and Other	8,208	—	700	3,329	8,908	3,329
Increase (Decrease) in Accounts Payable	(10,139)	103,713	(22,626)	(40,568)	(32,765)	63,145
Increase (Decrease) in Accrued Salaries and Benefits	(43,582)	12,256	(63,459)	4,106	(107,041)	16,362
Increase (Decrease) in Accrued Leave	26,552	38,010	(28,992)	7,823	(2,440)	45,833
Increase (Decrease) in Interest Payable	(3,094)	(2,888)	—	—	(3,094)	(2,888)
Increase (Decrease) in Due to Other Funds	—	—	—	(1,543,931)	—	(1,543,931)
Increase (Decrease) in Due to Other Governments	(160)	123	—	—	(160)	123
Increase (Decrease) in Revenue Collected in Advance	(18,054)	(6,520)	(17,414)	(29,985)	(35,468)	(36,505)
Net Cash Provided (Used) by Operating Activities	1,576,096	1,816,583	(1,946,978)	(3,898,002)	(370,882)	(2,081,419)
Cash Flows from Noncapital Financing Activities:						
Operating Transfers In from Other Funds	86,000	86,000	2,330,017	4,414,606	2,416,017	4,500,606
Net Cash Provided (Used) by Noncapital Financing Activities	86,000	86,000	2,330,017	4,414,606	2,416,017	4,500,606
Cash Flows from Capital and Related Financing Activities:						
Acquisition of Fixed Assets	(2,392,253)	(1,885,660)	(198,369)	(285,329)	(2,590,622)	(2,170,989)
Principal Paid on Notes Payable	(208,057)	(245,106)	—	—	(208,057)	(245,106)
Principal Paid on Revenue Bonds	(150,000)	(140,000)	—	—	(150,000)	(140,000)
Interest Paid on Notes Payable	(26,647)	(36,805)	—	—	(26,647)	(36,805)
Interest Paid on Revenue Bonds	(371,456)	(383,624)	—	—	(371,456)	(383,624)
Proceeds from Financing	—	593,135	—	—	—	593,135
Net Cash Provided (Used) by Capital and Related Financing Activities	(3,148,413)	(2,098,060)	(198,369)	(285,329)	(3,346,782)	(2,383,389)
Cash Flows from Investing Activities:						
Interest on Restricted Investments	32,299	34,276	—	—	32,299	34,276
Interest on Investments	386,131	383,661	38,192	12,341	424,323	396,002
Net Cash Provided (Used) by Investing Activities	418,430	417,937	38,192	12,341	456,622	430,278
Net Increase (Decrease) in Cash and Cash Equivalents	(1,067,887)	222,460	222,862	243,616	(845,025)	466,076
Cash and Cash Equivalents, July 1	8,163,276	7,940,816	270,716	27,100	8,433,992	7,967,916
Cash and Cash Equivalents, June 30	\$ 7,095,389	\$ 8,163,276	\$ 493,578	\$ 270,716	\$ 7,588,967	\$ 8,433,992

The notes to the financial statements are an integral part of this statement.



Fisherman hope to catch the "big one" in one of the tributaries to Little Seneca Lake in Black Hill Regional Park

INTERNAL SERVICE FUNDS

Internal Service Funds are used to account for the consolidated financing of certain goods or services provided to other Commission funds on a cost-reimbursement basis.

Capital Equipment Funds

The Capital Equipment Funds are used to account for the acquisition of equipment through the use of tax exempt financing, and the leasing of the equipment to other Commission funds. The Prince George's County Capital Equipment Fund is also used to account for the cost of operating the Executive Office Building and was used to account for the renovation costs of that building which was acquired in February of 1992.

Employee Benefits Funds

The Employee Benefits Funds are used to account for the costs related to employees' life and health insurance coverage, and the flexible spending program. The Fund is also used to charge various programs and projects in the governmental funds for annual leave earned and estimates of sick leave that will be taken in order to better measure their costs.

Risk Management Funds

The Risk Management Funds are used to account for the activity related to general liability, property damage, and workers compensation.

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

EXHIBIT E-1

Combining Balance Sheet - INTERNAL SERVICE FUNDS

June 30, 1997

	MONTGOMERY COUNTY					PRINCE GEORGE'S COUNTY					TOTALS	
	TOTALS					TOTALS						
	Capital Equipment	Employee Benefits	Risk Management	June 30, 1997	June 30, 1996	Capital Equipment	Employee Benefits	Risk Management	June 30, 1997	June 30, 1996	June 30, 1997	June 30, 1996
ASSETS												
Current Assets:												
Equity in Pooled Cash and Investments	\$ —	\$ 5,015,741	\$ 5,309,719	\$ 10,325,460	\$ 9,573,993	\$ 285,282	\$ 5,482,792	\$ 5,373,069	\$ 11,141,143	\$ 10,093,633	\$ 21,466,603	\$ 19,667,626
Accounts Receivable	2,477	—	—	2,477	—	—	—	—	—	—	2,477	—
Due from Other Funds	—	687,374	—	687,374	—	—	—	—	—	—	687,374	—
Due from County Government	—	—	78,428	78,428	81,472	—	—	78,428	78,428	81,472	156,856	162,944
Deposits and Other	—	646,561	5,076	651,637	959,161	—	646,561	5,076	651,637	959,161	1,303,274	1,918,322
Total Current Assets	2,477	6,349,676	5,393,223	11,745,376	10,614,626	285,282	6,129,353	5,456,573	11,871,208	11,134,266	23,616,584	21,748,892
Fixed Assets, at Cost:												
Land	—	—	—	—	—	748,497	—	—	748,497	748,497	748,497	748,497
Buildings	102,469	—	—	102,469	102,469	2,680,229	—	—	2,680,229	2,677,714	2,782,698	2,780,183
Machinery and Equipment	18,288,528	—	56,589	18,345,117	16,703,343	1,134,739	—	55,071	1,189,810	1,589,408	19,534,927	18,292,751
Less-Accumulated Depreciation	(13,311,993)	—	(44,036)	(13,356,029)	(12,552,738)	(1,247,358)	—	(43,201)	(1,290,559)	(1,451,651)	(14,646,588)	(14,004,389)
Net Fixed Assets	5,079,004	—	12,553	5,091,557	4,253,074	3,316,107	—	11,870	3,327,977	3,563,968	8,419,534	7,817,042
Total Assets	\$ 5,081,481	\$ 6,349,676	\$ 5,405,776	\$ 16,836,933	\$ 14,867,700	\$ 3,601,389	\$ 6,129,353	\$ 5,468,443	\$ 15,199,185	\$ 14,698,234	\$ 32,036,118	\$ 29,565,934
LIABILITIES AND EQUITY												
Current Liabilities:												
Current Portion of Notes Payable	\$ 803,584	\$ —	\$ —	\$ 803,584	\$ 1,000,552	\$ 211,134	\$ —	\$ —	\$ 211,134	\$ 197,415	\$ 1,014,718	\$ 1,197,967
Accounts Payable	125,726	212,166	5,262	343,154	265,026	27,664	212,166	10,753	250,583	163,870	593,737	428,896
Claims Payable	—	—	1,417,000	1,417,000	1,422,638	—	—	1,820,037	1,820,037	1,228,403	3,237,037	2,651,041
Accrued Salaries and Benefits	—	15,338	3,062	18,400	87,371	1,906	15,906	3,062	20,874	139,046	39,274	226,417
Accrued Leave	—	713,000	16,696	729,696	694,822	6,805	844,000	16,696	867,501	852,822	1,597,197	1,547,644
Estimate of Incurred but Unreported Claims	—	736,010	1,185,853	1,921,863	2,253,826	—	736,010	1,523,147	2,259,157	2,060,770	4,181,020	4,314,596
Due to Other Funds	687,374	—	—	687,374	—	—	—	—	—	—	687,374	—
Total Current Liabilities	1,616,684	1,676,514	2,627,873	5,921,071	5,724,235	247,509	1,808,082	3,373,695	5,429,286	4,642,326	11,350,357	10,366,561
Notes Payable - Net of Current Portion	1,717,278	—	—	1,717,278	2,520,863	2,072,426	—	—	2,072,426	2,283,562	3,789,704	4,804,425
Total Liabilities	3,333,962	1,676,514	2,627,873	7,638,349	8,245,098	2,319,935	1,808,082	3,373,695	7,501,712	6,925,888	15,140,061	15,170,986
Equity:												
Contributed Capital	525,128	—	—	525,128	525,128	4,860	—	—	4,860	4,860	529,988	529,988
Retained Earnings -												
Reserved for Contingency	—	4,673,162	685,000	5,358,162	3,551,293	—	4,321,271	1,653,920	5,975,191	4,067,981	11,333,353	7,619,274
Unreserved	1,222,391	—	2,092,903	3,315,294	2,546,181	1,276,594	—	440,828	1,717,422	3,699,505	5,032,716	6,245,686
Total Retained Earnings	1,222,391	4,673,162	2,777,903	8,673,456	6,097,474	1,276,594	4,321,271	2,094,748	7,692,613	7,767,486	16,366,069	13,864,960
Total Equity	1,747,519	4,673,162	2,777,903	9,198,584	6,622,602	1,281,454	4,321,271	2,094,748	7,697,473	7,772,346	16,896,057	14,394,948
Total Liabilities and Equity	\$ 5,081,481	\$ 6,349,676	\$ 5,405,776	\$ 16,836,933	\$ 14,867,700	\$ 3,601,389	\$ 6,129,353	\$ 5,468,443	\$ 15,199,185	\$ 14,698,234	\$ 32,036,118	\$ 29,565,934

The notes to the financial statements are an integral part of this statement.

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

EXHIBIT E-2

Combining Statement of Revenues, Expenses, and Changes in Retained Earnings - INTERNAL SERVICE FUNDS
For the Fiscal Year Ended June 30, 1997

	MONTGOMERY COUNTY					PRINCE GEORGE'S COUNTY					TOTALS	
	Capital Equipment	Employee Benefits	Risk Management	Totals		Capital Equipment	Employee Benefits	Risk Management	Totals		Year Ended	
				Year Ended					Year Ended		Year Ended	
				June 30, 1997	June 30, 1996				June 30, 1997	June 30, 1996	June 30, 1997	June 30, 1996
Operating Revenues:												
Charges for Services	\$ 1,676,785	\$ 11,471,324	\$ 1,000,000	\$ 14,148,109	\$ 13,271,612	\$ 789,668	\$ 12,455,408	\$ 1,200,000	\$ 14,445,076	\$ 14,176,367	\$ 28,593,185	\$ 27,447,979
Claim Recoveries	—	—	113,400	113,400	106,893	—	—	80,201	80,201	153,146	193,601	260,039
Total Operating Revenues	<u>1,676,785</u>	<u>11,471,324</u>	<u>1,113,400</u>	<u>14,261,509</u>	<u>13,378,505</u>	<u>789,668</u>	<u>12,455,408</u>	<u>1,280,201</u>	<u>14,525,277</u>	<u>14,329,513</u>	<u>28,786,786</u>	<u>27,708,018</u>
Operating Expenses:												
Personal Services	—	3,613,841	162,142	3,775,983	3,525,801	101,836	4,844,584	162,152	5,108,572	4,686,529	8,884,555	8,212,330
Supplies and Materials	3,026	18	13,211	16,255	6,142	48,748	18	15,790	64,556	46,772	80,811	52,914
Contractual Services - Montgomery County Self												
Insurance Fund, Net	—	—	472,119	472,119	908,646	—	—	2,225,197	2,225,197	860,522	2,697,316	1,769,168
Other	—	—	8,227	8,227	283	—	—	44,823	44,823	77,741	53,050	78,024
Claims Incurred	—	2,779,219	—	2,779,219	2,667,758	—	2,779,219	—	2,779,219	2,667,758	5,558,438	5,335,516
Insurance	—	3,504,552	—	3,504,552	3,378,320	—	3,504,552	—	3,504,552	3,378,320	7,009,104	6,756,640
Other Services and Charges	17,272	58,386	215,080	290,738	200,445	197,539	58,386	320,487	576,412	656,120	867,150	856,565
Depreciation	<u>1,410,462</u>	—	<u>4,943</u>	<u>1,415,405</u>	<u>1,360,984</u>	<u>233,563</u>	—	<u>4,943</u>	<u>238,506</u>	<u>231,996</u>	<u>1,653,911</u>	<u>1,592,980</u>
Total Operating Expenses	<u>1,430,760</u>	<u>9,956,016</u>	<u>875,722</u>	<u>12,262,498</u>	<u>12,048,379</u>	<u>581,686</u>	<u>11,186,759</u>	<u>2,773,392</u>	<u>14,541,837</u>	<u>12,605,758</u>	<u>26,804,335</u>	<u>24,654,137</u>
Operating Income (Loss)	<u>246,025</u>	<u>1,515,308</u>	<u>237,678</u>	<u>1,999,011</u>	<u>1,330,126</u>	<u>207,982</u>	<u>1,268,649</u>	<u>(1,493,191)</u>	<u>(16,560)</u>	<u>1,723,755</u>	<u>1,982,451</u>	<u>3,053,881</u>
Nonoperating Revenues (Expenses) -												
Interest Income	163,615	288,561	250,714	702,890	463,865	18,114	293,954	307,345	619,413	538,975	1,322,303	1,002,840
Interest Expense	(125,919)	—	—	(125,919)	(152,362)	(177,726)	—	—	(177,726)	(190,549)	(303,645)	(342,911)
Total Nonoperating Revenues (Expenses)	<u>37,696</u>	<u>288,561</u>	<u>250,714</u>	<u>576,971</u>	<u>311,503</u>	<u>(159,612)</u>	<u>293,954</u>	<u>307,345</u>	<u>441,687</u>	<u>348,426</u>	<u>1,018,658</u>	<u>659,929</u>
Income (Loss) Before Operating Transfers	283,721	1,803,869	488,392	2,575,982	1,641,629	48,370	1,562,603	(1,185,846)	425,127	2,072,181	3,001,109	3,713,810
Operating Transfers In (Out) - Capital Projects Fund	—	—	—	—	—	—	—	(500,000)	(500,000)	—	(500,000)	—
Net Operating Transfers	—	—	—	—	—	—	—	(500,000)	(500,000)	—	(500,000)	—
Net Income (Loss)	283,721	1,803,869	488,392	2,575,982	1,641,629	48,370	1,562,603	(1,685,846)	(74,873)	2,072,181	2,501,109	3,713,810
Retained Earnings, July 1	<u>938,670</u>	<u>2,869,293</u>	<u>2,289,511</u>	<u>6,097,474</u>	<u>4,455,845</u>	<u>1,228,224</u>	<u>2,758,668</u>	<u>3,780,594</u>	<u>7,767,486</u>	<u>5,695,305</u>	<u>13,864,960</u>	<u>10,151,150</u>
Retained Earnings, June 30	<u>\$ 1,222,391</u>	<u>\$ 4,673,162</u>	<u>\$ 2,777,903</u>	<u>\$ 8,673,456</u>	<u>\$ 6,097,474</u>	<u>\$ 1,276,594</u>	<u>\$ 4,321,271</u>	<u>\$ 2,094,748</u>	<u>\$ 7,692,613</u>	<u>\$ 7,767,486</u>	<u>\$ 16,366,069</u>	<u>\$ 13,864,960</u>

The notes to the financial statements are an integral part of this statement.

105

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

EXHIBIT E-3

Combining Statement of Cash Flows - INTERNAL SERVICE FUNDS
For the Fiscal Year Ended June 30, 1997

	MONTGOMERY COUNTY					PRINCE GEORGE'S COUNTY					TOTALS	
	Capital Equipment	Employee Benefits	Risk Management	TOTALS		Capital Equipment	Employee Benefits	Risk Management	TOTALS		Year Ended	
				June 30, 1997	June 30, 1996				June 30, 1997	June 30, 1996	June 30, 1997	June 30, 1996
Cash Flows from Operating Activities:												
Operating Income (Loss)	\$ 246,025	\$ 1,515,308	\$ 237,678	\$ 1,999,011	\$ 1,330,126	\$ 207,982	\$ 1,268,649	\$ (1,493,191)	\$ (16,560)	\$ 1,723,755	\$ 1,982,451	\$ 3,053,881
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:												
Depreciation	1,410,462	---	4,943	1,415,405	1,360,984	233,563	---	4,943	238,506	231,996	1,653,911	1,592,980
Changes in Assets and Liabilities:												
(Increase) Decrease in Accounts Receivable	(2,477)	---	---	(2,477)	---	---	---	---	---	---	(2,477)	---
(Increase) Decrease in Due From Other Funds	---	(687,374)	---	(687,374)	1,017,432	---	---	---	---	319,000	(687,374)	1,336,432
(Increase) Decrease in Due from County Government	---	---	3,044	3,044	(78,300)	---	---	3,044	3,044	(78,300)	6,088	(156,600)
(Increase) Decrease in Deposits and Other	---	312,053	(4,529)	307,524	(51,748)	---	312,053	(4,529)	307,524	(51,748)	615,048	(103,496)
Increase (Decrease) in Accounts Payable	(32,816)	111,192	(248)	78,128	127,824	(9,355)	111,192	(15,124)	86,713	105,867	164,841	233,691
Increase (Decrease) in Claims Payable	---	---	(5,638)	(5,638)	226,620	---	---	591,634	591,634	37,243	585,996	263,863
Increase (Decrease) in Accrued Salaries and Benefits	---	(65,523)	(3,448)	(68,971)	(22,915)	(5,199)	(109,524)	(3,449)	(118,172)	(12,795)	(187,143)	(35,710)
Increase (Decrease) in Accrued Leave	---	35,000	(126)	34,874	23,507	6,805	8,000	(126)	14,679	122,318	49,553	145,825
Increase (Decrease) in Estimate of Incurred but Unreported Claims	---	(103,788)	(228,175)	(331,963)	(166,589)	---	(103,788)	302,175	198,387	(353,720)	(133,576)	(520,309)
Increase (Decrease) in Other Accrued Liabilities	---	---	---	---	(3,139)	---	---	---	---	(3,139)	---	(6,278)
Increase (Decrease) in Due to Other Funds	687,374	---	---	687,374	(1,017,432)	---	---	---	---	(319,000)	687,374	(1,336,432)
Net Cash Provided (Used) by Operating Activities	2,308,568	1,116,868	3,501	3,428,937	2,746,370	433,796	1,486,582	(614,623)	1,305,755	1,721,477	4,734,692	4,467,847
Cash Flows from Noncapital Financing Activities:												
Operating Transfers Out to Other Funds	---	---	---	---	---	---	---	(500,000)	(500,000)	---	(500,000)	---
Net Cash Provided (Used) by Noncapital Financing Activities	---	---	---	---	---	---	---	(500,000)	(500,000)	---	(500,000)	---
Cash Flows from Capital and Related Financing Activities:												
Acquisition of Fixed Assets	(2,253,888)	---	---	(2,253,888)	(1,914,170)	(2,515)	---	---	(2,515)	(176,562)	(2,256,403)	(2,090,732)
Principal Paid on Notes Payable	(1,000,553)	---	---	(1,000,553)	(1,659,616)	(197,417)	---	---	(197,417)	(184,597)	(1,197,970)	(1,844,213)
Interest Paid on Notes Payable	(125,919)	---	---	(125,919)	(152,362)	(177,726)	---	---	(177,726)	(190,549)	(303,645)	(342,911)
Proceeds from Financing	---	---	---	---	4,206,864	---	---	---	---	---	---	4,206,864
Net Cash Provided (Used) by Capital and Related Financing Activities	(3,380,360)	---	---	(3,380,360)	480,716	(377,658)	---	---	(377,658)	(551,708)	(3,758,018)	(70,992)
Cash Flows from Investing Activities:												
Interest on Investments	163,615	288,561	250,714	702,890	463,865	18,114	293,954	307,345	619,413	538,975	1,322,303	1,002,840
Net Cash Provided (Used) by Investing Activities	163,615	288,561	250,714	702,890	463,865	18,114	293,954	307,345	619,413	538,975	1,322,303	1,002,840
Net Increase (Decrease) in Cash and Cash Equivalents	(908,177)	1,405,429	254,215	751,467	3,690,951	74,252	1,780,536	(807,278)	1,047,510	1,708,744	1,798,977	5,399,695
Cash and Cash Equivalents, July 1	908,177	3,610,312	5,055,504	9,573,993	5,883,042	211,030	3,702,256	6,180,347	10,093,633	8,384,889	19,667,626	14,267,931
Cash and Cash Equivalents, June 30	\$ ---	\$ 5,015,741	\$ 5,309,719	\$ 10,325,460	\$ 9,573,993	\$ 285,282	\$ 5,482,792	\$ 5,373,069	\$ 11,141,143	\$ 10,093,633	\$ 21,466,603	\$ 19,667,626

The notes to the financial statements are an integral part of this statement.

1
86
1



Lake Artemesia, with its 38-acre lake and surrounding park, is a model environmental conservation area in an urban environment

FIDUCIARY FUNDS

Fiduciary Funds are used to account for assets held by the Commission in a trustee capacity or as an agent for employees, individuals, private organizations, other governmental units, and/or other funds.

Agency Funds

The Agency Funds are used to account for the deferred compensation plans and State retirement funds of participating Commission employees and retirees.

Expendable Trust Funds

The Expendable Trust Funds are used to account for funds whose principal and interest must be expended in accordance with their designated purposes.

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

EXHIBIT F-1

Combining Balance Sheet - ALL FIDUCIARY FUND TYPES (EXCLUDING PENSION TRUST)

June 30, 1997

	EXPENDABLE TRUST FUNDS							AGENCY FUNDS		TOTALS	
	Montgomery County			Prince George's County				Employees' Deferred Compensation Fund	State Retirement	June 30, 1997	
	Advance Land Acquisition	Other	June 30, 1997	Advance Land Acquisition	Public Contributions	Recreation Activities	Historic Sites				June 30, 1997
ASSETS											
Equity in Pooled Cash and Investments	\$ 1,058,274	\$ 2,744,176	\$ 3,802,450	\$ 4,300,524	\$ 4,088,959	\$ 3,014,527	\$ 222,204	\$ 11,626,214	\$ ---	\$ 2,821,598	\$ 18,250,262
Cash and Marketable Securities	---	---	---	---	---	---	---	---	23,172,150	---	23,172,150
Accounts Receivable	---	544	544	---	1,270	3,011	---	4,281	---	---	4,825
Due to County Government	---	---	---	---	---	53,000	---	53,000	---	---	53,000
Total Current Assets	1,058,274	2,744,720	3,802,994	4,300,524	4,090,229	3,070,538	222,204	11,683,495	23,172,150	2,821,598	41,480,237
Land Advanced to Enterprise Fund	---	---	---	1,734,875	---	---	---	1,734,875	---	---	1,734,875
Restricted Assets -											
Land Held for Transfer	25,914,091	---	25,914,091	14,306,820	---	---	---	14,306,820	---	---	40,220,911
Other	---	---	---	---	395,272	---	---	395,272	---	---	395,272
Total Assets	\$ 26,972,365	\$ 2,744,720	\$ 29,717,085	\$ 20,342,219	\$ 4,485,501	\$ 3,070,538	\$ 222,204	\$ 28,120,462	\$ 23,172,150	\$ 2,821,598	\$ 83,831,295
LIABILITIES AND FUND BALANCES											
Liabilities:											
Accounts Payable	\$ ---	\$ 5,402	\$ 5,402	\$ ---	\$ 4,280	\$ 87,680	\$ 3,030	\$ 94,990	\$ 23,172,150	\$ 2,821,598	\$ 26,094,140
Accrued Liabilities	---	---	---	---	26,270	25,987	96	52,353	---	---	52,353
Deposits and Deferred Revenue	---	1,470,667	1,470,667	---	1,232,336	---	8,000	1,240,336	---	---	2,711,003
Total Current Liabilities	---	1,476,069	1,476,069	---	1,262,886	113,667	11,126	1,387,679	23,172,150	2,821,598	28,857,496
Fund Balances:											
Reserved for Land Held for Transfer	25,914,091	---	25,914,091	16,041,695	---	---	---	16,041,695	---	---	41,955,786
Unreserved -											
Designated for Trust Activities	1,058,274	1,268,651	2,326,925	4,300,524	3,222,615	2,956,871	211,078	10,691,088	---	---	13,018,013
Total Fund Balances	26,972,365	1,268,651	28,241,016	20,342,219	3,222,615	2,956,871	211,078	26,732,783	---	---	54,973,799
Total Liabilities and Fund Balances	\$ 26,972,365	\$ 2,744,720	\$ 29,717,085	\$ 20,342,219	\$ 4,485,501	\$ 3,070,538	\$ 222,204	\$ 28,120,462	\$ 23,172,150	\$ 2,821,598	\$ 83,831,295

The notes to the financial statements are an integral part of this statement.

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

EXHIBIT F-2

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - EXPENDABLE TRUST FUNDS
For the Fiscal Year Ended June 30, 1997

	Montgomery County			Prince George's County					TOTALS	
	Advance Land Acquisition	Other	June 30, 1997	Advance Land Acquisition	Public Contributions	Recreation Activities	Historic Sites	June 30, 1997	Year Ended June 30, 1997	Year Ended June 30, 1996
Revenues:										
Intergovernmental -										
State	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ 300
County	--	--	--	1,968,000	96,793	600	--	2,065,393	2,065,393	90,299
Other	--	--	--	--	--	15,724	--	15,724	15,724	13,512
Charges for Services	--	--	--	--	--	29,228	--	29,228	29,228	141,432
Recreation Activities	--	--	--	--	--	3,365,828	--	3,365,828	3,365,828	3,106,017
Interest	119,667	205,781	325,448	160,617	215,349	146,010	11,097	533,073	858,521	743,600
Contributions	--	225,093	225,093	--	954,780	--	131,750	1,086,530	1,311,623	720,476
Miscellaneous	--	--	--	--	--	208,552	--	208,552	208,552	51,620
Total Revenues	<u>119,667</u>	<u>430,874</u>	<u>550,541</u>	<u>2,128,617</u>	<u>1,266,922</u>	<u>3,765,942</u>	<u>142,847</u>	<u>7,304,328</u>	<u>7,854,869</u>	<u>4,867,256</u>
Expenditures:										
Current -										
Cultural and Recreational	--	--	--	--	--	3,972,823	--	3,972,823	3,972,823	3,633,076
Miscellaneous Expendable Trust Activities	--	281,841	281,841	4,134,737	227,875	--	96,209	4,458,821	4,740,662	3,638,885
Total Expenditures	--	<u>281,841</u>	<u>281,841</u>	<u>4,134,737</u>	<u>227,875</u>	<u>3,972,823</u>	<u>96,209</u>	<u>8,431,644</u>	<u>8,713,485</u>	<u>7,271,961</u>
Excess of Revenues over (under) Expenditures	<u>119,667</u>	<u>149,033</u>	<u>268,700</u>	<u>(2,006,120)</u>	<u>1,039,047</u>	<u>(206,881)</u>	<u>46,638</u>	<u>(1,127,316)</u>	<u>(858,616)</u>	<u>(2,404,705)</u>
Other Financing Sources (Uses):										
Operating Transfers In (Out) -										
General Fund - Park Account	--	--	--	--	--	87,508	--	87,508	87,508	--
Debt Service Fund - Advance Land Acquisition	255,182	--	255,182	476,219	--	--	--	476,219	731,401	449,813
Capital Projects Fund	--	(1,015,208)	(1,015,208)	--	(814,554)	--	--	(814,554)	(1,829,762)	(87,297)
Total Other Financing Sources (Uses)	<u>255,182</u>	<u>(1,015,208)</u>	<u>(760,026)</u>	<u>476,219</u>	<u>(814,554)</u>	<u>87,508</u>	<u>--</u>	<u>(250,827)</u>	<u>(1,010,853)</u>	<u>362,516</u>
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses	<u>374,849</u>	<u>(866,175)</u>	<u>(491,326)</u>	<u>(1,529,901)</u>	<u>224,493</u>	<u>(119,373)</u>	<u>46,638</u>	<u>(1,378,143)</u>	<u>(1,869,469)</u>	<u>(2,042,189)</u>
Fund Balances, July 1	<u>26,597,516</u>	<u>2,134,826</u>	<u>28,732,342</u>	<u>21,872,120</u>	<u>2,998,122</u>	<u>3,076,244</u>	<u>164,440</u>	<u>28,110,926</u>	<u>56,843,268</u>	<u>58,885,457</u>
Fund Balances, June 30	<u>\$ 26,972,365</u>	<u>\$ 1,268,651</u>	<u>\$ 28,241,016</u>	<u>\$ 20,342,219</u>	<u>\$ 3,222,615</u>	<u>\$ 2,956,871</u>	<u>\$ 211,078</u>	<u>\$ 26,732,783</u>	<u>\$ 54,973,799</u>	<u>\$ 56,843,268</u>

The notes to the financial statements are an integral part of this statement.

1
60
1

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

Combining Statements of Changes in Assets and Liabilities - AGENCY FUNDS

EXHIBIT F-3

For the Fiscal Year Ended June 30, 1997

EMPLOYEES' DEFERRED COMPENSATION FUND

	<u>July 1,</u> <u>1996</u>	<u>Additions</u>	<u>Deductions</u>	<u>June 30,</u> <u>1997</u>
ASSETS				
Cash and Marketable Securities	\$ 17,581,328	\$ 6,360,049	\$ 769,227	\$ 23,172,150
Total Current Assets	<u>\$ 17,581,328</u>	<u>\$ 6,360,049</u>	<u>\$ 769,227</u>	<u>\$ 23,172,150</u>
LIABILITIES				
Accounts Payable	\$ 17,581,328	\$ 6,360,049	\$ 769,227	\$ 23,172,150
Total Current Liabilities	<u>\$ 17,581,328</u>	<u>\$ 6,360,049</u>	<u>\$ 769,227</u>	<u>\$ 23,172,150</u>

STATE RETIREMENT FUND

	<u>July 1,</u> <u>1996</u>	<u>Additions</u>	<u>Deductions</u>	<u>June 30,</u> <u>1997</u>
ASSETS				
Equity in Pooled Cash and Investments	\$ 2,768,097	\$ 801,392	\$ 747,891	\$ 2,821,598
Total Current Assets	<u>\$ 2,768,097</u>	<u>\$ 801,392</u>	<u>\$ 747,891</u>	<u>\$ 2,821,598</u>
LIABILITIES				
Accounts Payable	\$ 2,768,097	\$ 801,392	\$ 747,891	\$ 2,821,598
Total Current Liabilities	<u>\$ 2,768,097</u>	<u>\$ 801,392</u>	<u>\$ 747,891</u>	<u>\$ 2,821,598</u>

The notes to the financial statements are an integral part of these statements.



Park rangers help ensure environmental protection and safety on the Commission's extensive network of hiker/biker/equestrian trails

GENERAL ACCOUNT GROUPS

General Fixed Assets Account Group is used to account for fixed assets of the Commission, other than those accounted for in the proprietary and fiduciary funds.

NOTE: A General Long-Term Obligations Account Group is used to account for all long-term obligations of the Commission except those accounted for in the proprietary funds. This Account Group is presented in Exhibit 1 of the General Purpose Financial Statements and is described in the Notes to the Financial Statements.

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

EXHIBIT G-1

Schedule of General Fixed Assets - By Sources

June 30, 1997

	Montgomery County	Prince George's County	TOTAL
General Fixed Assets:			
Land	\$ 103,144,099	\$ 84,346,291	\$ 187,490,390
Buildings and Improvements	69,262,914	129,320,114	198,583,028
Machinery and Equipment	9,346,101	28,380,923	37,727,024
Construction in Progress	<u>11,847,303</u>	<u>18,691,154</u>	<u>30,538,457</u>
Total General Fixed Assets	<u>\$ 193,600,417</u>	<u>\$ 260,738,482</u>	<u>\$ 454,338,899</u>
 Investment in General Fixed Assets From:			
Capital Project Funds -			
General Obligation Bonds	\$ 83,350,515	\$ 114,728,277	\$ 198,078,792
Intergovernmental	41,031,497	80,696,181	121,727,678
General Fund Revenues	13,550,911	40,673,372	54,224,283
Contributions	<u>55,667,494</u>	<u>24,640,652</u>	<u>80,308,146</u>
Total Investments in General Fixed Assets	<u>\$ 193,600,417</u>	<u>\$ 260,738,482</u>	<u>\$ 454,338,899</u>

The notes to the financial statements are an integral part of this schedule.

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

EXHIBIT G-2

Schedule of General Fixed Assets -
By Function and Activity
June 30, 1997

<u>COMMISSION TOTAL</u>				
Function and Activity	<u>Total</u>	<u>Land</u>	<u>Buildings and Improvements</u>	<u>Machinery and Equipment</u>
General Government	\$ 2,343,307	\$ --	\$ 83,744	\$ 2,259,563
Planning and Zoning	7,852,002	52,138	1,908,170	5,891,694
Parks	413,605,133	187,438,252	196,591,114	29,575,767
Total General Fixed Assets Allocated to Functions	423,800,442	\$ 187,490,390	\$ 198,583,028	\$ 37,727,024
Construction in Progress	30,538,457			
Total General Fixed Assets	<u>\$ 454,338,899</u>			
 <u>MONTGOMERY COUNTY</u>				
General Government	\$ 1,015,187	\$ --	\$ 42,885	\$ 972,302
Planning and Zoning	4,278,121	52,138	1,901,988	2,323,995
Parks	176,459,806	103,091,961	67,318,041	6,049,804
Total General Fixed Assets Allocated to Functions	181,753,114	\$ 103,144,099	\$ 69,262,914	\$ 9,346,101
Construction in Progress	11,847,303			
Total General Fixed Assets	<u>\$ 193,600,417</u>			
 <u>PRINCE GEORGE'S COUNTY</u>				
General Government	\$ 1,328,120	\$ --	\$ 40,859	\$ 1,287,261
Planning and Zoning	3,573,881	--	6,182	3,567,699
Parks	237,145,327	84,346,291	129,273,073	23,525,963
Total General Fixed Assets Allocated to Functions	242,047,328	\$ 84,346,291	\$ 129,320,114	\$ 28,380,923
Construction in Progress	18,691,154			
Total General Fixed Assets	<u>\$ 260,738,482</u>			

The notes to the financial statements are an integral part of this schedule.

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

EXHIBIT G-3

Schedule of Changes in General Fixed Assets -
By Function and Activity
For the Fiscal Year Ended June 30, 1997

COMMISSION TOTAL

Function and Activity	General Fixed Assets	Additions	Deductions	General Fixed Assets
	July 1, 1996			June 30, 1997
General Government	\$ 2,306,757	\$ 36,550	\$ —	\$ 2,343,307
Planning and Zoning	6,942,565	925,966	16,529	7,852,002
Parks	391,715,902	22,465,505	576,274	413,605,133
Construction in Progress	24,620,082	20,378,245	14,459,870	30,538,457
Total General Fixed Assets	<u>\$ 425,585,306</u>	<u>\$ 43,806,266</u>	<u>\$ 15,052,673</u>	<u>\$ 454,338,899</u>

MONTGOMERY COUNTY

General Government	\$ 1,015,187	\$ —	\$ —	\$ 1,015,187
Planning and Zoning	3,969,652	318,408	9,939	4,278,121
Parks	169,890,764	6,672,508	103,466	176,459,806
Construction in Progress	7,697,278	7,362,468	3,212,443	11,847,303
Total General Fixed Assets	<u>\$ 182,572,881</u>	<u>\$ 14,353,384</u>	<u>\$ 3,325,848</u>	<u>\$ 193,600,417</u>

PRINCE GEORGE'S COUNTY

General Government	\$ 1,291,570	\$ 36,550	\$ —	\$ 1,328,120
Planning and Zoning	2,972,913	607,558	6,590	3,573,881
Parks	221,825,138	15,792,997	472,808	237,145,327
Construction in Progress	16,922,804	13,015,777	11,247,427	18,691,154
Total General Fixed Assets	<u>\$ 243,012,425</u>	<u>\$ 29,452,882</u>	<u>\$ 11,726,825</u>	<u>\$ 260,738,482</u>

The notes to the financial statements are an integral part of this schedule.

♦ PART III ♦
STATISTICAL SECTION



The annual Spring Festival allows today's children to experience "yesterday at planting time" at the Agricultural History Farm Park

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

TABLE T-1

General Governmental Expenditures by Function
Last Ten Fiscal Years

MONTGOMERY COUNTY

Fiscal Year	General Government	Culture-Recreation			Park Acquisition And Development	Debt Service	Total
		Planning And Zoning	Park Operations	Recreation			
1988	\$ 2,803,257	\$ 7,657,162	\$ 24,298,460	\$ 3,971,381	\$ 8,841,451	\$ 3,881,356	\$ 51,453,067
1989	3,191,323	9,843,697	26,292,431	4,335,854	11,140,192	4,204,420	59,007,917
1990	3,944,206	9,656,861	29,558,794	4,725,857	10,493,827	4,325,130	62,704,675
1991	4,338,911	11,116,353	31,705,573	5,437,799	11,634,551	4,057,435	68,290,622
1992	4,574,169	11,135,877	31,612,455	6,059,657	9,151,271	5,247,121	67,780,550
1993	4,351,130	11,166,541	32,488,999	6,395,826	9,000,480	4,916,273	68,319,249
1994	4,753,717	11,379,693	32,231,027	6,669,068	7,668,748	4,077,257	66,779,510
1995	4,663,950	12,029,701	35,561,927	7,947,953	7,381,419	3,905,317	71,490,267
1996	4,493,900	11,726,301	37,112,446	8,707,367	6,040,622	4,329,544	72,410,180
1997	4,949,621	13,067,495	38,060,834	9,347,189	12,319,049	4,180,980	81,925,168

PRINCE GEORGE'S COUNTY

Fiscal Year	General Government	Culture-Recreation			Park Acquisition And Development	Debt Service	Total
		Planning And Zoning	Park Operations	Recreation			
1988	\$ 2,917,397	\$ 6,752,467	\$ 24,411,220	\$ 17,651,327	\$ 8,859,651	\$ 4,515,663	\$ 65,107,725
1989	3,250,894	8,079,171	26,263,861	21,435,249	9,688,607	5,469,322	74,187,104
1990	3,700,691	9,223,822	28,701,695	23,223,660	10,437,125	6,062,904	81,349,897
1991	4,166,097	10,595,275	31,291,740	26,068,850	16,516,417	5,902,918	94,541,297
1992	4,683,976	10,686,633	31,042,743	26,968,510	19,024,608	8,439,314	100,845,784
1993	4,730,838	10,863,393	34,576,857	28,372,252	9,249,302	8,944,217	96,736,859
1994	5,316,425	12,047,360	35,388,157	30,814,415	19,643,068	9,856,836	113,066,261
1995	4,973,592	13,245,607	38,742,712	35,215,012	21,344,005	9,861,953	123,382,881
1996	5,217,449	12,881,808	38,032,695	35,196,607	12,590,746	10,133,399	114,052,704
1997	5,611,371	13,928,468	41,269,238	34,819,087	14,151,322	9,027,160	118,806,646

Note: Includes General, Capital Projects, Debt Service and Enterprise Funds. Debt Service in Prince George's County includes Park Acquisition and Development Bonds, Series F-2, recorded in the Property Management Internal Service Fund (retired in fiscal year 1993). Enterprise Funds which are primarily recreational facilities and activities are included in Recreation.

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

TABLE T-2

General Revenues by Source
Last Ten Fiscal Years

MONTGOMERY COUNTY

Fiscal Year	Property Taxes	Inter-Governmental	Charges for Services	Interest Earnings	Other	Total	General Obligation Bonds Sold
1988	\$ 35,544,904	\$ 6,146,386	\$ 3,515,830	\$ 1,243,005	\$ 2,509,444	\$ 48,959,569	\$ 7,000,000 (1)
1989	40,341,163	7,267,334	3,650,222	1,648,558	2,833,111	55,740,388	---
1990	47,559,822	5,236,260	4,260,352	1,589,007	3,065,505	61,710,946	14,175,000 (2)
1991	50,258,186	5,694,105	4,557,480	1,935,741	3,858,132	66,303,644	---
1992	49,080,113	5,601,784	5,424,367	1,227,119	3,693,555	65,026,938	6,000,000
1993	51,323,456	2,335,696	6,092,012	952,190	3,560,859	64,264,213	---
1994	52,734,344	3,199,677	6,182,389	971,811	3,461,964	66,550,185	5,500,000 (3)
1995	55,233,140	6,974,552	7,358,834	1,528,618	3,945,300	75,040,444	5,000,000
1996	53,880,270	5,424,794	7,614,645	1,527,593	3,969,092	72,416,394	8,700,000 (4)
1997	57,612,812	6,654,626	7,827,378	1,231,641	4,227,264	77,553,721	---

PRINCE GEORGE'S COUNTY

Fiscal Year	Property Taxes	Inter-Governmental	Charges for Services	Interest Earnings	Other	Total	General Obligation Bonds Sold
1988	\$ 47,112,582	\$ 2,235,777	\$ 4,448,097	\$ 1,628,760	\$ 4,110,242	\$ 59,535,458	\$ 18,000,000 (1)
1989	55,266,561	1,901,405	5,205,312	2,067,815	4,128,878	68,569,971	---
1990	60,213,386	2,301,741	5,439,535	2,325,733	4,336,093	74,616,488	35,890,000 (2)
1991	65,044,486	3,537,612	5,801,218	2,653,600	4,511,377	81,548,293	---
1992	75,470,556	4,191,625	6,332,097	1,502,561	5,526,574	93,023,413	23,000,000
1993	85,998,641	4,032,880	6,468,725	1,896,368	5,678,686	104,075,300	15,250,000
1994	91,143,535	4,331,934	6,622,486	2,376,165	4,426,002	108,900,122	14,500,000 (3)
1995	92,571,349	7,308,602	6,988,014	3,733,213	6,323,419	116,924,597	---
1996	94,857,674	1,933,128	6,731,893	3,653,354	5,189,727	112,365,776	30,025,000 (4)
1997	96,816,650	5,360,060	7,106,102	4,217,988	10,581,819	124,082,619	33,000,000

Note: Includes General, Capital Projects, Debt Service and Enterprise Funds.

- (1) Bond Anticipation Notes
- (2) Includes Refunding Bonds
- (3) Issued to retire Bond Anticipation Notes
- (4) Refunding Bonds

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

TABLE T-3

Property Tax Levies and Collections
Last Ten Fiscal Years

MONTGOMERY COUNTY

Fiscal Year	Total Tax Levy	Current Tax Collections	Percent of Levy Collected	Prior Years Taxes Penalties and Interest Collections	Total Collections	Percent of Total Collections to Tax Levy
1988	\$ 35,727,812	\$ 35,235,924	99	\$ 308,980	\$ 35,544,904	99
1989	41,020,865	40,362,180	98	(21,017)	40,341,163	98
1990	47,041,546	46,639,179	99	920,643	47,559,822	101
1991	50,234,549	49,682,906	99	575,280	50,258,186	100
1992	49,168,596	48,226,986	98	853,127	49,080,113	100
1993	52,005,555	51,202,659	98	120,797	51,323,456	99
1994	52,767,491	51,997,064	99	737,280	52,734,344	100
1995	55,410,789	55,247,895	100	(14,755)	55,233,140	100
1996	54,476,197	54,062,888	99	(182,618)	53,880,270	99
1997	58,632,597	57,916,789	99	(303,977)	57,612,812	98

PRINCE GEORGE'S COUNTY

Fiscal Year	Total Tax Levy	Current Tax Collections	Percent of Levy Collected	Prior Years Taxes Penalties and Interest Collections	Total Collections	Percent of Total Collections to Tax Levy
1988	\$ 47,012,349	\$ 46,501,303	99	\$ 611,279	\$ 47,112,582	100
1989	55,030,287	54,665,968	99	600,593	55,266,561	100
1990	60,154,776	59,590,284	99	623,102	60,213,386	100
1991	64,857,973	64,177,491	99	866,995	65,044,486	100
1992	76,056,847	74,730,404	98	740,152	75,470,556	99
1993	86,738,199	85,207,056	98	791,585	85,998,641	99
1994	90,765,239	89,580,087	99	1,563,448	91,143,535	100
1995	92,551,211	91,879,635	99	691,714	92,571,349	100
1996	94,707,563	93,970,990	99	886,684	94,857,674	100
1997	97,553,796	96,689,551	99	127,099	96,816,650	99

Source: Total Tax Levy - Montgomery County and Prince George's County Governments.

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

TABLE T-4

Assessed and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years

(Dollars in Thousands)

MONTGOMERY COUNTY

Fiscal Year	Real Property		Total (1)		Ratio of Total Assessed Value To Total Estimated Actual Value
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	
1988	\$ 15,365,458	\$ 40,162,733	\$ 17,538,969	\$ 42,336,243	41.43
1989	16,968,939	43,731,572	19,377,747	46,140,380	42.00
1990	18,782,192	50,392,741	21,525,342	53,135,890	40.51
1991	20,622,521	56,134,727	23,614,398	59,126,604	39.94
1992	22,642,951	57,644,986	25,856,767	60,858,802	42.49
1993	24,530,411	64,826,668	27,837,198	68,133,455	40.86
1994	25,462,671	66,171,182	28,823,025	69,531,537	41.45
1995	25,796,030	67,107,259	29,172,981	70,484,210	41.39
1996	26,057,529	66,677,402	29,575,004	70,194,878	42.13
1997	26,603,652	68,284,529	30,392,876	72,073,752	42.17

PRINCE GEORGE'S COUNTY

Fiscal Year	Real Property		Total (1)		Ratio of Total Assessed Value To Total Estimated Actual Value
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	
1988	\$ 8,338,387	\$ 20,445,244	\$ 10,077,915	\$ 22,184,772	45.43
1989	9,212,349	22,891,531	11,075,110	24,754,291	44.74
1990	10,020,223	25,332,391	12,022,023	27,334,392	43.98
1991	10,813,341	29,215,357	12,935,738	31,337,755	41.28
1992	11,752,984	32,049,369	13,987,343	34,283,729	40.80
1993	12,864,122	34,105,757	15,177,630	36,419,265	41.67
1994	13,501,439	34,929,206	15,829,304	37,257,071	42.49
1995	13,961,904	35,575,591	16,381,236	37,994,923	43.11
1996	14,188,944	35,404,010	16,678,956	37,894,021	44.01
1997	14,319,088	35,827,507	16,991,422	38,499,841	44.13

Note: (1) Total includes real property, business personal property, public utility operating property and domestic shares.

Source: Montgomery County and Prince George's County Governments.

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

TABLE T-5

Property Tax Rates - Direct and Overlapping Governments
Last Ten Fiscal Years

M-NCPPC TAXES

MONTGOMERY COUNTY

Fiscal Year	M-NCPPC Taxes				Total	Countywide Property Taxes	
	Administration	Park Operations	Park Maintenance	Advance Land Acquisition		Within County	Total
1988	\$ 0.0660	\$ 0.1440	\$ 0.0200	\$ 0.0030	\$ 0.2330	\$ 2.5620	\$ 2.7950
1989	0.0700	0.1500	0.0200	0.0020	0.2420	2.5070	2.7490
1990	0.0750	0.1530	0.0200	0.0030	0.2510	2.4830	2.7340
1991	0.0720	0.1500	0.0200	0.0030	0.2450	2.3450	2.5900
1992	0.0630	0.1330	0.0200	0.0030	0.2190	2.3730	2.5920
1993	0.0630	0.1290	0.0200	0.0030	0.2150	2.2100	2.4250
1994	0.0620	0.1260	0.0200	0.0030	0.2110	2.2260	2.4370
1995	0.0650	0.1300	0.0200	0.0030	0.2180	2.2550	2.4730
1996	0.0610	0.1260	0.0200	0.0040	0.2110	2.2850	2.4960
1997	0.0630	0.1340	0.0200	0.0040	0.2210	2.2780	2.4990

PRINCE GEORGE'S COUNTY

Fiscal Year	M-NCPPC Taxes				Total	Countywide Property Taxes	
	Administration	Park Operations	Recreation	Advance Land Acquisition		Within County	Total
1988	\$ 0.0896	\$ 0.3078	\$ 0.0990	\$ 0.0036	\$ 0.5000	\$ 2.6450	\$ 3.1450
1989	0.0968	0.3212	0.1139	0.0031	0.5350	2.6450	3.1800
1990	0.1015	0.3088	0.1185	0.0062	0.5350	2.6450	3.1800
1991	0.1015	0.3088	0.1185	0.0062	0.5350	2.6450	3.1800
1992	0.0992	0.3632	0.1164	0.0062	0.5850	2.8450	3.4300
1993	0.1103	0.3406	0.1529	0.0062	0.6100	2.7750	3.3850
1994	0.1103	0.3587	0.1348	0.0062	0.6100	2.7520	3.3620
1995	0.1103	0.3587	0.1348	0.0062	0.6100	2.7580	3.3680
1996	0.1103	0.3587	0.1348	0.0062	0.6100	2.7630	3.3730
1997	0.1103	0.3534	0.1401	0.0062	0.6100	2.7360	3.3460

Note: Rates are per \$100 of assessed valuation.

Source: Montgomery County and Prince George's County Governments.

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

TABLE T-6

Ratio of Net General Obligation Bonded Debt
To Assessed Value and Net General Obligation Bonded Debt Per Capita
Last Ten Fiscal Years

MONTGOMERY COUNTY

Year	Population	Assessed Value (1)	Net Bonded Debt (2)	Ratio of Net Bonded Debt to Assessed Value	Net Bonded Debt Per Capita
1988	700,000	\$ 15,291,536	\$ 25,065	0.16	\$ 35.81
1989	735,000	16,914,200	22,700	0.13	30.88
1990	757,027	18,687,588	28,100	0.15	37.12
1991	765,000	20,441,824	25,755	0.13	33.67
1992	773,000	22,377,637	28,770	0.13	37.22
1993	785,000	24,105,934	26,070	0.11	33.21
1994	798,000	24,918,829	24,220	0.10	30.35
1995	810,000	25,365,173	27,730	0.11	34.23
1996	819,000	25,640,317	26,970	0.11	32.93
1997	828,000	26,459,376	25,185	0.10	30.42

PRINCE GEORGE'S COUNTY

Year	Population	Assessed Value (1)	Net Bonded Debt (2)	Ratio of Net Bonded Debt to Assessed Value	Net Bonded Debt Per Capita
1988	696,222	\$ 9,087,300	\$ 43,150 (3)	0.47	\$ 61.98
1989	708,025	10,176,441	40,790 (3)	0.40	57.61
1990	729,268	10,814,800	62,310 (3)	0.58	85.44
1991	736,525	11,655,534	59,640 (3)	0.51	80.97
1992	744,083	12,631,750	78,470 (3)	0.62	105.46
1993	752,830	13,869,994	89,320	0.64	118.65
1994	764,053	14,250,000	84,700	0.59	110.86
1995	764,053	14,606,000	80,530	0.55	105.40
1996	767,413	14,978,000	78,460	0.52	102.24
1997	773,810	15,385,000	107,095	0.70	138.40

- Notes: (1) Metropolitan District only - 000's omitted.
 (2) Above figures for net bonded debt exclude indebtedness related to Advance Land Acquisition, which is intended to be a revolving fund - 000's omitted.
 (3) Includes Park Acquisition and Development Bonds, Series F-2, recorded in the Property Management Internal Service Fund.

Source: Assessed Value and Population - Montgomery County and Prince George's County Governments.

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

TABLE T-7

Computation of Legal Debt Margin
Park Acquisition and Development Bonds
As of June 30, 1997

Park Acquisition and Development Bonds
Guaranteed by Montgomery County

Assessed Valuation - Metropolitan District for fiscal year ending June 30, 1997	\$	<u>26,459,376,000</u>
Annual Revenue from 9 cents mandatory park tax levied for each \$100 of assessed valuation	\$	<u>23,813,438</u>
Legal Debt Margin -		
Revenue available from 9 cents mandatory park tax over next thirty years	\$	<u>714,403,140</u>
Debt service over next thirty years on \$25,185,000 bonds and notes issued and outstanding at June 30, 1997	\$	<u>35,758,000</u>
Amount of tax available for debt service on future bonds	\$	<u><u>678,645,140</u></u>

Park Acquisition and Development Bonds
Guaranteed by Prince George's County

Assessed Valuation - Metropolitan District for fiscal year ending June 30, 1997	\$	<u>15,385,000,000</u>
Annual Revenue from 10 cents mandatory park tax levied for each \$100 of assessed valuation	\$	<u>15,385,000</u>
Legal Debt Margin -		
Revenue available from 10 cents mandatory park tax over next thirty years	\$	<u>461,550,000</u>
Debt service over next thirty years on \$107,095,000 bonds and notes issued and outstanding at June 30, 1997	\$	<u>159,901,000</u>
Amount of tax available for debt service on future bonds	\$	<u><u>301,649,000</u></u>

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

TABLE T-8

Computation of Direct and Overlapping Debt

June 30, 1997

	MONTGOMERY COUNTY	PRINCE GEORGE'S COUNTY	TOTAL DEBT OUTSTANDING
Direct Debt Outstanding	\$ 38,793,673	\$ 113,448,560	\$ 152,242,233
Overlapping Debt			
Montgomery County Debt	1,144,493,054 (1)	---	1,144,493,054
Prince George's County Debt	---	646,999,938 (1)	646,999,938
Washington Suburban Sanitary Commission Debt	1,172,086,720	686,392,656	1,858,479,376
Montgomery County Revenue Authority Debt	42,941,809	---	42,941,809
Montgomery County Housing Opportunities Commission	753,169,894	---	753,169,894
Prince George's County State of Maryland Participation Loans	---	16,569,627	16,569,627
Total Overlapping Debt	<u>3,112,691,477</u>	<u>1,349,962,221</u>	<u>4,462,653,698</u>
Total Direct and Overlapping Debt	<u>3,151,485,150</u>	<u>1,463,410,781</u>	<u>4,614,895,931</u>

Less Self-Supporting Debt			
M-NCPPC - Revenue Bonds	4,465,000	---	4,465,000
M-NCPPC - Notes Payable	2,973,672	2,283,560	5,257,232
Montgomery County Debt	85,205,000	---	85,205,000
Prince George's County Debt	---	174,186,110	174,186,110
Washington Suburban Sanitary Commission Debt	1,172,071,720	661,052,656	1,833,124,376
Montgomery County Revenue Authority Debt	42,941,809	---	42,941,809
Montgomery County Housing Opportunities Commission	703,169,894	---	703,169,894
Prince George's County State of Maryland Participation Loans	---	16,569,627	16,569,627
Total Self-Supporting Debt	<u>2,010,827,095</u>	<u>854,091,953</u>	<u>2,864,919,048</u>
Net Direct and Overlapping Debt	<u>\$ 1,140,658,055</u>	<u>\$ 609,318,828</u>	<u>\$ 1,749,976,883</u>

Note: (1) Overlapping debt does not include the debt of towns, cities and villages aggregating \$38,152,583 in Montgomery County and \$43,475,267 in Prince George's County.

Source: Montgomery County and Prince George's County Governments, and Washington Suburban Sanitary Commission.

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

TABLE T-9

Demographic Statistics
Last Ten Fiscal Years

MONTGOMERY COUNTY

Year	Population	Per Capita Income	Labor Force	Unemployment Rate	Registered Pupils
1988	700,000	\$ 28,400	414,145	2.6 %	96,271
1989	735,000	30,749	427,621	2.2	98,519
1990	757,027	31,793	448,328	2.5	100,259
1991	765,000	32,423	448,991	3.2	103,732
1992	773,000	33,367	461,815	3.6	107,140
1993	785,000	34,377	456,683	3.5	110,037
1994	798,000	35,536	468,438	2.9	113,429
1995	810,000	37,000	470,896	2.9	117,082
1996	819,000	38,400	480,289	2.6	120,291
1997	828,000	39,450	483,900	2.4	122,505

PRINCE GEORGE'S COUNTY

Year	Population (Note 1)	Per Capita Income (Note 2)	Labor Force	Unemployment Rate	Registered Pupils
1988	696,222	\$ 18,289	408,114	3.8 %	103,925
1989	708,025	19,489	422,362	3.1	101,403
1990	729,268	20,326	421,642	3.9	103,731
1991	736,525	20,532	424,231	4.9	105,891
1992	744,083	21,373	443,596	5.7	109,662
1993	752,830	21,772	432,990	5.9	111,132
1994	764,053	22,645	474,485	4.4	111,823
1995	764,053	22,983	485,100	4.7	116,383
1996	767,413	*	463,700	5.1	119,951
1997	773,810	*	463,690	4.6	*

Notes:

- (1) U.S. Census Bureau as adjusted by the Research and Public Facilities Planning Division, M-NCPPC
- (2) U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economics Measurement Division
(figures for FY 1987 through FY 1992 were revised; updated figures for FY 1996 and 1997 are not yet available)

* Not Available

Source: Montgomery County and Prince George's County Governments.

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

TABLE T-10

Ratio of Annual Debt Service Expenditures for
General Obligation Bonded Debt to Total General Expenditures
Last Ten Fiscal Years

MONTGOMERY COUNTY

Fiscal Year	Principal	Interest	Total Debt Service	Total General Expenditures	Ratio of Debt Service to General Expenditures
1988	\$ 2,585,000	\$ 1,293,281	\$ 3,878,281	\$ 51,453,067	7.54 %
1989	2,645,000	1,541,615	4,186,615	59,007,917	7.10
1990	2,905,000	1,385,314	4,290,314	62,704,675	6.84
1991	2,625,000	1,371,109	3,996,109	68,290,622	5.85
1992	3,465,000	1,744,729	5,209,729	67,780,550	7.69
1993	3,180,000	1,696,935	4,876,935	68,319,249	7.14
1994	2,330,000	1,636,139	3,966,139	66,779,510	5.94
1995	1,970,000	1,926,774	3,896,774	71,490,267	5.45
1996	2,260,000	1,930,963	4,190,963	72,410,180	5.79
1997	2,370,000	1,787,569	4,157,569	81,925,168	5.07

PRINCE GEORGE'S COUNTY

Fiscal Year	Principal	Interest	Total Debt Service	Total General Expenditures	Ratio of Debt Service to General Expenditures
1988	\$ 2,495,000	\$ 2,016,142	\$ 4,511,142	\$ 65,107,725	6.93 %
1989	2,595,000	2,831,700	5,426,700	74,187,104	7.31
1990	3,405,000	2,617,329	6,022,329	81,349,897	7.40
1991	2,905,000	2,822,994	5,727,994	94,541,297	6.06
1992	4,615,000	3,727,584	8,342,584	100,845,784	8.27
1993	4,845,000	4,009,834	8,854,834	96,736,859	9.15
1994	5,065,000	4,596,086	9,661,086	113,066,261	8.54
1995	4,615,000	5,206,174	9,821,174	123,382,881	7.96
1996	5,040,000	4,892,298	9,932,298	114,052,704	8.71
1997	4,685,000	4,303,838	8,988,838	118,806,646	7.57

Note: Total general expenditures includes General, Capital Projects, Debt Service and Enterprise Funds. Debt Service in Prince George's County includes Park Acquisition and Development Bonds, Series F-2, recorded in the Property Management Internal Service Fund through fiscal year 1993.

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

TABLE T-11

Property Value, Construction, and Bank Deposits
Last Ten Fiscal Years
(Dollars in Millions)

MONTGOMERY COUNTY

Fiscal Year	Total Number of Building Permits	Residential Construction Value (1)	Commercial Construction Value (1)	Bank Deposits	Total Estimated Real Property Value
1988	16,855	\$ 877	\$ 431	\$ 5,999	\$ 40,163
1989	14,836	923	395	6,489	43,732
1990	14,321	926	436	7,260	50,393
1991	11,217	590	316	7,543	56,135
1992	11,719	423	239	7,738	57,645
1993	12,043	479	246	7,839	64,827
1994	11,769	468	100	7,866	66,171
1995	13,500	583	70	7,710	67,107
1996	12,677	628	116	7,994	66,677
1997	13,837	726	183	*	68,285

PRINCE GEORGE'S COUNTY

Fiscal Year	Residential Building Permits Issued	Residential Construction Value (2)	Commercial Construction Value (2)	Bank Deposits	Total Estimated Real Property Value
1988	4,398	\$ 286	\$ 346	\$ 3,095	\$ 20,445
1989	4,663	310	267	3,243	22,892
1990	5,047	379	270	3,664	25,332
1991	3,026	224	162	3,868	29,215
1992	3,747	290	106	4,088	32,049
1993	5,249	328	124	3,957	34,106
1994	3,864	291	102	4,016	34,929
1995	3,604	299	98	3,941	35,576
1996	3,205	276	417	3,929	35,404
1997	*	*	*	*	35,828

- Notes: (1) Estimated market value of new construction added to the real property tax base.
(2) Estimated value of new construction on building permits.

* Not Available.

Source: Montgomery County and Prince George's County Governments.

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

TABLE T-12

Principal Taxpayers

June 30, 1997

MONTGOMERY COUNTY

Taxpayer	Total Assessment	Percentage of Total Assessed Valuation	Real Property	Other Property
Potomac Electric Power Company	\$ 968,026,310	3.19 %	\$ 28,477,400	\$ 939,548,910
Bell Atlantic - Washington D.C Inc.	563,884,550	1.86	24,114,410	539,770,140
Washington Gas Light Company	149,520,200	0.49	6,385,480	143,134,720
International Business Machines Corp.	99,537,750	0.33	30,249,490	69,288,260
Montgomery Mall	76,068,600	0.25	76,068,600	---
May Department Stores	63,183,360	0.21	24,259,950	38,923,410
Lake Forest Associates	53,999,990	0.18	53,999,990	---
Albert & R. Abramson, et. al.	53,791,690	0.18	53,791,690	---
MacBeth Associates	52,000,000	0.17	52,000,000	---
Wheaton Plaza Regional Shopping Center	49,772,150	0.16	49,772,150	---
Total	\$ 2,129,784,600	7.01 %	\$ 399,119,160	\$ 1,730,665,440
Total Assessable Base	\$ 30,392,876,021	100.00 %		

PRINCE GEORGE'S COUNTY

Taxpayer	Total Assessment	Percentage of Total Assessed Valuation	Real Property	Other Property
Potomac Electric Power Company	\$ 990,836,490	5.83 %	\$ 13,884,780	\$ 976,951,710
Bell Atlantic Maryland	342,545,710	2.02	---	342,545,710
Washington Gas Light Company	129,104,930	0.76	1,600,380	127,504,550
Baltimore Gas & Electric Company	77,463,390	0.46	1,466,140	75,997,250
Giant Foods, Incorporated	47,506,530	0.28	---	47,506,530
Summerfield Housing Ltd, Partnership	39,696,980	0.23	---	39,696,980
Southern Maryland Electric Co-Op, Inc.	35,719,720	0.21	683,340	35,036,380
Washington/Baltimore Cell Ltd, PTNS	29,628,380	0.17	---	29,628,380
Greenbelt Homes, Incorporated	28,137,380	0.17	28,137,380	---
Safeway Stores, Inc.	27,720,240	0.16	7,747,980	19,972,260
Total	\$ 1,748,359,750	10.29 %	\$ 53,520,000	\$ 1,694,839,750
Total Assessable Base	\$ 16,991,422,000	100.00 %		

Source: Montgomery County and Prince George's County Governments.

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

TABLE T-13

SCHEDULE OF INSURANCE IN FORCE
AS OF JUNE 30, 1997

TYPE OF COVERAGE AND NAME OF COMPANY	POLICY NUMBER	POLICY PERIOD FROM TO		LIABILITY LIMITS	ANNUAL PREMIUM
Self Insured in Conjunction with Montgomery County Self Insurance Fund: o Workers' Compensation and Employer's Liability				Maryland State and \$100,000 Employer's Liability; Special Police Capital Centre; \$50,000 accident, \$500,000 disease	
o Comprehensive General and Auto Liability				\$10,000,000 combined single limit of Bodily Injury and Property Damage	
o Public Official Liability					
o Police Professional Liability					
o Automobile Physical Damage				Comprehensive and Collision \$1,000 deductible each loss	
Insured in Conjunction with Montgomery County Self Insurance Fund: o Exhibition Floater Travelers Indemnity Co.	TJCMB225T952693	07/01/96	07/01/97	\$100,000 all risk on display, (blanket aggregate); \$10,000 any one item, \$250 deductible; \$25,000 any one conveyance	\$ 850
				Actual cash value, broad form coverage per scheduled listing with \$5,000 S.I.R. per occurrence	
o All Risk Real and Personal Property Contractor's Equipment and Difference in Conditions and EDP	TJCMB225T952693	07/01/96	06/30/98	\$100,000,000 loss limit \$250,000 S.I.R. per occurrence \$950,000 aggregate deductible Includes EDP equipment \$1,000 deductible, \$2,500 deductible for flood & earthquake Actual cash value, broad form coverage per scheduled listing with \$5,000 S.I.R. per occurrence	\$ 47,680
Boiler and Machinery Travelers Indemnity Co.					
Insurance purchased directly by the Commission: o Airport Liability including Products, Hangar Keeper's and Non-Owned Aircraft Associated Aviation Underwriters	22AL604417	01/18/97	01/18/98	\$10,000,000 per occurrence; \$10,000,000 per completed operations \$1,000,000 each aircraft; \$5,000,000 each loss; \$2,500 deductible each occurrence	\$ 29,250
o Business Non-Owned Aircraft Liability and Physical Damage Associated Aviation Underwriters	22BN604418	01/18/97	01/18/98	\$2,000,000 per occurrence; in motion deductible - \$500 Not in motion deductible - \$100	\$ 3,500
o Additional Endorsement extending coverage to apply to Airshow Associated Aviation Underwriters	46603997	09/14/96	09/15/96	\$10,000,000 per occurrence	\$ 2,500
o Fine Arts Floater (Duvall Tool Collection) Hartford	42MSAP2002	05/25/97	05/25/98	\$50,000; \$250 deductible	\$ 1,246
o Public Employees Blanket Bond Peerless Insurance	018-82-34-61	07/01/96	07/01/99	\$100,000	\$ 4,424
o Public Official Bond (Secretary-Treasurer) Fidelity and Deposit Company	596 14 77-8	07/01/96	07/01/99	\$200,000	\$ 2,160
o Public Official Bond (Executive Director) Fidelity and Deposit Company	30665936	09/24/96	09/24/97	\$50,000	\$ 175
o Depositors Forgery Bond Fidelity and Deposit Company	CCP 000 1730	07/01/96	07/01/99	\$50,000	\$ 1,325
o Travel Accident CIGNA	ABL648849	07/01/97	07/01/98	\$50,000 Prin. Sum \$500,000 per accident	\$ 350
o Maryland Baseball Limited Partnership (Bowie Stadium) St. Paul Insurance Company	CK00801578	03/15/97	03/15/98	\$500,000 Building Contents \$6,500,000 Building \$2,000,000 General Liability \$1,000,000 Automobile Liability Auto Physical Damage \$500 Collision deductible \$100 Comprehensive deductible \$100,000 Garage Keepers Liability, \$250 deductible \$12,000,000 Excess Liability	\$ 79,609
o License and Permit Bond Harleysville Ins. Co.	BBM015909	03/17/97	03/17/98	\$5,000	\$ 100
					<u>\$ 173,169</u>

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

Table T-14

SUPPLEMENTAL ENTERPRISE INFORMATION

Condensed Schedule of Revenues and Expenses
For the Fiscal Year Ended June 30, 1997

Recreational Facilities

MONTGOMERY COUNTY

	Conference Centers	Golf Courses	Ice Rinks	Park Facilities	Indoor Tennis
Operating Revenues	\$ 458,268	\$ 5,835,037	\$ 2,008,662	\$ 926,227	\$ 973,789
Operating Expenses Before Depreciation	668,557	4,639,360	2,014,396	664,066	606,438
Operating Income (Loss)					
Before Depreciation	(210,289)	1,195,677	(5,734)	262,161	367,351
Depreciation	72,695	451,564	111,946	76,101	42,066
Operating Income (Loss)	(282,984)	744,113	(117,680)	186,060	325,285
Nonoperating Revenues (Expenses)	(17)	(186,632)	74,197	63,551	69,228
Operating Transfers In (Out)	76,000	---	10,000	---	---
Net Income (Loss)	\$ (207,001)	\$ 557,481	\$ (33,483)	\$ 249,611	\$ 394,513

PRINCE GEORGE'S COUNTY

	Airport	Equestrian Center/ Multipurpose Arena	Golf Courses	Ice Rinks	Regional Parks	Sports Center	Bladensburg Marina
Operating Revenues	\$ 270,117	\$ 994,418	\$ 2,080,774	\$ 532,627	\$ 317,830	\$ 911,578	\$ ---
Operating Expenses Before Depreciation	505,997	2,061,442	2,126,922	612,541	446,547	964,407	200,985
Operating Income (Loss)							
Before Depreciation	(235,880)	(1,067,024)	(46,148)	(79,914)	(128,717)	(52,829)	(200,985)
Depreciation	101,430	571,383	115,826	96,824	45,296	10,959	74,037
Operating Income (Loss)	(337,310)	(1,638,407)	(161,974)	(176,738)	(174,013)	(63,788)	(275,022)
Nonoperating Revenues (Expenses)	---	---	---	---	21,002	---	17,190
Operating Transfers In (Out)	233,454	1,446,829	---	137,196	209,214	58,224	245,100
Net Income (Loss)	\$ (103,856)	\$ (191,578)	\$ (161,974)	\$ (39,542)	\$ 56,203	\$ (5,564)	\$ (12,732)

Cover:

The house at McCrillis Gardens in Bethesda is surrounded by fifty acres of azaleas, rhododendrons and other special flowering plants, creating the perfect setting for outdoor events. The Hillcrest Heights Community Center, which opened in 1992, continues the Commission's award-winning tradition of providing a variety of quality leisure services to residents of all ages.

Page 16:

Since its establishment in 1927, The Maryland-National Capital Park and Planning Commission has continued in its mission to provide long-range planning and park acquisition and development for the citizens of Prince George's and Montgomery Counties, and to administer the public recreation program for Prince George's County. During the Commission's seventy years of existence, the two counties it serves have experienced a phenomenal increase in both population and community diversity.

In 1997, the Commission celebrates 70 years of excellence with a look at some images that reflect the wide range of services and commitment it has provided and continues to provide to the citizens of the bi-county area. (From top): World champion boxer, Sugar Ray Leonard, is one of many Olympic athletes who have trained at Commission facilities . . . Citizens visit one of the Commission's early planning and zoning information counters . . . The state-of-the-art Cedar Heights Community Center opened this year . . . Original members of the Maryland-National Capital Park Police stand at attention . . . The Show Place Arena at the Prince George's Equestrian Center in Upper Marlboro hosts a variety of events each year . . . Riversdale, one of the Commission's most popular historic rental sites, at one time served as office space for Commission staff . . . Park Police bicycle patrols help enforce safety and security on the trails . . . The original members of The Maryland-National Capital Park and Planning Commission pose before the Commission's first meeting . . . Patrons enjoy a popular attraction at Wheaton Regional Park . . . Sports programs attract participants of all ages, interests, and ability levels . . . The new College Park Aviation Museum is scheduled to open at the end of 1997 . . . Commission staff brought mobile recreational services and equipment to community neighborhoods and parks in the early seventies.

Photo credits:

Francine Bethea (Montgomery County): cover, pages 4, 16, 65, 76, 83, and 95

Steve Abramowitz (Prince George's County): cover, pages 16, 25, 73, 79, 87, and 91

THE MARYLAND-NATIONAL CAPITAL PARK & PLANNING COMMISSION

70
years of
excellence!

1 9 2 7 ♦ 1 9 9 7

