

# THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION



COMPREHENSIVE ANNUAL FINANCIAL REPORT  
For The Fiscal Year Ended June 30,  
1998



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

**THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION**

For the Fiscal Year Ended June 30, 1998

**Commissioners**

Elizabeth M. Hewlett, Chairman of the Commission  
William H. Hussmann, Vice-Chairman of the Commission  
Zola E. Boone  
James M. Brown  
Allison Bryant  
Roy I. Dabney, Jr.  
Arthur Holmes, Jr.  
Regina J. McNeill  
Wendy C. Perdue  
Davis M. Richardson

**Officers**

Trudye M. Johnson, Executive Director  
A. Edward Navarre, Secretary-Treasurer  
Richard Romine, General Counsel

**Department Directors**

Donald K. Cochran, Acting Montgomery County Director of Park and Planning  
  
Fern V. Piret, Prince George's County Director of Planning  
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Trudye M. Johnson, Department of Human Resources and Management  
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*Prepared by the Department of Finance*

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John M. Heater, Accounting & Purchasing	Philip Litman, Internal Audit
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Larry S. Ibanez, Accounting	Richard J. Osuri, Computer Services
Jack K. Roof, Systems & Procedures	



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♦ PART I ♦  
INTRODUCTORY SECTION

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Historic Waters House was restored by a developer and deeded to the Commission for public use.





# THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

6611 Kenilworth Avenue • Riverdale, Maryland 20737

September 11, 1998

## Commissioners:

The Comprehensive Annual Financial Report of The Maryland-National Capital Park and Planning Commission for the fiscal year ended June 30, 1998 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 Commission is also required to file a Uniform Financial Report with the Maryland State Department of Legislative Services by November 1 of each year.

## 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. The Commission is reported as a joint venture by both Montgomery and Prince George's County governments.

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 \$46,712,000. Of this amount, \$8,419,000 is designated to fund fiscal year 1999, \$6,128,000 (approximating 3.9% of the General Fund budget for fiscal year 1999) is designated for unforeseen circumstances, \$18,874,000 is designated to fund the operating, maintenance and debt service costs of future Prince George's County facilities, and \$13,291,000 is uncommitted as of June 30, 1998. Second, property taxes, which constituted over 91% of the Commission's General Fund Revenues in fiscal year 1998 are expected to continue to be a stable source of revenue, with at least moderate growth. The assessed value of all taxable real property has continued to grow modestly, contributing to an increase in General Fund property tax revenues from \$152,190,000 to \$156,486,000 (2.8%), even though the total tax rates for the Commission were slightly below 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 the new stadium in the County. The Montgomery and Prince George's unemployment rates as of July 1998 were 2.2% and 4.0% respectively, in comparison to the 4.6% State-wide and 4.7% 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 1998. 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, 1998, 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 internal audits throughout the Commission's offices and facilities, and inspection and verification of major construction projects. During the fiscal year ended June 30, 1998, a total of 137 facility audits were performed, and 16 construction projects were inspected.

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 \$5,385,000. In Montgomery County, the positive variance of the Administration and Park Accounts was primarily a result of favorable property tax collections, charges for planning services, and debt service savings from the postponement of a bond sale from fiscal year 1998 to 1999. The variance, totaling \$2,800,000 together with July 1, 1997 undesignated fund balances, resulted in budget basis fund balances at June 30, 1998 totaling \$4,961,000. The fiscal year 1999 budget was adopted with a funding source from fiscal year 1998 of \$1,273,000 for fiscal year 1999 expenditures and \$2,017,000 for unforeseen circumstances (approximating 3.4% of the fiscal year 1999 operating budget). The remaining \$1,671,000 is undesignated as of June 30, 1998.

In Prince George's County, the \$2,585,000 positive variance of the Administration, Park and Recreation Accounts was largely a result of property taxes that exceeded the budget by \$2,451,000; interest earnings, including interest transferred from the Capital Projects Funds, that exceeded the budget by \$2,532,000; and expenditure savings of \$2,045,000, offset by additional operating transfers out of \$4,429,000. The variance, together with July 1, 1997 undesignated fund balances, resulted in budget basis fund balances at June 30, 1998 totaling \$41,751,000. The fiscal year 1999 budget was adopted with a funding source from fiscal year 1998 of \$7,146,000 for fiscal year 1999 expenditures, \$4,111,000 for unforeseen circumstances (approximating 4.2% of the fiscal year 1999 operating budget), and \$18,874,000 for the operating costs and debt service of future facilities. The remaining \$11,620,000 is undesignated as of June 30, 1998. 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 the 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).

	Actual FY98	Actual FY97	<u>Increase (Decrease)</u>	
<u>MONTGOMERY COUNTY</u>			<u>Amount</u>	<u>Percent</u>
Revenue Source -				
Property Taxes	\$58,999	\$56,405	\$ 2,594	4.6%
Intergovernmental	525	604	(79)	(13.1)
Charges for Services	2,131	1,691	440	26.0
Interest Earnings	889	684	205	30.0
Other	74	124	(50)	(40.3)
County Total	<u>\$62,618</u>	<u>\$59,508</u>	<u>\$ 3,110</u>	<u>5.2%</u>
Expenditure Classification -				
Personal Services	\$42,169	\$41,820	\$ 349	1.0%
Supplies, Materials, Other				
Services and Charges	14,142	13,132	1,010	7.7
Capital Outlay	1,014	702	312	44.4
County Total	<u>\$57,325</u>	<u>\$55,654</u>	<u>\$ 1,671</u>	<u>3.0%</u>



<u>PRINCE GEORGE'S COUNTY</u>	<u>Actual FY98</u>	<u>Actual FY97</u>	<u>Increase (Decrease)</u>	
			<u>Amount</u>	<u>Percent</u>
Revenue Source -				
Property Taxes	\$ 97,488	\$ 95,784	\$1,704	1.8%
Intergovernmental	662	507	155	30.6
Charges for Services	6,493	6,778	(285)	(4.2)
Interest Earnings	3,823	3,167	656	20.7
Other	321	262	59	22.5
County Total	<u>\$108,787</u>	<u>\$106,498</u>	<u>\$2,289</u>	<u>2.1%</u>
Expenditure Classification -				
Personal Services	\$ 59,504	\$ 59,519	\$ (15)	0.0%
Supplies, Materials, Other				
Services and Charges	27,767	25,309	2,458	9.7
Capital Outlay	4,563	1,905	2,658	139.5
County Total	<u>\$ 91,834</u>	<u>\$ 86,733</u>	<u>\$ 5,101</u>	<u>5.9%</u>

The property tax revenue increase in Montgomery County reflected growth in the assessable base of 1.8% offset by a reduction in the applicable tax rate from 21.70 cents per \$100 assessable valuation to 21.40 cents (1.4%). The increase in Prince George's County property tax revenue reflected a 1.0% growth in the assessable base. The applicable tax rate of 60.38 cents was unchanged. Both counties benefited from the collection of unpaid taxes from prior years. The interest earnings increases reflected higher investment balances throughout fiscal year 1998. Charges for services were up in Montgomery County due primarily to an increase of approximately \$382,000 in planning and application fees in the Commission's Development and Review Section, and lower in Prince George's County due to the move of the Washington Capitals and Wizards from the U.S. Airways Arena in Prince George's County to Washington, D.C. The changes in personal services charges were minimal as salary increases were offset by a reduction in retirement costs. The capital outlay increase in Prince George's County is due primarily to the purchase of a police computer-aided dispatch system and computer enhancements.

#### **Debt Administration - Debt Service Funds (Exhibits B-1 and B-2) and Enterprise Funds (Exhibits D-1 and D-2)**

Debt Service Funds are used to account for the Commission's general obligation debt, which includes Park Acquisition and Development Bonds (Park Bonds), Bond Anticipation Notes (Notes), and Advance Land Acquisition Bonds (ALA Bonds). The outstanding issues totaling \$156,105,000 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 and Notes are unconditionally guaranteed by the County for which issued. Debt service expenditures for general obligation bonds, the Notes and ALA Bonds totaled \$15,448,000 (Montgomery - \$3,596,000, Prince George's - \$11,852,000) for the fiscal year.

Of the outstanding debt, park acquisition and development bonds and the Notes (Park Debt) totaled \$146,400,000 at June 30, 1998 park debt, and the related debt service expenditures totaled \$14,350,000 (Montgomery - \$2,950,000, Prince George's - \$11,400,000) for the fiscal year. The Commission's Metropolitan District (Park) tax includes a mandatory tax for debt service for Park Debt of nine cents in Montgomery County and ten cents in Prince George's County. Debt service payments approximated 1.1 cent of the mandatory debt service tax proceeds for Montgomery County and 7.3 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.

In fiscal year 1998, the Commission issued \$21,000,000 Prince George's County Park Acquisition and Development Variable Rate Bond Anticipation Notes, Series V-2 with a variable interest rate based on market conditions and a maturity date of August 1, 2002, to finance the Commission's Prince George's Sports and Learning Complex. The Commission received a favorable short-term rating of A-1+ from Standard & Poor's in connection with this sale. The interest rate averaged 3.54% for the fiscal year. The Commission also issued \$7,325,000 Prince George's County Park Acquisition and Development Advance Refunding Taxable Bonds, Series W-2, at a 6.40% interest rate which mature over the period through July 1, 2012, to advance refund portions of Prince George's County Park Bonds, Series J-2, L-2, P-2, and S-2.

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



	<u>Moody's Investors Services, Inc.</u>	<u>Standard &amp; Poor's Rating Services</u>	<u>Fitch Investors Service, Inc.</u>
Montgomery County	Aaa	AAA	—
Prince George's County	Aa2	AA	AA

The Commission's revenue bonds and revenue notes payable which totaled \$7,891,000 at June 30, 1998, are accounted for in the Enterprise Funds. The revenue bonds and notes are not general obligations of the Commission or Montgomery County and are payable solely from revenues generated from revenue producing facilities. Debt service expenditures for the revenue bonds and notes totaled \$546,456 for the fiscal year.

In fiscal year 1998, the Commission issued a \$3,600,000 Wheaton Ice Rink Revenue Note at an interest rate of 6.06%, with a ten year term, maturing over the period through May 1, 2007. The Commission also issued \$4,291,000 (net of deferred amount) of Little Bennett Golf Facilities Refunding Revenue Bonds, Series 1997, at an interest rate of 5.635% maturing over the period through October 1, 2007, to advance refund the Little Bennett Revenue Bonds, Series 1991, outstanding balance of \$4,305,000.

The outstanding proprietary fund debt as of June 30, 1998, and the related debt service requirements are set forth in Note 10 of the Notes to Financial Statements.

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

Proceeds of general obligation park acquisition and development 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 1998, projects totaling \$12,583,000 were completed.

Montgomery County authorized projects totaling \$19,544,000 in fiscal year 1998. Of the 1998 projects, \$5,095,000 is for local park acquisition and development, of which \$2,060,000 is to be funded by the Commission from bonds. The remaining projects are for nonlocal parks, which are funded primarily by Montgomery County Government and Maryland Program Open Space, and an ice rink which will be funded from enterprise operations.

Prince George's County authorized projects totaling \$49,155,000 in fiscal year 1998 of which \$8,875,000 is to be funded by future Commission bonds. Major projects included authorization for the Prince George's Sports and Learning Complex (\$20,000,000) and an ice rink (\$11,000,000) from developer funds and bond funding of \$5,000,000 for the University of Maryland Performing Arts Center.

Financial activity for 1998 and 1997 is summarized as follows (\$000's).

	<u>Montgomery County</u>		<u>Prince George's County</u>	
	<u>FY 1998</u>	<u>FY 1997</u>	<u>FY 1998</u>	<u>FY 1997</u>
Proceeds of Debt Issuance:	\$ —	\$ —	\$21,000	\$33,000
Intergovernmental Revenues -				
Federal	—	264	371	1,987
Maryland Program Open Space	2,387	1,870	1,092	2,622
Local	<u>3,885</u>	<u>3,918</u>	<u>—</u>	<u>244</u>
Total	<u>6,272</u>	<u>6,052</u>	<u>22,463</u>	<u>37,853</u>
Transfers In -				
General Fund	140	732	5,240	878
Trust Fund	412	1,015	—	815
Internal Service Fund	—	—	—	500
Sale of Land	—	—	234	4,134
Other Revenues	<u>1</u>	<u>37</u>	<u>314</u>	<u>1,406</u>
Total	<u>553</u>	<u>1,784</u>	<u>5,788</u>	<u>7,733</u>
Expenditures and Other -				
Acquisition	1,365	504	2,396	1,135
Development	<u>7,896</u>	<u>11,815</u>	<u>15,247</u>	<u>13,016</u>
Total	<u>9,261</u>	<u>12,319</u>	<u>17,643</u>	<u>14,151</u>
Authorized and Funded Projects	<u>1,311</u>	<u>3,746</u>	<u>44,865</u>	<u>34,258</u>
Working Capital	<u>1,311</u>	<u>3,746</u>	<u>44,865</u>	<u>34,258</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, four ice rinks, eight golf courses, four enclosed tennis facilities, four conference centers, an equestrian center/multipurpose arena, a trap and skeet center, certain regional park facilities, and a marina which is currently closed for renovation.

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 exceeded the goal by approximately \$167,000 including operating transfers in of \$86,000, and after payments for capital outlay and improvements totaling \$1,816,000. The Prince George's County Enterprise Fund fell short of the goal by \$13,000, including operating transfers in of \$2,201,000, and after payments for capital outlay of \$199,000.

Summary comparative results of the financial operations of the Enterprise Funds for fiscal years 1998 and 1997 follow (\$000's).

	<u>Montgomery County</u>		<u>Prince George's County</u>	
	<u>FY 1998</u>	<u>FY 1997</u>	<u>FY 1998</u>	<u>FY 1997</u>
Operating Revenues	\$11,275	\$10,202	\$ 5,272	\$ 5,108
Operating Expenses				
Excluding Depreciation	<u>9,378</u>	<u>8,593</u>	<u>7,287</u>	<u>6,919</u>
Operating Income (Loss)				
Excluding Depreciation	1,897	1,609	(2,015)	(1,811)
Depreciation	<u>1,535</u>	<u>754</u>	<u>1,256</u>	<u>1,016</u>
Operating Income (Loss)	<u>\$ 362</u>	<u>\$ 855</u>	<u>\$ (3,271)</u>	<u>\$ (2,827)</u>

Comparative Montgomery County key data are as follows.

<u>Facility</u>	<u>Revenues</u>			<u>Operating Income (Loss) Excluding Depreciation</u>		
	<u>FY 1998</u>	<u>FY 1997</u>	<u>Change</u>	<u>FY 1998</u>	<u>FY 1997</u>	<u>Change</u>
Conference Centers	\$ 443,875	\$ 458,268	\$ (14,392)	\$ (148,019)	\$ (210,289)	\$ 62,270
Golf Courses	6,627,272	5,835,037	792,235	1,386,832	1,195,677	191,155
Ice Rinks	2,151,180	2,008,662	142,518	131,069	(5,734)	136,803
Indoor Tennis	1,023,329	973,789	49,540	414,208	367,351	46,857
Park Facilities	<u>1,029,349</u>	<u>926,227</u>	<u>103,122</u>	<u>112,120</u>	<u>262,161</u>	<u>(150,041)</u>
TOTAL	<u>\$11,275,005</u>	<u>\$10,201,983</u>	<u>\$1,073,023</u>	<u>\$1,896,210</u>	<u>\$1,609,166</u>	<u>\$287,044</u>

Total Enterprise Fund revenues increased by 10.5% and operating income, excluding depreciation, improved by 17.8%. Revenues at all facilities were helped by favorable weather conditions during the year. The golf course and ice rink revenues and operating income results also reflected favorable customer reception to improvements made in fiscal year 1997.



Comparative Prince George's key data are as follows.

Facility	Revenues			Operating Income (Loss) Excluding Depreciation		
	FY 1998	FY 1997	Change	FY 1998	FY 1997	Change
Airport	\$ 239,197	\$ 270,117	\$(30,920)	\$ (324,025)	\$ (235,880)	\$ (88,145)
Equestrian Center/Arena	927,245	994,418	(67,173)	(1,361,619)	(1,067,024)	(294,595)
Golf Courses	2,279,026	2,080,774	198,252	106,314	(46,148)	152,462
Ice Rinks	515,040	532,627	(17,587)	(60,144)	(79,914)	19,770
Regional Parks	292,027	317,830	(25,803)	(126,430)	(128,717)	2,287
Trap & Skeet Center	1,019,667	911,578	108,089	(46,096)	(52,829)	6,733
Bladensburg Marina	—	—	—	(202,820)	(200,985)	(1,835)
<b>TOTAL</b>	<b>\$5,272,202</b>	<b>\$5,107,344</b>	<b>\$164,858</b>	<b>\$(2,014,820)</b>	<b>\$(1,822,497)</b>	<b>\$(203,323)</b>

Total Enterprise Fund revenues increased by 3.2%, however, the operating loss increased by 11.2%. Favorable weather conditions helped the golf and trap and skeet revenues. The outlook for the airport, the golf courses, and the the equestrian center/arena (The Show Place Arena), is brightened by the opening of the College Park Aviation Museum; a new golf learning center, and the refinancing of The Show Place Arena which will allow for expanded use.

### **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; the administrative leave used by employees who are bargaining unit members; and financing of capital equipment purchases. The Commission has fully funded the short-term portion of the annual and compensatory 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. The capital outlay threshold was raised from \$1,000 to \$5,000 on July 1, 1997. Risk management net costs for general insurance increased \$660,000, from \$2,897,000 in fiscal year 1997 to \$3,557,000 in fiscal year 1998 as a result of an increase in workers compensation expenses of \$856,000 from \$1,777,000 in fiscal year 1997 to \$2,633,000 in fiscal year 1998. 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 5.8% from \$12,345,000 in fiscal year 1997 to \$13,058,000 in fiscal year 1998 due primarily to a \$251,000 increase in claims paid in the Administrative Services Only prescription drug program which represents an 11% increase, and increases in the other group insurance plans approximating 5%.

### **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 17%. The Commission contributed \$5,337,000 to the Employees' Retirement System as determined by the actuarial valuation as of July 1, 1997, which is used for financial reporting purposes in the accompanying report. This represented a 26% decline from the \$7,189,000 contribution in fiscal year 1997. An actuarial valuation as of July 1, 1998, still in progress, indicates a net market value of Pension Trust Fund assets approximating \$427,427,000, up \$61,000,000 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 \$7,402,361 during fiscal year 1998. The average rate of return on the Commission's cash and investments during fiscal year 1998 was 5.645%.



### 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 \$474,271,000 at June 30, 1998, an increase of almost \$20,000,000 during the year.

### 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, 1997. 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.

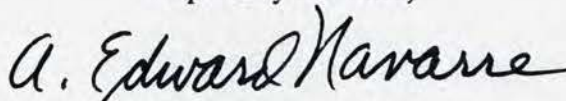
In addition, the Commission also received the GFOA's Award for Distinguished Budget Presentation for its annual budget for fiscal year 1998. In order to qualify for the Distinguished Budget Presentation Award, the Commission's budget document was judged to be proficient in several categories including policy documentation, financial planning and organization.

**Year 2000:** The Commission has a Year 2000 (Y2K) Committee that directs the program using the Y2K Best Practices Manual. All computer systems have been assessed and efforts are well underway in remediation and testing processes. The major core business systems are Y2K compliant and are scheduled for certification testing by December 1998. Computer application and communication servers and a majority of workstations are Y2K compliant for critical systems throughout the Commission. Departmental application systems are on schedule for remediation with most being completed by June 1999. Systems with embedded computers have been assessed with testing and correction efforts planned by mid-1999. Business continuity efforts are underway with critical vendors being surveyed for risk analysis.

### 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 Vivian A. Calkins-McGettigan 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, 1997

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.



*Linda K. Savitsky*  
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, for the Metropolitan District only, Election Districts No. 4 and No. 8 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 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.

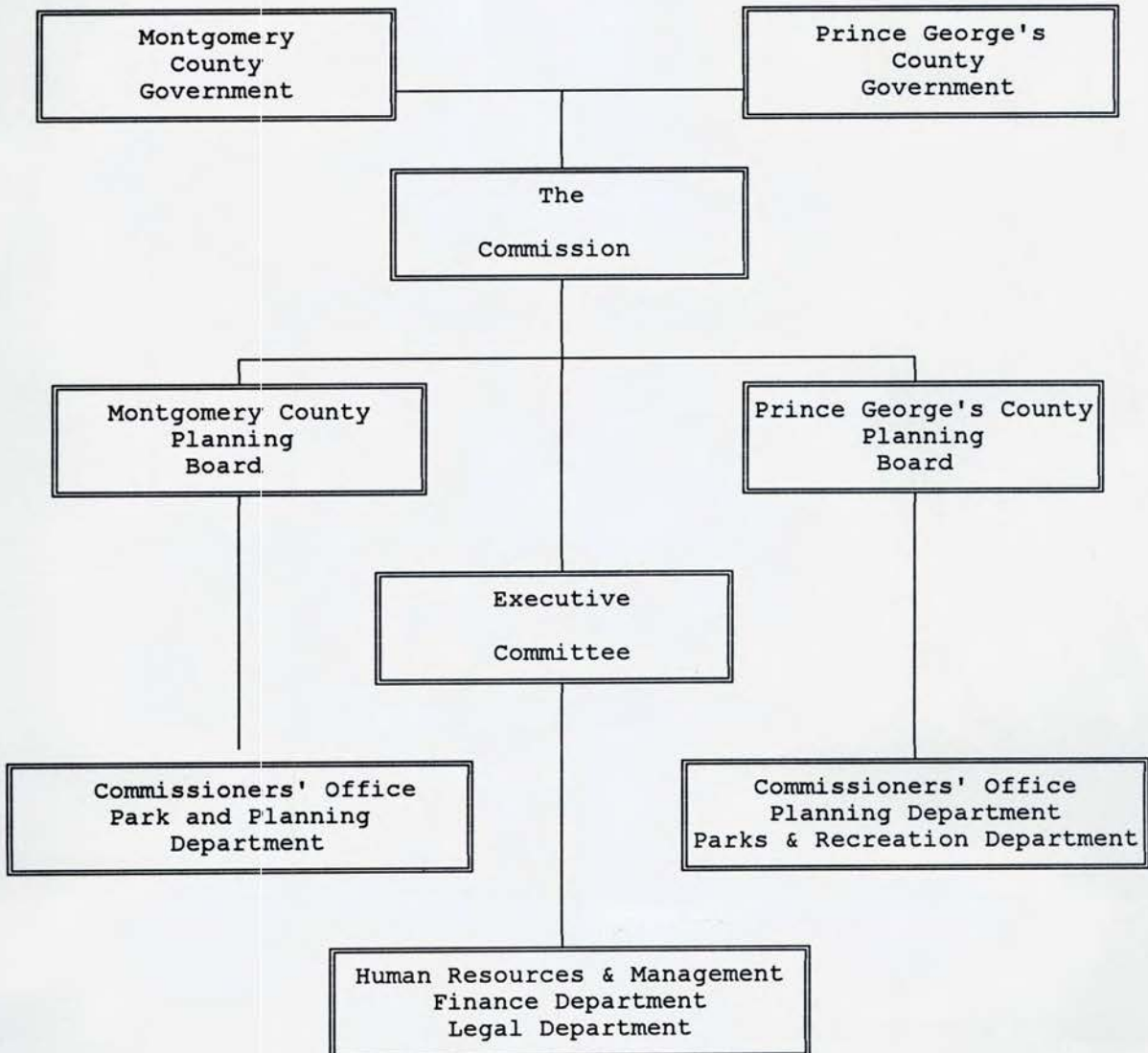
The Commission coordinates and acts on matters of interest to both Counties. Two regional offices are maintained, one in each County. The Commission meets once each month regularly, the site of the meetings alternating between the two regional offices. The members of the Commission from each County serve as separate Planning Boards 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 50,395 acres. It is composed of stream-valley parks, large regional parks, neighborhood parks and park-school recreational areas. Its staff consists of over 1,930 career employees - planners, park and recreation administrators, park police and administrative staff. In addition, it employs approximately 4,600 seasonal workers, primarily for its numerous park and recreation programs.

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









## **PROGRAM HIGHLIGHTS**

**Introduction:** The Maryland-National Capital Park and Planning Commission entered its 71st year by continuing a proud tradition of service to residents and businesses in Montgomery and Prince George's Counties. With more than 49,000 acres of land in parks, historic properties and conservation areas, the Commission contributes substantially to the stewardship of the entire region's environment as it accommodates active recreation, economic growth and land development to meet the bi-county area's needs.

During this fiscal year, the Commission won numerous national awards, grants and honors including the National Recreation and Parks Association Kudos award for the parks and recreation section of the Commission's Internet home page ([www.mnccppc.org](http://www.mnccppc.org)), an environmental award for Montgomery County's renowned Agricultural Preservation Program and the highest award given by the American Association for State and Local History for the Prince George's County Tricentennial programs. United Way also honored Commission employees in Prince George's County as a Gold Award Winner for their contributions.

In Montgomery County, the Commission gratefully accepted William Rickman's donation of a horse farm in Boyds and dedicated the new Brookside Gardens Visitors Center, made possible by a generous bequest from Elizabeth Turner. In Prince George's County, the Commission opened the Kettering/Largo Community Center, and broke ground for the new multimillion dollar Prince George's Sports and Learning Complex. As an example of its continuing commitment to encouraging public/private partnerships, the Commission accepted a \$100,000 grant from the United States Golf Association to fund development of a youth golf training center, the first of its kind in the country. And, one of the Commission's historic treasures, Riversdale, gained prestigious designation as a National Historic Landmark.

### **MONTGOMERY COUNTY DEPARTMENT OF PARK AND PLANNING**

**Planning for Future Transportation Infrastructure:** The Department continues to take an active role in influencing the direction of State Major Investment Studies to ensure consistency with approved Master Plans and quality communities. The I-270, I-495 and State Transit Master Plan are now the most active studies before the state. Before selecting alternatives for detailed consideration, the Department has ensured that the State understands issues particular to Montgomery County. Assistance was provided in the Planning Board and County Council's deliberations on the ICC and to the State and the County on short- and long-term intersection improvements to relieve east-west traffic congestion. Transportation studies were also conducted as part of the approved Friendship Heights Sector Plan and the draft Silver Spring Master Plans.

**Implementing Community-Based Planning:** As a result of the reorganization of the Montgomery County Department of Park and Planning, a new community-based planning concept was established. Planning, urban design and zoning professionals have been assigned to teams for seven geographically defined areas. In this way, planners are able to maintain planning and implementation advice, sensitive to the unique circumstances of each community. It also provides for a single point of contact for people interested in a particular area. To ensure that the teams become fully functional in the upcoming fiscal year, the Department continues to provide staff training.

**Focusing on Silver Spring/Takoma Park:** As the first of the seven community-based planning teams, the Silver Spring/Takoma Park Team has successfully worked on a series of innovative revitalization strategies for downtown Silver Spring and is completing a Comprehensive Amendment to the Silver Spring Central Business District Plan and Action Plan which will contribute to revitalization. The Team has formed close partnerships with business and civic communities to move the community-building agenda forward while engaging in innovative community outreach techniques to broaden involvement in the plan making process.



**Collaborating with Other Agencies:** Department staff continues cooperative relationships with the County Government and municipal jurisdictions. The Department continues to aggressively coordinate and communicate with surrounding jurisdictions through an inter-jurisdictional memorandum of understanding which fosters regional problem-solving of planning, regulatory and park issues.

**GIS Countywide Basemap Completed:** After several years of detailed computer work, the Department's Research and Technology Center completed on time the Geographic Information System (GIS) property and planimetric/topographic base maps for the entire County. Maintenance of the GIS database is also the responsibility of the Department.

**Focusing on the Environment:** As preliminary data collection for the Comprehensive Master Plan work program, the Department conducted an environmental inventory of the Potomac Subregion. Using GIS, this inventory indicated sensitive environmental areas which may affect land use zoning and infrastructure recommendations in the new Master Plan. In regulatory activities, the adopted environmental guidelines have allowed consistent application of environmental requirements to private development. Four resource management plans now provide a knowledge base and guidance for park managers as stewards of the natural environment. The Natural Resources Division assumed responsibility for maintenance of oil-grit separators and storm septs countywide, supporting compliance with the National Pollution Discharge Elimination System and Best Management Practices for park maintenance yards. Pope Farm Nursery grew more than 1,100 trees and 60,000 herbaceous plants and implemented a new containerized production program, which provides 2,000 native trees and shrubs each year for reforestation and supports the "Stream Releaf" Program to reforest stream buffers. The wildflower planting program created seven new acres of wildflowers. To improve boating and fishing, the aquatic weed suppression program successfully controlled hydrilla at Pine Lake and Black Hill's Little Seneca Lake.

**Respecting the County's Past:** The Department recommended a historic district for a portion of Chevy Chase and gained Council approval for that District. Based upon research, there is likely to be an additional historic district proposed in the future for Chevy Chase Village. The Department has also undertaken significant renovations to the Waters House and barn, the Wells House and barn, the Rickman Farm House and the Hyattstown Mill.

**Streamlining the Development Review Process:** To automate components of the development review process, a consultant was retained to develop a comprehensive, integrated computer system which will: streamline the development review process; support improved tracking and monitoring of the process; eliminate redundancies; improve interagency coordination; use client/server technology and the Oracle system; be maintainable and expandable; and integrate with the GIS and other systems. Development Review staff worked closely with the Suburban Maryland Building Industry Association in preparing a Subdivision Ordinance amendment to clarify the agreements, easements, and other documents submitted with a record plat, to clarify responsibility for monumentation, and to define the information which must be shown on a plat. The group also examined record plat review procedures to identify inter-agency potential for streamlining and reducing review times.

**Improving Design Capability:** The Department has focused on developing 3D modeling as an important component in the continuing use of rapidly advancing technologies and excellence in public sector planning. A major objective of the reorganization was better utilization of our resources to heighten policy advice to the Planning Board and County Council -- 3D modeling utilized in the planning, regulatory and park arenas can measurably contribute to that objective.

**Heightened Management Accountability:** Working with a County Council committee, performance indicators are being developed to measure the success and effectiveness of the Department's work program. Developing a Mission Statement is the initial step in defining the performance measures for the newly-merged Department and is anticipated in the fall. Thereafter, the Management Services Division will begin to develop performance indicators for the Development Review Division and the Parks Division in fiscal year 1999.



**Providing a Vision for Future Parks:** In the past year the Department updated its Park, Recreation and Open Space Plan, a state requirement to maintain the County's eligibility for Program Open Space funds. The Plan outlines needs for specific park facilities within the County as well as establishing general policy guidance for the future. Significant work was completed on a County-wide Trail Plan which will create a network of trails through parks for the enjoyment of County residents, and on Park Master Plans for four regional parks. Work on the preliminary design of a soccer complex within South Germantown Recreational Park gained County Council support for more detailed engineering and capital improvements program funding.

**Operating Parks:** "An award-winning park system" continues to be an apt description of Montgomery County's parks. The Department won "Overall Grand Champion" and "First Prize" for its exhibit at the 1997 Montgomery County Agricultural Fair. The Governor's Office of Crime Control and Prevention awarded the Park Police a \$50,000 grant to fund its Partners in Prevention Program, designed to deter undesirable youth behavior. "The Wings of Fancy" butterfly exhibit at Brookside Gardens attracted more than 20,000 visitors and received the Maryland Recreation and Parks Association's creative programming award. The Natural Resources Division accepted its first Bronze award from the Maryland Community Forest Council and the Maryland Department of Natural Resources Forest Service for tree planting programs and an Arbor Day Event. Three grant requests won General Assembly approval in April: \$200,000 to restore the historic Joseph C. White house at a 100-acre farm in Boyds donated in 1997 by William M. Rickman, Sr.; \$350,000 to build the handicapped-accessible "Hadley's Playground" at Falls Road Local Park; and \$125,000 to move and renovate a building in Silver Spring for National Capital Trolley Museum exhibits.

**Land Acquisition:** The unification of the City of Takoma Park into Montgomery County added 40 acres, and the deed transfer of the Rickman farm yielded another 100. The subdivision process resulted in two local parks and a greenway: 27 acres at Seneca Crossing in Germantown, 16 acres at Manor Oaks in Olney and 110 acres for the North Germantown Greenway. Other acquisitions included six acres for North Four Corners Local Park in Silver Spring; 20 acres in Upper Paint Branch Stream Valley Park; 15 acres in Reddy Branch Stream Valley Park, three acres in Ridge Road Recreational Park and two acres in Black Hill Regional Park. Our Montgomery County park system now encompasses 28,988 acres.

**Capital Improvements Program:** During the new biennial Capital Improvements Program (CIP) process, the County Council stressed facility planning. The Commission developed policies and procedures which accelerate facility development for high priority projects. A partial list of projects currently underway include: White Oak Golf Course, Nike Missile Local Park, Woodlawn Special Park, Laytonia Recreational Park Feasibility Study, and master plans for Rock Creek, Black Hill and Cabin John Regional Parks and the Glenmont Greenway. During the fiscal year, the completion of several capital projects brought new facilities to the county's residents: Brookside Gardens Visitors Center, Juniper-Blair Neighborhood Park, and the Tanglewood, Leaman, and Southeast Olney Local Parks. The County Council approved an amendment to the CIP providing funds for reconstruction of the Cabin John Indoor Ice Rink to include customer service areas, an enlarged pro shop, snack bar, lobby area and an Olympic ice sheet.

**South Germantown Recreational Park:** Planning is underway to develop the 658-acre park to include up to 24 soccer fields, a championship field and an indoor soccer arena. Facilitated by a public-private partnership involving the state, county and the Maryland Soccerplex Foundation, the soccer complex will be built in three phases, along with other park amenities, including indoor tennis and swimming facilities, a nature center, a golf driving range and miniature course, a BMX bike track, hiking trails, playgrounds, ballfields, courts and picnic shelters.

**Parks Safety:** The Montgomery County Park Police Division continued its outstanding service to residents through its innovative programs. Federal funding has provided new technology to police cruisers and increased the time patrolling parks. Four officers received honors from various national and local organizations for their achievements in prevention, community policing, community service and narcotics investigation.



**Volunteer Support:** The Chesapeake Bay Trust granted \$8,302 for "Stream Striders," a program to create leadership skills in volunteers who will work with groups to protect streams. Staff trained student volunteers to remove invasive vines from parks five times a year. When Oakley Cabin, a former slave residence in Brookeville, needed programming and staffing, Volunteer Services coordinated an "open house" recruitment drive that attracted more than 200 people. During Potomac River Clean-up Day, more than 180 volunteers contributed 1,144 hours of service at 12 park sites, a 30 percent increase from the 1997 event.

## **PRINCE GEORGE'S COUNTY**

**DEPARTMENT OF PARKS AND RECREATION:** The nationally-recognized Department of Parks and Recreation continued its tradition of providing park patrons the best innovative programs and quality facilities available in the leisure field. Serving more than 750,000 residents of a diversified, growing population living within 500 square miles, the Department offered year-round programming to meet the needs of these citizens.

Mindful of budget constraints, the Department managed a park system of more than 20,000 acres and projects which benefit Prince George's County communities. The Kettering/Largo Community Center opened and will serve a dual purpose as a park-school site when the Perrywood Elementary Park-School is built. Additional sites for park-school development are currently in the planning/design stages, including: Oakcrest/Greater Capital Heights Community Park-School Center and Hil Mar/Suitland Community Park-School. Other projects, recently completed or currently under construction, will further enhance the parks and recreation systems and benefit users including: the 240,000-square-foot Prince George's Sports and Learning Complex; the College Park Aviation Museum; the Prince George's County Youth Golf Training Center; the Newton White Mansion Atrium; Rowland House at Surratt House Museum; Temple Hills Community Center addition; Lane Manor Swimming Pool; Oxon Hill Manor; Riversdale Dependency; Mount Calvert Mansion; Snow Hill; numerous playgrounds throughout the park system; and continuation of the hiker-biker trail along the Paint Branch Stream valley.

Hundreds of thousands of people attended special events that are major crowd pleasers, including the College Park Air Fair, the Montpelier Spring Festival, the Hispanic Festival, the Marlboro Day Festival, Marching Through Time and the Prince George's County Fair. The Winter Festival of Lights attracted more than 100,000 visitors.

Thousands of recreational programs were offered to meet the needs of residents. Summer playgrounds and day camps, teen and senior centers, and a multitude of recreation classes attracted participants of all ages. Golf, swimming and tennis proved to be popular with fitness enthusiasts, and these facilities were heavily used throughout the year. Patrons with special needs were placed in inclusion programs to encourage people with and without disabilities to experience recreation activities side-by-side. Specialized programs offered opportunities for everything from dance to leisure skill development.

Excellence in child care continued as the summer lunch program distributed 89,926 lunches to needy children at 46 program sites, and award-winning employer-sponsored child care programs were continued at two centers for County government employees. Thousands of seniors attended and participated in senior fitness days, trips, workshops and classes at four senior centers. The At Risk Youth Program was offered in conjunction with Prince George's County Public Schools at Greenbelt, Shadyside, Columbia Park and Glenarden Woods elementary schools.

Sports and athletics are thriving as programs become even more diversified. In addition to traditional programs for all ages, new programs offered included: double dutch, a baseball competition and a Summer Slam basketball league. A significant development is the increasing partnership involvement of the private sector in subsidizing sports programs, like development of the Golden Bear Golf Training Facility and the Prince George's County Youth Golf Training Center.

Preservation of our natural resources was promoted with numerous volunteer opportunities for citizens who planted trees, cleared nature trails and cleaned litter from the shores of the Potomac, Anacostia and Patuxent rivers. Park naturalists,



in cooperation with Prince George's County Schools, developed an environmental science program to enhance the education of students. Popular special events included Predator Awareness Day, the Bug Bash and the Jug Bay 10K Run for Wildlife.

Arts and cultural offerings were well attended, with many new programs being offered, including the Teen Performance Ensemble. Attendance at the Publick Playhouse, Montpelier Mansion and the John Addison Concert Hall increased as local and national artists were invited to share their creations with the public. Included was the 17<sup>th</sup> Annual Montpelier Invitational Sculpture Exhibition at Montpelier Cultural Arts Center, which attracted over 5,000 visitors.

The Park Police Division maintained an around-the-clock watch at neighborhood parks, community centers, regional parks and special facilities. The popularity of the Park/Community Volunteer Academy and Alumni Association is growing, and members assist the Park Police with a variety of activities to maintain a safe and secure park environment. The Park Police continue active participation in the Drug Abuse Resistance Education and youth mentoring programs.

Maintaining the park system is an enormous job, and renewed efforts are evident throughout the Department. Landscaping, maintenance services, construction and restoration services, and facility maintenance, fleet management and automated maintenance programs have proved to be efficient and effective.

**PLANNING DEPARTMENT:** The revitalization program successfully moved from a traditional community planning role to implementation. Accomplishments resulting from the partnership of target area communities, Prince George's County government, the State of Maryland, the Commission and the private sector included: design of \$6.8 million in infrastructure improvements, with another \$1.2 million completed; State designation of the Anacostia Trailways Heritage Area; funding of \$270,000 in commercial building facade improvements; purchase of historic Bostwick House for use as a conference center; \$4 million of private reinvestment in vacant commercial and industrial properties in Landover and Suitland; and pilot program participation in the Social Venture Network's Urban Enterprise Initiative.

Community Planning staff worked on Metro-related projects, master plan and sectional map amendment (SMA) revisions, and specialized studies. The Addison Road Metro Sector Plan was formulated and the MD 202 Corridor Study was presented to the Prince George's County Council. The community-based Heights plan and SMA are underway, as is a study of airport regulations and land use implications for local airport operations. A countywide map amendment was completed, applying the Reserve Open Space Zone to more than 50,000 acres of public land.

The Historic Preservation Section continued its support to the County Historic Preservation Commission. The American Planning Association award-winning *Old Town College Park Architectural Survey* and *Historic Town of Bowie: A Self-Guided Tour*, were completed and distributed. Staff completed the National Historic Landmark nomination for Riversdale, and the U.S. Department of the Interior approved designation. An architectural survey of a section of Hyattsville and a National Register nomination for Hazelwood are nearing completion.

Together with the County Council, the Countywide Planning Section is working on Growth Management initiatives. An interdisciplinary team identified and analyzed options, and enabling legislation established procedures for a Biennial Growth Plan. Staff assisted with Council legislation for changes in adequate public facility provisions for schools and provided technical assistance reviewing school construction priorities, developing enrollment projections, analyzing the impacts of adequate public facilities (APF) tests, and participating on the Community Park-School Center Task Force.

Urban Design Planning Division staff facilitated completion of the *Greenbelt Metro Area Study Final Report* and immediately initiated a sector plan/SMA schedule and process. The division worked to revise the West Hyattsville and Prince George's Plaza Transit District Overlay Zone (TDOZ) plans, and worked on the Brentwood Urban-Mixed Town Center Development Plan and design and preservation projects under the Planning Assistance to Communities and Municipalities Program.



The Development Review Division conducted timely review and analysis of almost 700 applications, including zoning map amendments, special exceptions, conceptual and detailed site plans, and preliminary and final plats of subdivision. The Information and Permit Review Division reviewed 17,126 permit applications, of which 14,542 were building permits, for compliance with appropriate codes and approval conditions, and provided various public information, street naming and property addressing services.

Transportation Planning staff assumed responsibility for trails planning and provided support for the County's Bicycle/Trails Advisory Group (BTAG). The division initiated transportation demand management (TDM) districts and parking districts to implement the recommendations of the College Park-Riverdale and West Hyattsville-Prince George's Plaza Transit District Overlay Zones (TDOZs). Staff continued to support the State's US 301 Implementation Task Force, coordinated the review of the Intercounty Connector Draft Environmental Impact Statement (EIS) for the County, and reviewed or prepared traffic impact analyses.

Natural Resources Division staff led a team that prepared a grant application for the Rural Legacy Program, resulting in \$1,500,000 for the County to protect more than 200 acres of farms, forest and open space through the purchase of land and easements. Staff continued to develop a countywide Woodland Conservation Strategy with the assistance of a State grant and obtained a follow-up grant for the next fiscal year. The fiscal year 1997 Forest Conservation Annual Report was prepared in accordance with the State Forest Conservation Act and a report on the use of native plants in afforestation/reforestation projects was published.

The Research Section completed new County forecasts of housing, households, population and jobs by Planning Area and Policy Analysis Zone (PAZ) for the period from 1995 to 2020, and released its first *Research Brief*, focusing on the findings of the changing characteristics of the County population between 1990 and 1996. Staff also supported and coordinated major County development and growth management initiatives.

Data Systems staff continued plans to create a departmental database and to support the Departmental Geographic Information System (GIS) program. The Department's personal computer/network system was upgraded, and interface is underway between the Commission and the Prince George's County local area network (LAN).

The GIS Section moved closer to completing the quality control phase of the property identification number (PIN) assignments from the Assessor's Treasurer's File/Land Data File to the County property layer. Staff also added a Countywide zoning layer. "Superusers" and the remaining staff completed training, and general use of GIS throughout the Department is increasing.

## **CENTRAL ADMINISTRATIVE SERVICES**

**DEPARTMENT OF HUMAN RESOURCES AND MANAGEMENT:** The Department of Human Resources and Management (DHRM), under the leadership of the Commission's Executive Director, provides quality administrative, managerial and human resources services to the public and the 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.

In fiscal year 1998, the Department successfully negotiated and implemented collective bargaining agreements for the Trades Unit and the Office/Clerical Unit. Both agreements will expire on June 30, 2000. The Department implemented new Merit System Rules and Regulations for non-represented employees and developed and implemented an Alternative Dispute Resolution System which includes peer mediation. DHRM led the efforts to revise the Commission's Purchasing Policy and the Minority/Female/Disabled (MFD) Program and to develop a new Purchasing Manual. The Department actively participated in Commission-wide solutions to the year 2000 computer issues, and continued its automation efforts in the client/server environment and optical disk filing, storage and retrieval.



Other major accomplishments included development and implementation of a new pay schedule for non-represented employees, a classification certification program, revised reclassification review procedures, and implementation of the revised Performance Management system. The Department upgraded and revised the Park Police Medical Standards and the Proficiency Certification Program. DHRM continued the Commission's effective record of cost containment for medical insurance, and was an active participant on a multi-agency study on retiree health insurance issues.

The Commission received, for the eleventh consecutive year, the Distinguished Budget Presentation Award from the Government Finance Officers Association of the United States and Canada for the fiscal year 1998 Proposed Budget which was prepared by Commission staff.

**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.

During fiscal year 1998, the Commission completed four debt transactions. The Commission sold \$21,000,000 Prince George's County Park Acquisition and Development Variable Rate Bond Anticipation Notes, Series V-2 (the "BANs") maturing on August 1, 2002, to finance the Commission's Prince George's Sports and Learning Complex. This fiscal year, interest rates on the BANs ranged from a low of 1.70% to a high of 5.00%. In order to expand the use of the Show Place Arena, the Commission advance refunded portions of several tax exempt bond issues with \$7,325,000 Prince George's County Park Acquisition and Development Advance Refunding Taxable Bonds, Series W-2 at a rate of 6.40%. The financing for a new ice rink at Wheaton Regional Park was provided with a \$3,600,000 Wheaton Ice Rink Revenue Note with an interest rate of 6.06%; and \$4,305,000 of revenue bonds issued in 1991 were advance refunded with \$4,740,000 Little Bennett Golf Facilities Refunding Revenue Bonds, Series 1997, at an interest rate of 5.635% resulting in future debt service savings of \$697,378.

In accordance with the Commission's new Anti-Discrimination Purchasing Policy, purchasing staff coordinated the development of an on-line bidders' list to assist operating staff in locating vendors. The National Institute of Governmental Purchasing commodity and service codes were utilized to facilitate the exchange of information between local governments. The Department made a major contribution in the creation and implementation of the revised Purchasing policy, the new MFD Anti-Discrimination Program, and the creation of a new purchasing manual.

Other significant accomplishments include the implementation of the Performance Series, a new client-server Windows-based financial system. The accounting, budgeting and fixed asset modules were operational in fiscal year 1998 and work on implementing the purchasing module is underway. The Department continued to improve its automated systems by upgrading the hardware architecture and e-mail and improving the LAN operating system to make it year 2000 compliant.

For the 25th consecutive year, the Commission received the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association of the United States and Canada for the fiscal year 1997 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: land use regulations, employment and Park Police matters, state and county legislative enactments, the stewardship of park property and, in Prince George's County only, recreation programs. 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 solutions for problems arising from planning, zoning, subdivision and park and recreation management activities, as well as in implementing newly imposed legislative mandates.



The Office of the General Counsel negotiated the award of the construction and construction management contract for the Prince George's Sports and Learning Complex; provided advice and counsel for the annexation of Takoma Park; negotiated and drafted the lease for the use of the Show Place Arena for minor league hockey play of the Chesapeake Ice Breakers; provided advice and support for the Cabin John, Wheaton and Ridge Road Ice Rinks and Soccerplex projects; and drafted memoranda of understanding with Wheaton and Lakeforest Malls and Montgomery County, regarding supplemental police assistance from Park Police. The Office of the General Counsel has continued support of other departments by negotiation, drafting or reviewing numerous contracts and providing advice on an as needed daily basis.

Also during fiscal year 1998, the Office of the General Counsel tracked over 90 bills regarding the Commission, and coordinated, prepared and/or presented position papers and testimony, drafted amendments and monitored and reported on the legislative initiatives through the State legislative process. The Legal Department utilizes a satellite office established in Annapolis and monitors bill status during the Legislative Session by both personal presence and on-line telecommunications.

### **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.

During fiscal year 1998, the Board continued to maintain its case load on a current and timely basis. Additionally during this period, the re-write of the Merit System Rules and Regulations was completed and distributed to appropriate personnel. The Board also reviewed the Performance Management system, and the recommendation for revisions to the General Service Pay Plan.

### **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 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 \$425 million. The fiscal year 1998 annualized rate of return on investments was an approximate 17% 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 new international equity investment management firm; continued comprehensive communications programs for all members regarding the System, including publishing the System's fourth summary annual report; and, conducting 25 work site retirement planning workshops for more than 800 employee participants.



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## • PART IIA •

### FINANCIAL SECTION

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#### General Purpose Financial Statements



Special needs children and their families enjoy "Dream Flyers" day at College Park Airport.



# 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 then ended June 30, 1998. 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 accounting standards and *Government Auditing Standards*, issued by the Comptroller General of the United States. These 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, 1998, 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, 1998, 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 11, 1998, 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.

Washington, D.C.  
September 11, 1998

*Arthur Andersen LLP*



# THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

EXHIBIT 1

Combined Balance Sheet - ALL FUND TYPES AND ACCOUNT GROUPS  
June 30, 1998

	Governmental Fund Types			Proprietary Fund Types		Fiduciary Fund Types	Account Groups		Totals (Memorandum Only)
	General	Debt Service	Capital Projects	Enterprise	Internal Service	Trust and Agency Funds	General Fixed Assets	General Long-Term Obligations	June 30, 1998
<b>ASSETS AND OTHER DEBITS</b>									
Equity in Pooled Cash and Investments	\$ 67,510,104	\$ 276,440	\$ 43,098,223	\$ 11,322,368	\$ 24,662,956	\$ 21,885,099	\$ ---	\$ ---	\$ 168,755,190
Cash and Marketable Securities	---	---	---	---	---	534,340,078	---	---	534,340,078
Receivables - Taxes	3,305,000	---	---	---	---	---	---	---	3,305,000
Receivables - Other	317,958	---	1,048,966	119,269	3,337	2,259,445	---	---	3,748,975
Due from Other Funds	666,491	---	---	---	1,452,587	---	---	---	2,119,078
Due from Other Governments	1,419,797	---	5,195,036	---	120,267	492	---	---	6,735,592
Inventories, at Cost	---	---	---	1,240,913	---	---	---	---	1,240,913
Deposits and Other	6,572	---	---	---	19,612	41,367	---	---	67,551
Total Current Assets	73,225,922	276,440	49,342,225	12,682,550	26,258,759	558,526,481	---	---	720,312,377
Advances to Other Funds	---	---	---	---	---	1,734,875	---	---	1,734,875
Restricted Assets -	---	---	---	---	---	---	---	---	---
Land Held for Transfer	---	---	---	---	---	39,724,420	---	---	39,724,420
Other	---	---	---	---	---	404,995	---	---	404,995
Fixed Assets	---	---	---	60,318,562	15,434,987	---	474,270,655	---	550,024,204
Accumulated Depreciation	---	---	---	(12,222,659)	(7,041,604)	---	---	---	(19,264,263)
Amount Available in Debt Service Funds	---	---	---	---	---	---	---	274,780	274,780
Resources to be Provided in Future Years -	---	---	---	---	---	---	---	---	---
Retirement of General Obligation Bonds	---	---	---	---	---	---	---	155,830,220	155,830,220
Retirement of Accrued Liability for Compensated Absences	---	---	---	---	---	---	---	8,708,000	8,708,000
Total Assets and Other Debits	\$ 73,225,922	\$ 276,440	\$ 49,342,225	\$ 60,778,453	\$ 34,652,142	\$ 600,390,771	\$ 474,270,655	\$ 164,813,000	\$ 1,457,749,608
<b>LIABILITIES, EQUITY AND OTHER CREDITS</b>									
<b>Liabilities:</b>									
Current Portion of Bonds Payable	\$ ---	\$ ---	\$ ---	\$ 265,000	\$ ---	\$ ---	\$ ---	\$ ---	\$ 265,000
Current Portion of Notes Payable	---	---	---	118,398	930,166	---	---	---	1,048,564
Accounts Payable	5,206,532	---	2,499,078	528,065	304,736	112,247,694	---	---	120,786,105
Accrued Liabilities	4,998,909	---	---	940,823	9,743,056	50,710	---	---	15,733,498
Due to Other Funds	---	---	666,491	---	1,452,587	---	---	---	2,119,078
Deposits and Deferred Revenue	3,848,600	---	---	352,623	---	4,125,853	---	---	8,327,076
Matured Bonds and Interest Payable	---	1,660	---	103,135	---	---	---	---	104,795
Total Current Liabilities	14,054,041	1,660	3,165,569	2,308,044	12,430,545	116,424,257	---	---	148,384,116
General Obligation Bonds Payable	---	---	---	---	---	---	---	156,105,000	156,105,000
Revenue Bonds Payable - Net of Current Portion	---	---	---	4,026,118	---	---	---	---	4,026,118
Revenue Notes Payable - Net of Current Portion	---	---	---	3,600,000	---	---	---	---	3,600,000
Notes Payable - Net of Current Portion	---	---	---	123,726	2,859,538	---	---	---	2,983,264
Advances from Other Funds	---	---	---	1,734,875	---	---	---	---	1,734,875
Accrued Liability for Compensated Absences	---	---	---	---	---	---	---	8,708,000	8,708,000
Total Liabilities	14,054,041	1,660	3,165,569	11,792,763	15,290,083	116,424,257	---	164,813,000	325,541,373
<b>Equity and Other Credits:</b>									
Contributed Capital	---	---	---	30,797,114	529,988	---	---	---	31,327,102
Investment in General Fixed Assets	---	---	---	---	---	---	474,270,655	---	474,270,655
Retained Earnings (Deficit) -	---	---	---	---	---	---	---	---	---
Reserved for Contingency	---	---	---	---	13,195,981	---	---	---	13,195,981
Unreserved	---	---	---	18,188,576	5,636,090	---	---	---	23,824,666
Fund Balances -	---	---	---	---	---	---	---	---	---
Reserved for Encumbrances	12,459,729	---	25,820,910	---	---	---	---	---	38,280,639
Reserved for Land Held for Transfer	---	---	---	---	---	41,459,295	---	---	41,459,295
Reserved for Debt Service	---	274,780	---	---	---	---	---	---	274,780
Reserved for Pension Benefits	---	---	---	---	---	427,426,605	---	---	427,426,605
Unreserved -	---	---	---	---	---	---	---	---	---
Designated for Subsequent Years	33,421,649	---	20,355,746	---	---	15,080,614	---	---	68,858,009
Undesignated	13,290,503	---	---	---	---	---	---	---	13,290,503
Total Retained Earnings/Fund Balances	59,171,881	274,780	46,176,656	18,188,576	18,832,071	483,966,514	---	---	626,610,478
Total Equity and Other Credits	59,171,881	274,780	46,176,656	48,985,690	19,362,059	483,966,514	474,270,655	---	1,132,208,235
Total Liabilities, Equity and Other Credits	\$ 73,225,922	\$ 276,440	\$ 49,342,225	\$ 60,778,453	\$ 34,652,142	\$ 600,390,771	\$ 474,270,655	\$ 164,813,000	\$ 1,457,749,608

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, 1998

	Governmental Fund Types			Fiduciary Fund Types	Totals (Memorandum Only) Year Ended	
	General	Debt Service	Capital Projects	Expendable Trust	June 30, 1998	June 30, 1997
Revenues:						
Property Taxes	\$ 156,486,241	\$ 2,322,830	\$ ---	\$ ---	\$ 158,809,071	\$ 154,429,462
Intergovernmental	1,187,470	---	7,735,523	5,028	8,928,021	14,095,803
Charges for Services	8,624,177	---	---	3,562,513	12,186,690	11,864,145
Interest	4,712,453	---	2,155,009	909,931	7,777,393	5,851,528
Miscellaneous	395,128	---	548,976	941,836	1,885,940	7,484,322
Total Revenues	171,405,469	2,322,830	10,439,508	5,419,308	189,587,115	193,725,260
Expenditures:						
Current -						
General Government	10,594,574	---	---	---	10,594,574	10,560,992
County Planning and Zoning	26,527,773	---	---	---	26,527,773	26,995,963
Park Operation and Maintenance	80,801,735	---	---	---	80,801,735	79,330,072
Recreation Programs	27,750,023	---	---	---	27,750,023	26,884,491
Miscellaneous Expendable Trust Funds	---	---	---	4,885,626	4,885,626	8,713,485
Capital Outlay - Land Acquisition and Development	---	---	26,904,607	---	26,904,607	26,470,371
Debt Service -						
Principal Retirement	---	7,385,000	---	---	7,385,000	7,055,000
Interest and Fiscal Charges	---	8,062,927	---	---	8,062,927	6,153,140
Total Expenditures	145,674,105	15,447,927	26,904,607	4,885,626	192,912,265	192,163,514
Excess of Revenues over (under) Expenditures	25,731,364	(13,125,097)	(16,465,099)	533,682	(3,325,150)	1,561,746
Other Financing Sources (Uses):						
Proceeds of General Obligation Bonds	---	---	21,000,000	---	21,000,000	33,000,000
Proceeds of Refunding Bonds	---	7,325,000	---	---	7,325,000	---
Payment to Refunded Bond Escrow Agent	---	(7,605,178)	---	---	(7,605,178)	---
Operating Transfers In	2,155,009	14,904,581	5,792,579	1,444,526	24,296,695	17,315,570
Operating Transfers Out	(24,591,597)	(1,224,526)	(2,155,009)	(412,098)	(28,383,230)	(19,231,589)
Total Other Financing Sources (Uses)	(22,436,588)	13,399,877	24,637,570	1,032,428	16,633,287	31,083,981
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses	3,294,776	274,780	8,172,471	1,566,110	13,308,137	32,645,727
Fund Balances, July 1	55,877,105	---	38,004,185	54,973,799	148,855,089	116,209,362
Fund Balances, June 30	\$ 59,171,881	\$ 274,780	\$ 46,176,656	\$ 56,539,909	\$ 162,163,226	\$ 148,855,089

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, 1998

	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Property Taxes	\$ 151,984,990	\$ 156,486,241	\$ 4,501,251
Intergovernmental	1,473,302	1,187,470	(285,832)
Charges for Services	5,547,304	6,187,739	640,435
Rentals and Concessions	2,681,800	2,436,438	(245,362)
Interest	3,050,000	4,712,453	1,662,453
Miscellaneous	307,924	395,128	87,204
Total Revenues	<u>165,045,320</u>	<u>171,405,469</u>	<u>6,360,149</u>
Expenditures/Encumbrances:			
Current -			
General Government	10,826,068	10,719,351	106,717
County Planning and Zoning	26,523,320	26,252,352	270,968
Park Operation and Maintenance	85,165,566	84,103,156	1,062,410
Recreation Programs	28,750,000	28,084,572	665,428
Total Expenditures/Encumbrances	<u>151,264,954</u>	<u>149,159,431</u>	<u>2,105,523</u>
Excess of Revenues over (under) Expenditures/Encumbrances	<u>13,780,366</u>	<u>22,246,038</u>	<u>8,465,672</u>
Other Financing Sources (Uses):			
Operating Transfers In	1,250,000	2,155,009	905,009
Operating Transfers Out	(20,605,535)	(24,591,597)	(3,986,062)
Total Other Financing Sources (Uses)	<u>(19,355,535)</u>	<u>(22,436,588)</u>	<u>(3,081,053)</u>
Excess of Revenues and Other Sources over (under) Expenditures/Encumbrances and Other Uses - Budget Basis	<u>\$ (5,575,169)</u>	<u>(190,550)</u>	<u>\$ 5,384,619</u>
Fund Balances - Budget Basis, July 1		<u>46,902,702</u>	
Fund Balances - Budget Basis, June 30		<u>\$ 46,712,152</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, 1998

	Proprietary Fund Types		Fiduciary Fund Types	Totals (Memorandum Only)	
				Year Ended	
	Enterprise	Internal Service	Pension Trust	June 30, 1998	June 30, 1997
Operating Revenues:					
Sales	\$ 2,717,049	\$ ---	\$ ---	\$ 2,717,049	\$ 2,478,783
Charges for Services	10,336,456	27,978,588	---	38,315,044	37,947,798
Rentals and Concessions	3,493,703	---	---	3,493,703	3,475,931
Investment Income	---	---	62,625,124	62,625,124	61,134,056
Pension Trust Contributions	---	---	8,228,918	8,228,918	9,946,458
Miscellaneous	---	167,486	---	167,486	193,601
Total Operating Revenues	16,547,208	28,146,074	70,854,042	115,547,324	115,176,627
Operating Expenses:					
Cost of Goods Sold	1,722,812	---	---	1,722,812	1,569,233
Personal Services	7,822,013	8,805,239	---	16,627,252	16,446,996
Supplies and Materials	2,195,802	337,458	---	2,533,260	1,884,505
Other Services and Charges	3,339,660	17,717,730	---	21,057,390	19,198,626
Depreciation	2,790,865	1,579,847	---	4,370,712	3,424,038
Retirement Benefit Payments	---	---	8,905,020	8,905,020	7,722,657
Refunds	---	---	414,487	414,487	369,546
Administrative Expenses	1,585,531	---	744,396	2,329,927	2,270,953
Total Operating Expenses	19,456,683	28,440,274	10,063,903	57,960,860	52,886,554
Operating Income (Loss)	(2,909,475)	(294,200)	60,790,139	57,586,464	62,290,073
Nonoperating Revenues	594,228	1,210,528	---	1,804,756	1,778,925
Nonoperating Expenses	(566,329)	(250,326)	---	(816,655)	(701,748)
Nonoperating Revenues (Expenses), Net	27,899	960,202	---	988,101	1,077,177
Income (Loss) Before Operating Transfers	(2,881,576)	666,002	60,790,139	58,574,565	63,367,250
Operating Transfers In	2,286,535	1,800,000	---	4,086,535	2,416,017
Operating Transfers Out	---	---	---	---	(500,000)
Total Operating Transfers	2,286,535	1,800,000	---	4,086,535	1,916,017
Net Income (Loss)	(595,041)	2,466,002	60,790,139	62,661,100	65,283,267
Add Depreciation Charge to Contributed Capital	228,566	---	---	228,566	228,566
Net Increase (Decrease) in Retained Earnings/ Fund Balances	(366,475)	2,466,002	60,790,139	62,889,666	65,511,833
Retained Earnings/Fund Balances, July 1	18,555,051	16,366,069	366,636,466	401,557,586	336,045,753
Retained Earnings/Fund Balances, June 30	\$ 18,188,576	\$ 18,832,071	\$ 427,426,605	\$ 464,447,252	\$ 401,557,586

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, 1998

	Proprietary Fund Types		Totals (Memorandum Only) Year Ended	
	Enterprise	Internal Service	June 30, 1998	June 30, 1997
Cash Flows from Operating Activities:				
Operating Income (Loss)	\$ (2,909,475)	\$ (294,200)	\$ (3,203,675)	\$ 9,993
Adjustments to Reconcile Operating Income (Loss) to				
Net Cash Provided (Used) by Operating Activities:				
Depreciation	2,790,865	1,579,847	4,370,712	3,424,038
Changes in Assets and Liabilities:				
(Increase) Decrease in Accounts Receivable	(32,052)	(860)	(32,912)	(34,860)
(Increase) Decrease in Due from Other Funds	---	(765,213)	(765,213)	(687,374)
(Increase) Decrease in Due from County Government	---	36,589	36,589	6,088
(Increase) Decrease in Inventories, at Cost	(32,465)	---	(32,465)	35,892
(Increase) Decrease in Deposits and Other	---	1,283,662	1,283,662	623,956
Increase (Decrease) in Accounts Payable	184,204	(289,001)	(104,797)	132,076
Increase (Decrease) in Claims Payable	---	448,663	448,663	585,996
Increase (Decrease) in Accrued Salaries and Benefits	190,275	288,606	478,881	(294,184)
Increase (Decrease) in Accrued Leave	(26,551)	(15,311)	(41,862)	47,113
Increase (Decrease) in Interest Payable	11,045	---	11,045	(3,094)
Increase (Decrease) in Estimate of Incurred but Unreported Claims	---	(33,430)	(33,430)	(133,576)
Increase (Decrease) in Due to Other Funds	---	765,213	765,213	687,374
Increase (Decrease) in Due to Other Governments	(88)	---	(88)	(160)
Increase (Decrease) in Revenue Collected in Advance	42,788	---	42,788	(35,468)
Net Cash Provided (Used) by Operating Activities	218,546	3,004,565	3,223,111	4,363,810
Cash Flows from Noncapital Financing Activities:				
Operating Transfers In from Other Funds	2,286,535	1,800,000	4,086,535	2,416,017
Operating Transfers Out to Other Funds	---	---	---	(500,000)
Net Cash Provided (Used) by Noncapital Financing Activities	2,286,535	1,800,000	4,086,535	1,916,017
Cash Flows from Capital and Related Financing Activities:				
Acquisition of Fixed Assets	(2,015,012)	(1,553,696)	(3,568,708)	(4,847,025)
Principal Paid on Notes Payable	(210,685)	(1,014,718)	(1,225,403)	(1,406,027)
Principal Paid on Revenue Bonds	(160,000)	---	(160,000)	(150,000)
Interest Paid	(566,329)	(250,326)	(816,655)	(701,748)
Payment of Refunded Revenues Bonds	(4,305,000)	---	(4,305,000)	---
Proceeds from Financing- Revenue Bonds - net	4,291,118	---	4,291,118	---
Proceeds from Financing - Revenue Notes	3,600,000	---	3,600,000	---
Net Cash Provided (Used) by Capital and Related Financing Activities	634,092	(2,818,740)	(2,184,648)	(7,104,800)
Cash Flows from Investing Activities:				
Interest on Investments	594,228	1,210,528	1,804,756	1,778,925
Net Cash Provided (Used) by Investing Activities	594,228	1,210,528	1,804,756	1,778,925
Net Increase (Decrease) in Cash and Cash Equivalents	3,733,401	3,196,353	6,929,754	953,952
Cash and Cash Equivalents, July 1	7,588,967	21,466,603	29,055,570	28,101,618
Cash and Cash Equivalents, June 30	\$ 11,322,368	\$ 24,662,956	\$ 35,985,324	\$ 29,055,570

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



# THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

EXHIBIT 6

## Statements of Plan Net Assets - PENSION TRUST FUND As of June 30, 1998 and 1997

	June 30, 1998	June 30, 1997
<b>ASSETS</b>		
Cash and Short Term Investments	\$ 71,695,647	\$ 61,733,725
Receivables:		
Plan Members	6,159	2,019
Interest Receivable	2,243,365	1,789,018
Total Receivables	2,249,524	1,791,037
Investments at Fair Value:		
U.S. Government Obligations	116,176,931	76,434,778
Domestic Corporate Bonds	84,599,053	57,916,418
Common Stock	231,387,131	208,857,793
Real Estate	457,279	6,828,656
Total Investments	432,620,394	350,037,645
Deposits and Other	41,367	176,634
Total Assets	506,606,932	413,739,041
<b>LIABILITIES</b>		
Investment Payable and Other	79,180,327	47,102,575
<b>NET ASSETS HELD IN TRUST FOR PENSION BENEFITS</b> (A Schedule of Funding Progress is presented in Note 11)	\$ 427,426,605	\$ 366,636,466

## Statements of Changes in Plan Net Assets - PENSION TRUST FUND For the Fiscal Years Ended June 30, 1998 and 1997

<b>ADDITIONS:</b>		
Contributions:		
Employer	\$ 5,337,250	\$ 7,188,601
Plan Member	2,891,668	2,757,857
Total Contributions	8,228,918	9,946,458
Investment Income:		
Net Appreciation in Fair Value of Investments	47,460,573	50,192,632
Interest	13,140,226	9,070,759
Dividends	2,829,050	3,053,151
Real Estate Operating Income, Net	3,089,134	318,500
	66,518,983	62,635,042
Less: Investment Expense	(3,893,859)	(1,500,986)
Net Investment Income	62,625,124	61,134,056
Total Additions	70,854,042	71,080,514
<b>DEDUCTIONS:</b>		
Benefit Payments	8,905,020	7,722,657
Refunds of Contributions	414,487	369,546
Administrative Expenses	744,396	708,231
Total Deductions	10,063,903	8,800,434
Net Increase for the Year in Plan Net Assets	60,790,139	62,280,080
<b>NET ASSETS HELD IN TRUST FOR PENSION BENEFITS</b>		
July 1	366,636,466	304,356,386
June 30	\$ 427,426,605	\$ 366,636,466

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, 1998**

### **(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, 1998. 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. In fiscal year 1998, the Commission changed its capitalization level from \$1,000 to a minimum of \$5,000 per item.

**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 30 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 annual 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 to the County Executive of Prince George's County prior to each November 1 and to the County Executive of Montgomery County prior to November 1 of each odd-numbered year. 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 the 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 each of the General Fund Accounts 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. Management is authorized to transfer budget appropriations of up to 10% within the respective General Fund Accounts.
- 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 1998 supplemental appropriations were approved that increased the General Fund, Enterprise Funds, and Capital Projects Funds by \$323,540, \$28,000 and \$4,610,000, 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 1998 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 plus accrued interest, adjusted for amortization of premiums and discounts, which approximates fair value. Pension Trust and Agency Fund investments are stated at fair value.

During fiscal year 1998, the Commission implemented GASB 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.

#### **(F) Inventories**

Inventories are valued at the lower of cost (first-in, first-out) or market for proprietary funds.

#### **(G) Advances to Other Funds**

Long-term interfund advances at June 30, 1998, 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. In fiscal year 1998, the Commission changed its capitalization level from \$1,000 to a minimum of \$5,000 per item.

#### **(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.

In October 1997, the GASB issued Statement 32, "Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans," which establishes accounting and financial reporting standards for Internal Revenue Code Section 457 deferred compensation plans of state and local governmental employers. GASB Statement 32 incorporates the amendment to the Internal Revenue Code Section 457 which requires that all assets and income of Section 457 deferred compensation plans be held in a trust for the exclusive benefit of participants and their beneficiaries. GASB Statement 32 amends the investment guidance for Section 457 plans in GASB Statement 31, "Accounting and Financial Reporting for Certain Investments and for External Investment Pools." The Commission will implement this statement in fiscal year 1999. Management does not believe that implementation of this statement will have a material effect on its General Purpose Financial Statements.

#### **(L) Reserves**

Fund balances in the governmental funds are reserved for encumbrances, 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 1997 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 1997 to be consistent with 1998 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 1998 and 1997 there were no noncash financing activities.



### (3) - CASH AND INVESTMENTS

The Commission's deposits and investments as of June 30, 1998, totaled \$703,095,268, presented in the combined balance sheet as the sum of "Equity in Pooled Cash and Investments" and "Cash and Marketable Securities," of which \$698,536,943 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 \$892,965 Cash Reserved for Debt Service, \$3,462,470 Cash Reserved for Construction, and \$202,890 cash at various Commission facilities. 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	\$ (969,940)	\$ ---	\$ ---	\$ (969,940)
Investments	165,166,805	---	---	165,166,805
Reserved for Debt Service	892,965	---	---	892,965
Reserved for Construction	3,462,470	---	---	3,462,470
Other Cash	202,890	---	---	202,890
Total Equity in Pooled Cash and Investments	<u>168,755,190</u>	<u>---</u>	<u>---</u>	<u>168,755,190</u>
Cash and Marketable Securities	<u>---</u>	<u>504,316,041</u>	<u>30,024,037</u>	<u>534,340,078</u>
Total Cash and Investments	<u>\$168,755,190</u>	<u>\$504,316,041</u>	<u>\$30,024,037</u>	<u>\$703,095,268</u>

#### (A) Commission's Cash and Investments

**Cash in Bank** - At year-end, the carrying amount of deposits was an overdraft of \$969,940 and the bank balance was \$2,322,057. Of the bank balance, \$500,000 was covered by Federal depository insurance and \$2,093,313 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, 1998.

**Cash Reserved for Debt Service** - At year-end, the Commission had \$892,965 held in reserve to pay debt service for Little Bennett Golf Course Revenue Bonds, and for various equipment note financings.

**Cash Reserved for Construction** - At year-end, the Commission had \$3,462,470 held in reserve to pay construction costs for the Wheaton Ice Rink.

**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, 1998, 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, 1998. Insurance contracts, real estate, and mutual funds are not subject to categorization.

The Commission's investments at June 30, 1998 were as follows:

	<u>Category 1</u>	<u>Carrying Amount</u>	<u>Market Value</u>
Commission Investments:			
Federal Farm Credit Banks	\$ 76,092,269	\$ 76,092,269	\$ 76,092,269
U.S. Treasury	6,483,950	6,483,950	6,483,950
Bankers' Acceptances	18,992,997	18,992,997	18,992,997
Repurchase Agreements	<u>45,315,308</u>	<u>45,315,308</u>	<u>45,315,308</u>
Total Investments	<u>146,884,524</u>	<u>146,884,524</u>	<u>146,884,524</u>
Total Pooled Investments Held in			
Mutual Funds		22,637,716	22,637,716
Total Pension Trust Fund		504,316,041	504,316,041
Total Deferred Compensation			
Agency Fund		<u>30,024,037</u>	<u>30,024,037</u>
Commission Total	<u>\$146,884,524</u>	<u>\$703,862,318</u>	<u>\$703,862,318</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 1997 and prior that are estimated to be collectible have been recorded as a receivable in the accompanying 1998 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, 1998, was \$6,735,592 for the Commission (\$4,177,178 and \$2,558,414 for Montgomery and Prince George's Counties, respectively). A summary of amounts due by source and nature of receivable is listed below.

MONTGOMERY COUNTY				
	General Fund Accounts	Capital Projects Funds	Internal Service Funds	
U.S. Environmental Protection Agency	\$ 10,606	\$ ---	\$ ---	
Community Oriented Services	297,822	---	---	
U.S. Army Corps of Engineers	---	21,624	---	
Federal Highway Administration	---	122,039	---	
State of Maryland	36,480	2,148,967	---	
Montgomery County	686,542	732,965	60,133	
Local Government	---	60,000	---	
Montgomery County Totals	<u>\$1,031,450</u>	<u>\$3,085,595</u>	<u>\$ 60,133</u>	

PRINCE GEORGE'S COUNTY				
	General Fund Accounts	Capital Projects Funds	Internal Service Funds	Expendable Trust Funds
U.S. Dept. Of Transportation	\$ ---	\$ 110,554	\$ ---	\$ ---
State of Maryland	43,571	1,497,214	---	---
Prince George's County	344,776	501,673	---	492
Montgomery County	---	---	60,134	---
Prince George's County Totals	<u>\$ 388,347</u>	<u>\$2,109,441</u>	<u>\$ 60,134</u>	<u>\$ 492</u>
Commission Totals	<u>\$1,419,797</u>	<u>\$5,195,036</u>	<u>\$120,267</u>	<u>\$ 492</u>

#### (6) - INTERFUND RECEIVABLES/PAYABLES

The following summarizes the individual interfund receivable and payable balances at June 30, 1998.

Montgomery County	
Interfund Receivables	Interfund Payables
General Fund	\$ 666,491
Capital Projects Fund	---
Internal Service Funds	666,491
ISF - Capital Equipment Fund	---
ISF - Risk Management	1,452,587
	---
	<u>\$2,119,078</u>
	<u>\$2,119,078</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	\$26,148,744	\$525,128	\$4,860
Contributing Sources	---	---	---	---
Less: Depreciation Added Back	---	(228,566)	---	---
Ending Balance, Contributed Capital	<u>\$4,876,936</u>	<u>\$25,920,178</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 \$33,421,649 of fund balances in the General Fund at June 30, 1998, as restricted to fund 1999 operations and provide reserves for contingencies.

	<u>Montgomery County</u>	<u>Prince George's County</u>	<u>Total</u>
Administration Account	\$ 835,510	\$ 2,073,194	\$ 2,908,704
Park Account	2,454,480	25,918,690	28,373,170
Recreation Account	N/A	2,139,775	2,139,775
	<u>\$3,289,990</u>	<u>\$30,131,659</u>	<u>\$33,421,649</u>

The amount of available fund balance as defined on a GAAP basis and on a non-GAAP budgetary basis is \$13,290,503 (\$1,670,843 and \$11,619,660 for Montgomery and Prince George's County, respectively).

There were no deficits in retained earnings for the year ended June 30, 1998.

## (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, 1997</u>	<u>Additions</u>	<u>Deductions</u>	<u>Transfers</u>	<u>Balance June 30, 1998</u>
<u>Montgomery County</u>					
Land	\$103,144	\$ 8,150	\$ ---	\$ ---	\$111,294
Buildings and Improvements	69,263	---	---	4,367	73,630
Machinery and Equipment	9,346	867	(2,772)	---	7,441
Construction in Progress	11,847	4,354	---	(4,367)	11,834
Total General Fixed Assets	<u>\$193,600</u>	<u>\$13,371</u>	<u>\$ (2,772)</u>	<u>\$ ---</u>	<u>\$204,199</u>
<u>Prince George's County</u>					
Land	\$ 84,346	\$ 2,517	\$ (691)	\$ ---	\$ 86,172
Buildings and Improvements	129,320	400	---	8,216	137,936
Machinery and Equipment	28,381	2,623	(10,764)	---	20,240
Construction in Progress	18,691	15,248	---	(8,216)	25,723
Total General Fixed Assets	<u>\$260,738</u>	<u>\$20,788</u>	<u>\$ (11,455)</u>	<u>\$ ---</u>	<u>\$270,071</u>
Commission-wide Totals	<u>\$454,338</u>	<u>\$34,159</u>	<u>\$ (14,227)</u>	<u>\$ ---</u>	<u>\$474,270</u>



A summary of proprietary fund type fixed assets at June 30, 1998 follows.

	<u>Enterprise</u>	<u>Internal Service</u>
<b>Montgomery County</b>		
Land	\$ 8,632,328	\$ ---
Buildings	8,893,909	102,469
Improvements Other Than Buildings	1,571,684	---
Machinery and Equipment	3,313,608	11,138,522
Construction in Progress	<u>2,889,437</u>	<u>---</u>
Total	25,300,966	11,240,991
Less-Accumulated Depreciation	<u>(4,856,491)</u>	<u>(5,930,928)</u>
Net	<u>\$ 20,444,475</u>	<u>\$ 5,310,063</u>
<b>Prince George's County</b>		
Land	\$ 5,684,643	\$ 748,497
Buildings	19,596,264	2,676,191
Improvements Other Than Buildings	7,193,975	---
Machinery and Equipment	<u>2,542,714</u>	<u>769,308</u>
Total	35,017,596	4,193,996
Less-Accumulated Depreciation	<u>(7,366,168)</u>	<u>(1,110,676)</u>
Net	<u>\$ 27,651,428</u>	<u>\$ 3,083,320</u>
Total Commission Fixed Assets	\$ 60,318,562	\$ 15,434,987
Less-Accumulated Depreciation	<u>(12,222,659)</u>	<u>(7,041,604)</u>
Net	<u>\$ 48,095,903</u>	<u>\$ 8,393,383</u>

## (10) - LONG-TERM DEBT

### (A) General Long-Term Obligation Account Group

The Commission is authorized to issue general obligation bonds 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 both Park and Advance Land Bonds. The general obligation bonds are issued on the full faith and credit of the Commission and the County for which the bonds are issued.

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 debt service. In 1998, the actual debt service expenditures per \$100 of assessed valuation for Park Bonds approximated 1.1 cents in Montgomery County and 7.3 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.

The Advance Land Bonds are payable from limited annual ad valorem property taxes which are levied by the respective County on all property assessed for the purpose of County taxation.

**New Debt Issue** - On August 20, 1997, the Commission sold \$21,000,000 Prince George's County Park Acquisition and Development Variable Rate Bond Anticipation Notes, Series V-2 (the "BANs"), with a maturity date of August 1, 2002, to finance the Commission's Prince George's Sports and Learning Complex. The BANs provide for multi-modal term conversion and were initially issued as daily notes and remained in the daily mode throughout fiscal year 1998. The interest rate changes based on market conditions and ranged from 1.70% to 5.00% during the fiscal year. The Commission entered into an agreement with First Union National Bank which provides remarketing, liquidity and take-out provisions until August 1, 2002. The Commission pays interest only on the notes and intends to refinance the entire \$21,000,000 with long-term bonds on or before August 1, 2002. The BANs are therefore classified as long-term debt in the accompanying financial statements.



**Advance Refundings** - On June 2, 1998, the Commission sold \$7,325,000 Prince George's County Park Acquisition and Development Advance Refunding Taxable Bonds, Series W-2 at a 6.40% interest rate and which mature over the period through July 1, 2012, to advance refund portions of Prince George's County Park Bonds, Series J-2, L-2, P-2 and S-2 (\$755,000, \$535,000, \$425,000 and \$5,640,000 respectively), the proceeds of which were used to finance the construction of the Commission's Show Place Arena.

This advance refunding was undertaken in order to replace tax exempt debt with taxable debt to enable the Commission to expand the use of the Show Place Arena in future years. The aggregate difference in debt service is an increase of \$1,207,326. As a result of the transaction, the Commission incurred an economic loss of \$712,068.

**Subsequent Debt Issue** - On July 30, 1998, the Commission sold \$7,000,000 Montgomery County Park Acquisition and Development Bonds, Series U-2, which mature over the period through August 1, 2018 at a true interest cost of 4.53%.

### **(B) Proprietary Funds**

The Commission is authorized to issue revenue bonds and notes to finance the cost of revenue producing facilities and to refund outstanding bonds. The revenue bonds and notes are not general obligations of the Commission or County for which they are issued and are payable solely from revenues generated from revenue producing facilities.

**New Issue** - On September 18, 1997, the Commission issued a \$3,600,000 Wheaton Ice Rink Revenue Note at an interest rate of 6.06%, with a ten year term to finance the construction of a new ice rink to replace the existing ice rink in Wheaton Regional Park. The Note matures over the period through May 1, 2007. The Note is secured by a purchase money deed of trust and a pledge of revenues of the existing and new facility, and while under construction, a subordinated pledge of the Commission's Montgomery County golf course revenues.

**Advance Refunding** - On November 20, 1997, the Commission issued \$4,740,000 Little Bennett Golf Facilities Refunding Revenue Bonds, Series 1997, at an interest rate of 5.635% and which mature over the period through October 1, 2007, to advance refund \$4,305,000 Little Bennett Revenue Bonds, Series 1991. As a result of the refunding, the aggregate debt service was reduced by \$697,378, and the Commission incurred an economic gain of \$276,936.

Restricted investments related to the Commission's Montgomery County revenue notes and bonds are as follows:

	Little Bennett Golf Course	Wheaton Ice Rink
Debt Service Reserve Fund	\$487,922	\$ ---
Construction Fund	---	3,462,470
Total	<u>\$487,922</u>	<u>\$3,462,470</u>

The Commission is in compliance with all significant restrictive covenants related to revenue bonds and notes.

### **(C) Prior Period Defeasance of Debt**

In January 1996, the following general obligation bonds were defeased: \$4,500,000 Montgomery County Park Bonds, \$3,000,000 Montgomery County Advance Land Bonds, \$14,000,000 Prince George's County Park Bonds, and \$3,000,000 Prince George's County Advance Land Bonds, which all mature in the year 2001 and beyond; \$13,500,000 Prince George's County Park Bonds which mature in the year 2003 and beyond; and \$3,250,000 Montgomery County Park Bonds which mature in the year 2005 and beyond.



The proceeds of all Commission refunding bonds were placed in irrevocable trusts to provide for future debt service payments on the old debt. Accordingly, the trust account assets and the liability for the defeased debt are not included in the Commission's financial statements. As of June 30, 1998, \$10,750,000 of Montgomery County and \$37,855,000 of Prince George's County general obligation bonds, and \$4,305,000 of Montgomery County revenue bonds are considered to be defeased.

#### (D) Outstanding Debt

General obligation bonds and notes, revenue bonds, net of the \$448,882 deferred amount on the Little Bennett Golf Facilities Refunding Bond, and revenue notes payable at June 30, 1998, consist of the following individual issues (000's):

Series	Effective Interest Rate at Date of Sale	Dated	Final Maturity Date	FY 1999 Serial Payment	Original Issue	Outstanding at June 30, 1998
<b>Montgomery County</b>						
Park Acquisition and Development Bonds						
1990 Advance Refunding, E-2	6.7983	06-01-90	07-01-03	\$ 545	\$ 6,675	\$ 3,410
Series M-2	6.7983	06-01-90	07-01-10	300	7,500	900
Series K-2	5.9212	05-01-92	07-01-12	250	6,000	4,750
Series M-2	4.7561	12-01-93	07-01-14	275	5,500	4,675
Series Q-2	6.3609	11-15-94	11-01-14	150	5,000	1,300
Series R-2 Advance Refunding	4.8972	12-01-95	07-01-14	80	8,700	8,550
				<u>1,600</u>	<u>39,375</u>	<u>23,585</u>
Advance Land Acquisition						
Bonds of 1990	6.7983	06-01-90	07-01-10	200	5,000	600
Bonds of 1994	6.3609	11-15-94	11-01-14	70	2,200	1,990
Bonds of 1995 Advance Refunding	4.7707	12-01-95	07-01-10	35	3,345	3,275
				<u>305</u>	<u>10,545</u>	<u>5,865</u>
Revenue Bonds and Notes						
Little Bennett Golf Course (net of deferred amount)	5.6350	11-20-97	10-01-07	265	4,291	4,291
Wheaton Ice Rink	6.0600	09-18-97	05-01-07	---	3,600	3,600
				<u>\$ 265</u>	<u>\$ 7,891</u>	<u>\$ 7,891</u>
County Total				<u>\$2,170</u>	<u>\$57,811</u>	<u>\$ 37,341</u>
<b>Prince George's County</b>						
Park Acquisition and Development Bonds & Notes						
1990 Advance Refunding, G-2	6.8867	06-01-90	07-01-06	\$ 795	\$ 12,390	\$ 7,495
Series J-2	6.8867	06-01-90	07-01-10	700	23,500	2,095
Series L-2	5.9922	05-01-92	07-01-12	845	23,000	4,215
Series M-2	5.1483	05-01-93	07-01-13	600	15,250	12,850
Series P-2	4.8382	12-01-93	07-01-14	700	14,500	11,900
Series S-2 Advance Refunding	4.9787	12-01-95	07-01-12	195	30,025	23,935
Series T-2	5.3913	01-01-97	01-15-17	1,000	33,000	32,000
Series W-2	6.4000	06-25-98	07-01-12	---	7,325	7,325
				<u>4,835</u>	<u>158,990</u>	<u>101,815</u>
Advance Land Acquisition						
Bonds of 1990	6.8867	06-01-90	07-01-10	200	5,000	600
Bonds of 1995 Advance Refunding	4.8991	12-01-95	07-01-10	35	3,300	3,240
				<u>235</u>	<u>8,300</u>	<u>3,840</u>
Bond Anticipation Notes, Series V-2	variable	08-01-97	08-01-02	---	21,000	21,000
County Total				<u>\$5,070</u>	<u>\$188,290</u>	<u>\$126,655</u>
Commission Total				<u>\$7,240</u>	<u>\$246,101</u>	<u>\$163,996</u>
<b>Distribution:</b>						
General Long-Term Obligations Account Group - Montgomery County						\$ 29,450
- Prince George's County						<u>126,655</u>
Account Group Total						<u>156,105</u>
Proprietary Funds - Montgomery County (Revenue Bonds and Notes)						<u>7,891</u>
Commission Total						<u>\$163,996</u>



The following is a summary of the general obligation bonds and notes and revenue bonds and notes payable transactions of the Commission for the fiscal year ended June 30, 1998 (\$000's).

	<u>Montgomery County</u>			<u>Prince George's County</u>		<u>Total</u>
	<u>Park Bonds</u>	<u>Advance Land Bonds</u>	<u>Proprietary Revenue Bonds &amp; Notes</u>	<u>Park Bonds &amp; Notes</u>	<u>Advance Land Bonds</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>
Debt Issued	---	---	7,891	28,325	---	36,216
Debt Retired	(1,600)	(305)	(160)	(5,250)	(230)	(7,545)
Debt Refunded	---	---	(4,305)	(7,355)	---	(11,660)
Bonds Payable at June 30, 1998	<u>\$23,585</u>	<u>\$5,865</u>	<u>\$7,891</u>	<u>\$122,815</u>	<u>\$3,840</u>	<u>\$163,996</u>

The annual requirements to amortize all debt outstanding as of June 30, 1998 including interest payments of \$15,196,688 for Montgomery County (\$9,230,263 for Park Bonds, \$2,524,710 for Advance Land Bonds and \$3,441,715 for Revenue Bonds and Notes) and \$53,087,380 for Prince George's County (\$51,775,260 for Park Bonds & Notes and \$1,312,120 for Advance Land Bonds) are as follows (\$000's).

<u>Year Ending June 30</u>	<u>Montgomery County</u>			<u>Prince George's County</u>		<u>Total</u>
	<u>Park Bonds</u>	<u>Advance Land Bonds</u>	<u>Proprietary Revenue Bonds &amp; Notes</u>	<u>Park Bonds &amp; Notes (1)</u>	<u>Advance Land Bonds</u>	
1999	\$ 2,845	\$ 622	\$ 711	\$10,838	\$ 431	\$ 15,479
2000	2,797	602	866	11,379	416	16,092
2001	2,740	607	864	11,153	400	15,796
2002	2,782	680	864	11,333	484	16,175
2003	2,663	659	865	10,492	463	15,174
2004-2008	10,426	3,009	7,163	69,500	2,006	92,393
2009-2013	7,275	1,891	---	37,011	952	47,129
2014-2018	<u>1,288</u>	<u>320</u>	<u>---</u>	<u>12,884</u>	<u>---</u>	<u>14,492</u>
TOTAL	<u>\$32,816</u>	<u>\$ 8,390</u>	<u>\$11,333</u>	<u>\$174,590</u>	<u>\$5,152</u>	<u>\$232,730</u>

(1) Interest on Bond Anticipation Notes (BANs) is estimated at 5 percent.

## (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 obligations to contribute to the plans and all other requirements are established by a Trust Agreement between the Commission and the Board of Trustees of the System which has been periodically amended since the System was established July 1, 1972. 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, a description of the four plans, 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 fair 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, 1998. The System has invested in a mutual fund composed of more than 300 international securities with Rowe Price-Fleming which exceeds 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, 1998, 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.

### **Actuarial Methods**

**Actuarial Valuation of Assets:** The actuarial value of assets calculates gains or losses on the basis of the actuarially assumed interest rate and recognizes one-third of the cumulative gains or losses not yet recognized. This year's asset value is based on the July 1, 1996, actuarial value rolled forward to July 1, 1997.

**Actuarial Cost Method:** As of July 1, 1997, the Board of Trustees of the System approved a change in the cost method. The Entry Age Normal Cost method is used. Under this funding method, a level percent of pay employer cost is determined which, along with member contributions, will pay for projected benefits at retirement for a new entrant into the plan. The level percent developed is called the normal cost rate and the product of that rate and payroll is normal cost. The actuarial present value of benefits which 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 which 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 reflected in the size of the unfunded actuarial liability.

**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, 1997. 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 (3.5% increase to base salary and 2.5% inflation), 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 actuarial accrued liability is \$26,318,212 at July 1, 1997. The net assets available for benefits at June 30, 1998, totaled \$427,426,605.

### **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 six years within the System's Comprehensive Annual Financial Report for June 30, 1998. For the four years ended June 30, 1995, 1996, 1997 and 1998, the Commission's contributions to the System, which were all made in accordance with actuarially determined requirements, were 13.8%, 10.9%, 9.6%, and 7.5% respectively, of annual covered payroll.

The Commission's annual pension cost and net pension obligation to the System are presented below:

	TREND INFORMATION (000's)			
	July 1, 1994	July 1, 1995	July 1, 1996	July 1, 1997
Annual Pension Cost (APC)	\$8,856	\$7,467	\$7,189	\$5,337
Percentage of APC Contributed	100%	100%	100%	100%
Net Pension Obligation (NPO)	---	---	---	---

The Commission contributes 100% of the adjusted annual required contribution and has no NPO at year end.

Funding activity for the latest four years is summarized as follows:

	SCHEDULE OF FUNDING PROGRESS (000's)			
	July 1, 1994	July 1, 1995	July 1, 1996	July 1, 1997
Actuarial Valuation of Plan Assets	\$213,247	\$236,821	\$264,787	\$311,854(1)
Actuarial Accrued Liability	217,790	229,235	251,229	285,536
Funded Ratio	97.9%	103.3%	105.4%	109.2%
Actuarial Value of Assets in Excess of (Unfunded) Actuarial Accrued Liability	(4,543)	7,586	13,558	26,318
Annual Covered Payroll	64,192	68,625	72,668	71,102
Actuarial Value of Assets in Excess of (Unfunded) Actuarial Accrued Liability as a Percentage of Covered Payroll	-7.1%	11.1%	18.7%	37.0%
(1) Per GASB 27, the actuarial funding method and assets are used rather than pension benefit obligation (PBO) liability and market value.				

Active plan members in Plan A are required to contribute 6% of their base pay. Plan B members contribute 3% of their base pay up to the maximum Social Security Wage Base and 6% in excess of the maximum Social Security Wage Base for the calendar year. Plan C and D members contribute 7% of their base pay.



### **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, 414 retirees meet those eligibility requirements. Continuance of medical, dental, and vision benefits requires a minimum of three years' participation in a Commission-sponsored plan or ability to prove similar coverage in another 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 \$1,368,602 and \$1,454,952 for the years ending June 30, 1997 and 1998 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, 1998.

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 31 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 30 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, 1998, 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, 1998, was \$34,610,283. The market value of securities on loan as of June 30, 1998, totaled \$58,421,808, of which \$33,782,610 was cash collateral and \$24,639,198 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, 1998, 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 \$6,033,890 and \$6,077,570 respectively, in 1997 and 1998.

#### **(C) Maryland State Retirement System (MSRS)**

Pension costs for certain employees/retirees who elected to remain in the State Plan were \$72,668 in 1997 and \$71,102 in 1998. A total of 15 employees/retirees are covered in the State Plan (vs. 2,459 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 include five Health Maintenance Organizations (HMO's) and a vision plan are fully funded. The Commission expended \$13,057,550 for all group health benefits in fiscal year 1998. 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 1998 totalled \$2,220,627. The Commission did not pay any claims settlements in excess of insurance coverages nor were any insurance coverages reduced in fiscal year 1998. 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, 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	1,472,020	5,946,037
Incurred Claims, Fiscal Year 1998	5,789,390	2,454,290
Claims Paid, Fiscal Year 1998	<u>(5,607,820)</u>	<u>(2,220,627)</u>
Unpaid Claims, June 30, 1998	<u>\$ 1,653,590</u>	<u>\$6,179,700</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 arena, 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, 1998 follow (\$000's):

	<u>Montgomery County Recreational and Cultural Facilities</u>	<u>Prince George's County Recreational and Cultural Facilities</u>	<u>Commission Total</u>
Operating Revenues	\$11,275	\$ 5,272	\$16,547
Depreciation	1,535	1,256	2,791
Other Operating Expenses	9,378	7,287	16,665
Operating Income (Loss)	362	(3,271)	(2,909)
Operating Transfers In (Out)	86	2,201	2,287
Net Income (Loss)	432	(1,027)	(595)
Property, Plant, and Equipment Additions	1,816	199	2,015
Net Working Capital	9,817	558	10,375
Long-Term Liabilities	7,750	1,735	9,485
Retained Earnings	17,635	554	18,189
Total Equity	22,512	26,474	48,986
Total Assets	31,863	28,915	60,778

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 1998:



(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 1998.

(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 1998 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. Governmental accounting considers outstanding encumbrances 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 Total</u>
	<u>Adminis- tration Account</u>	<u>Park Account</u>	<u>Adminis- tration Account</u>	<u>Park Account</u>	<u>Recreation Account</u>	<u>General Fund</u>
Reconciliation from Budget Basis to GAAP Basis for the year ended June 30, 1998:						
Adjustment to Expenditures						
To Increase -						
Encumbrances -						
June 30, 1997	\$ 1,391,609	\$ 1,052,534	\$ 1,850,339	\$ 3,298,012	\$ 1,381,909	\$ 8,974,403
To Decrease -						
Encumbrances -						
June 30, 1998	(1,403,106)	(1,858,355)	(1,688,198)	(5,793,612)	(1,716,458)	(12,459,729)
Total Adjustment	(11,497)	(805,821)	162,141	(2,495,600)	(334,549)	(3,485,326)
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses:						
Budget Basis	640,720	1,622,588	3,495	(3,532,061)	1,074,708	(190,550)
GAAP Basis	652,217	2,428,409	(158,646)	(1,036,461)	1,409,257	3,294,776
Fund Balance, July 1, 1997						
GAAP Basis	2,154,486	2,987,182	4,839,200	38,985,374	6,910,863	55,877,105
Fund Balance, June 30, 1998:						
GAAP Basis	\$ 2,806,703	\$ 5,415,591	\$ 4,680,554	\$37,948,913	\$ 8,320,120	\$59,171,881

## (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 General Counsel estimate 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, 1998 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
1999	\$ 1,289	\$1,046	\$ 243	\$ 860	\$ 49	\$ 811
2000	1,281	1,046	235	864	50	814
2001	235	---	235	885	51	834
2002	235	---	235	175	25	150
2003	236	---	236	150	---	150
2004 and Beyond	<u>2,236</u>	<u>---</u>	<u>2,236</u>	<u>1,202</u>	<u>---</u>	<u>1,202</u>
Total minimum lease payments	5,512	2,092	3,420	<u>\$4,136</u>	<u>\$175</u>	<u>\$3,961</u>
Less: Amount representing interest	(1,480)	(133)	(1,347)			
Net present value of minimum lease payments	<u>\$4,032</u>	<u>\$1,959</u>	<u>\$2,073</u>			

In fiscal year 1998 expenditures in the General Fund included \$858,442 (Montgomery - \$48,197, Prince George's - \$810,245) 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. 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 1998 were \$740,025. 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. Based on this audit, there were no findings reportable under Circular A-133.

## (18) COMPENSATED ABSENCES

### (A) Governmental and Internal Service Fund Types

As of June 30, 1998, Commission employees had earned, but not taken, annual leave and compensatory leave which, at their current salary rates, amounted to approximately \$10,244,000 (Montgomery - \$4,731,000; Prince George's - \$5,513,000). 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.

	Montgomery County	Prince George's County	Total
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>
Change in Liability:			
Current Portion -			
Expenditure for FY 1998	(13,000)	(8,000)	(21,000)
Remaining Portion -			
Increase in General Long-Term Obligations Account Group	<u>112,000</u>	<u>108,000</u>	<u>220,000</u>
Total	<u>99,000</u>	<u>100,000</u>	<u>199,000</u>
Liability as of June 30, 1998:			
Current Portion	700,000	836,000	1,536,000
Remaining Portion	<u>4,031,000</u>	<u>4,677,000</u>	<u>8,708,000</u>
Total	<u>\$4,731,000</u>	<u>\$5,513,000</u>	<u>\$10,244,000</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, 1998

	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, 1998	June 30, 1997
<b>ASSETS AND OTHER DEBITS</b>										
Equity in Pooled Cash and Investments	\$ 10,054,003	\$ 1,660	\$ ---	\$ 10,704,829	\$ 11,587,884	\$ 6,002,092	\$ ---	\$ ---	\$ 38,350,468	\$ 30,917,725
Receivables - Taxes	1,460,000	---	---	---	---	---	---	---	1,460,000	3,433,000
Receivables - Other	118,631	---	---	6,189	2,907	1,462	---	---	129,189	42,374
Due from Other Funds	666,491	---	---	---	1,452,587	---	---	---	2,119,078	687,374
Due from Other Governments	1,031,450	---	3,085,595	---	60,133	---	---	---	4,177,178	3,729,713
Inventories, at Cost	---	---	---	707,527	---	---	---	---	707,527	619,125
Deposits and Other	2,197	---	---	---	9,806	---	---	---	12,003	653,835
Total Current Assets	13,332,772	1,660	3,085,595	11,418,545	13,113,317	6,003,554	---	---	46,955,443	40,083,146
Restricted Assets -										
Land Held for Transfer	---	---	---	---	---	25,416,791	---	---	25,416,791	25,914,091
Fixed Assets	---	---	---	25,300,966	11,240,991	---	204,199,637	---	240,741,594	237,768,871
Accumulated Depreciation	---	---	---	(4,856,491)	(5,930,928)	---	---	---	(10,787,419)	(18,913,568)
Resources to be Provided in Future Years -										
Retirement of General Obligation Bonds	---	---	---	---	---	---	---	29,450,000	29,450,000	31,355,000
Retirement of Accrued Liability for										
Compensated Absences	---	---	---	---	---	---	---	4,031,000	4,031,000	3,919,000
Total Assets and Other Debits	\$ 13,332,772	\$ 1,660	\$ 3,085,595	\$ 31,863,020	\$ 18,423,380	\$ 31,420,345	\$ 204,199,637	\$ 33,481,000	\$ 335,807,409	\$ 320,126,540
<b>LIABILITIES, EQUITY AND OTHER CREDITS</b>										
Liabilities:										
Current Portion of Bonds Payable	\$ ---	\$ ---	\$ ---	\$ 265,000	\$ ---	\$ ---	\$ ---	\$ ---	\$ 265,000	\$ 160,000
Current Portion of Notes Payable	---	---	---	118,398	839,745	---	---	---	958,143	1,014,271
Accounts Payable	1,434,780	---	1,107,691	349,769	260,851	21,237	---	---	3,174,328	3,799,883
Accrued Liabilities	2,165,579	---	---	493,961	4,102,266	3,266	---	---	6,765,072	6,140,149
Due to Other Governments	---	---	---	---	---	---	---	---	---	34
Due to Other Funds	---	---	666,491	---	1,452,587	---	---	---	2,119,078	687,374
Deposits and Deferred Revenue	1,510,119	---	---	271,363	---	2,810,595	---	---	4,592,077	4,686,961
Matured Bonds and Interest Payable	---	1,660	---	103,135	---	---	---	---	104,795	92,090
Total Current Liabilities	5,110,478	1,660	1,774,182	1,601,626	6,655,449	2,835,098	---	---	17,978,493	16,580,762
General Obligation Bonds Payable	---	---	---	---	---	---	---	29,450,000	29,450,000	31,355,000
Revenue Bonds Payable - Net of Current Portion	---	---	---	4,026,118	---	---	---	---	4,026,118	4,305,000
Revenue Notes Payable - Net of Current Portion	---	---	---	3,600,000	---	---	---	---	3,600,000	---
Notes Payable - Net of Current Portion	---	---	---	123,726	877,533	---	---	---	1,001,259	1,959,401
Accrued Liability for Compensated Absences	---	---	---	---	---	---	---	4,031,000	4,031,000	3,919,000
Total Liabilities	5,110,478	1,660	1,774,182	9,351,470	7,532,982	2,835,098	---	33,481,000	60,086,870	58,119,163
Equity and Other Credits:										
Contributed Capital	---	---	---	4,876,936	525,128	---	---	---	5,402,064	5,402,064
Investment in General Fixed Assets	---	---	---	---	---	---	204,199,637	---	204,199,637	193,600,417
Retained Earnings (Deficit) -										
Reserved for Contingency	---	---	---	---	6,649,313	---	---	---	6,649,313	5,358,162
Unreserved	---	---	---	17,634,614	3,715,957	---	---	---	21,350,571	20,517,446
Fund Balances -										
Reserved for Encumbrances	3,261,461	---	1,311,413	---	---	---	---	---	4,572,874	6,190,747
Reserved for Land Held for Transfer	---	---	---	---	---	25,416,791	---	---	25,416,791	25,914,091
Unreserved -										
Designated for Subsequent Years	3,289,990	---	---	---	---	3,168,456	---	---	6,458,446	4,556,725
Undesignated	1,670,843	---	---	---	---	---	---	---	1,670,843	467,725
Total Retained Earnings/Fund Balances	8,222,294	---	1,311,413	17,634,614	10,365,270	28,585,247	---	---	66,118,838	63,004,896
Total Equity and Other Credits	8,222,294	---	1,311,413	22,511,550	10,890,398	28,585,247	204,199,637	---	275,720,539	262,007,377
Total Liabilities, Equity and Other Credits	\$ 13,332,772	\$ 1,660	\$ 3,085,595	\$ 31,863,020	\$ 18,423,380	\$ 31,420,345	\$ 204,199,637	\$ 33,481,000	\$ 335,807,409	\$ 320,126,540



# 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, 1998

	Governmental Fund Types			Fiduciary Fund Type	Totals (Memorandum Only) Year Ended	
	General Accounts	Debt Service	Capital Projects	Expendable Trust	June 30, 1998	June 30, 1997
<b>Revenues:</b>						
Property Taxes	\$ 58,998,504	\$ 1,272,269	\$ ---	\$ ---	\$ 60,270,773	\$ 57,612,812
Intergovernmental	525,052	---	6,272,674	---	6,797,726	6,654,626
Charges for Services	2,131,778	---	---	---	2,131,778	1,691,186
Interest	889,382	---	145,778	284,135	1,319,295	1,138,659
Miscellaneous	73,706	---	1,200	126,435	201,341	386,566
Total Revenues	<u>62,618,422</u>	<u>1,272,269</u>	<u>6,419,652</u>	<u>410,570</u>	<u>70,720,913</u>	<u>67,483,849</u>
<b>Expenditures:</b>						
Current -						
General Government	4,985,152	---	---	---	4,985,152	4,949,621
County Planning and Zoning	12,503,437	---	---	---	12,503,437	13,067,495
Park Operation and Maintenance	39,019,404	---	---	---	39,019,404	38,060,834
Miscellaneous Expendable Trust Funds	---	---	---	280,470	280,470	281,841
Capital Outlay - Land Acquisition and Development	---	---	9,261,163	---	9,261,163	12,319,049
Debt Service -						
Principal Retirement	---	1,905,000	---	---	1,905,000	2,370,000
Interest and Fiscal Charges	---	1,690,621	---	---	1,690,621	1,810,980
Total Expenditures	<u>56,507,993</u>	<u>3,595,621</u>	<u>9,261,163</u>	<u>280,470</u>	<u>69,645,247</u>	<u>72,859,820</u>
Excess of Revenues over (under) Expenditures	<u>6,110,429</u>	<u>(2,323,352)</u>	<u>(2,841,511)</u>	<u>130,100</u>	<u>1,075,666</u>	<u>(5,375,971)</u>
<b>Other Financing Sources (Uses):</b>						
Operating Transfers In	145,778	2,949,581	552,098	626,229	4,273,686	5,337,599
Operating Transfers Out	(3,175,581)	(626,229)	(145,778)	(412,098)	(4,359,686)	(5,423,600)
Total Other Financing Sources (Uses)	<u>(3,029,803)</u>	<u>2,323,352</u>	<u>406,320</u>	<u>214,131</u>	<u>(86,000)</u>	<u>(86,001)</u>
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses	<u>3,080,626</u>	<u>---</u>	<u>(2,435,191)</u>	<u>344,231</u>	<u>989,666</u>	<u>(5,461,972)</u>
Fund Balances, July 1	<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>
Fund Balances, June 30	<u>\$ 8,222,294</u>	<u>\$ ---</u>	<u>\$ 1,311,413</u>	<u>\$ 28,585,247</u>	<u>\$ 38,118,954</u>	<u>\$ 37,129,288</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, 1998

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Revenues:			
Property Taxes	\$ 56,947,990	\$ 58,998,504	\$ 2,050,514
Intergovernmental	733,320	525,052	(208,268)
Charges for Services	705,750	1,081,329	375,579
Rentals and Concessions	997,000	1,050,449	53,449
Interest	750,000	889,382	139,382
Miscellaneous	83,718	73,706	(10,012)
Total Revenues	<u>60,217,778</u>	<u>62,618,422</u>	<u>2,400,644</u>
Expenditures/Encumbrances:			
Current -			
General Government	5,107,985	5,058,317	49,668
County Planning and Zoning	12,475,907	12,441,769	34,138
Park Operation and Maintenance	39,801,611	39,825,225	(23,614)
Total Expenditures/Encumbrances	<u>57,385,503</u>	<u>57,325,311</u>	<u>60,192</u>
Excess of Revenues over (under) Expenditures/Encumbrances	<u>2,832,275</u>	<u>5,293,111</u>	<u>2,460,836</u>
Other Financing Sources (Uses):			
Operating Transfers In	250,000	145,778	(104,222)
Operating Transfers Out	<u>(3,619,000)</u>	<u>(3,175,581)</u>	<u>443,419</u>
Total Other Financing Sources (Uses)	<u>(3,369,000)</u>	<u>(3,029,803)</u>	<u>339,197</u>
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses - Budget Basis	<u>\$ (536,725)</u>	2,263,308	<u>\$ 2,800,033</u>
Fund Balances - Budget Basis, July 1		<u>2,697,525</u>	
Fund Balances - Budget Basis, June 30		<u>\$ 4,960,833</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, 1998

	Proprietary Fund Types		Totals (Memorandum Only)	
	Enterprise	Internal Service	Year Ended	
			June 30, 1998	June 30, 1997
Operating Revenues:				
Sales	\$ 1,298,188	\$ ---	\$ 1,298,188	\$ 1,154,423
Charges for Services	8,040,221	14,043,684	22,083,905	21,320,862
Rentals and Concessions	1,936,597	---	1,936,597	1,874,807
Miscellaneous	---	78,076	78,076	113,400
Total Operating Revenues	<u>11,275,006</u>	<u>14,121,760</u>	<u>25,396,766</u>	<u>24,463,492</u>
Operating Expenses:				
Cost of Goods Sold	782,274	---	782,274	714,923
Personal Services	4,483,507	3,889,293	8,372,800	8,085,219
Supplies and Materials	1,248,430	267,370	1,515,800	928,540
Other Services and Charges	1,826,882	7,428,695	9,255,577	8,717,526
Administrative Charges	1,037,703	---	1,037,703	993,702
Depreciation	1,534,613	1,335,190	2,869,803	2,169,777
Total Operating Expenses	<u>10,913,409</u>	<u>12,920,548</u>	<u>23,833,957</u>	<u>21,609,687</u>
Operating Income (Loss)	<u>361,597</u>	<u>1,201,212</u>	<u>1,562,809</u>	<u>2,853,805</u>
Nonoperating Revenues	551,194	576,921	1,128,115	1,121,320
Nonoperating Expenses	(566,329)	(86,319)	(652,648)	(524,022)
Nonoperating Revenues (Expenses), Net	<u>(15,135)</u>	<u>490,602</u>	<u>475,467</u>	<u>597,298</u>
Income (Loss) Before Operating Transfers	<u>346,462</u>	<u>1,691,814</u>	<u>2,038,276</u>	<u>3,451,103</u>
Operating Transfers In	86,000	---	86,000	86,000
Total Operating Transfers	<u>86,000</u>	<u>---</u>	<u>86,000</u>	<u>86,000</u>
Net Income (Loss)	<u>432,462</u>	<u>1,691,814</u>	<u>2,124,276</u>	<u>3,537,103</u>
Retained Earnings, July 1	<u>17,202,152</u>	<u>8,673,456</u>	<u>25,875,608</u>	<u>22,338,505</u>
Retained Earnings, June 30	<u>\$ 17,634,614</u>	<u>\$ 10,365,270</u>	<u>\$ 27,999,884</u>	<u>\$ 25,875,608</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, 1998

	Proprietary Fund Types		Totals (Memorandum Only) Year Ended	
	Enterprise	Internal Service	June 30, 1998	June 30, 1997
Cash Flows from Operating Activities:				
Operating Income (Loss)	\$ 361,597	\$ 1,201,212	\$ 1,562,809	\$ 2,853,805
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Depreciation	1,534,613	1,335,190	2,869,803	2,169,777
Changes in Assets and Liabilities:				
(Increase) Decrease in Accounts Receivable	(3,620)	(430)	(4,050)	793
(Increase) Decrease in Due From Other Funds	---	(765,213)	(765,213)	(687,374)
(Increase) Decrease in Due from County Government	---	18,295	18,295	3,044
(Increase) Decrease in Inventories, at Cost	(88,402)	---	(88,402)	3,929
(Increase) Decrease in Deposits and Other	---	641,831	641,831	315,732
Increase (Decrease) in Accounts Payable	143,902	(82,303)	61,599	67,989
Increase (Decrease) in Claims Payable	---	24,528	24,528	(5,638)
Increase (Decrease) in Accrued Salaries and Benefits	96,596	120,572	217,168	(112,553)
Increase (Decrease) in Accrued Leave	27,120	(10,161)	16,959	61,426
Increase (Decrease) in Interest Payable	11,045	---	11,045	(3,094)
Increase (Decrease) in Estimate of Incurred but Unreported Claims	---	(119,632)	(119,632)	(331,963)
Increase (Decrease) in Due to Other Governments	(88)	---	(88)	(160)
Increase (Decrease) in Due to Other Funds	---	765,213	765,213	687,374
Increase (Decrease) in Revenue Collected in Advance	56,139	---	56,139	(18,054)
Net Cash Provided (Used) by Operating Activities	2,138,902	3,129,102	5,268,004	5,005,033
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	86,000	---	86,000	86,000
Cash Flows from Capital and Related Financing Activities:				
Acquisition of Fixed Assets	(1,815,760)	(1,553,696)	(3,369,456)	(4,646,141)
Principal Paid on Notes Payable	(210,685)	(803,584)	(1,014,269)	(1,208,610)
Principal Paid on Revenue Bonds	(160,000)	---	(160,000)	(150,000)
Interest Paid	(566,329)	(86,319)	(652,648)	(524,022)
Payment of Refunded Revenue Bonds	(4,305,000)	---	(4,305,000)	---
Proceeds from Financing - Revenue Bonds - net	4,291,118	---	4,291,118	---
Proceeds from Financing - Revenue Notes	3,600,000	---	3,600,000	---
Net Cash Provided (Used) by Capital and Related Financing Activities	833,344	(2,443,599)	(1,610,255)	(6,528,773)
Cash Flows from Investing Activities:				
Interest on Investments	551,194	576,921	1,128,115	1,121,320
Net Cash Provided (Used) by Investing Activities	551,194	576,921	1,128,115	1,121,320
Net Increase (Decrease) in Cash and Cash Equivalents	3,609,440	1,262,424	4,871,864	(316,420)
Cash and Cash Equivalents, July 1	7,095,389	10,325,460	17,420,849	17,737,269
Cash and Cash Equivalents, June 30	\$ 10,704,829	\$ 11,587,884	\$ 22,292,713	\$ 17,420,849



# THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

PRINCE GEORGE'S COUNTY

NOTE 19 (F)

## Schedule of Assets, Liabilities and Fund Equity - ALL FUND TYPES AND ACCOUNT GROUPS June 30, 1998

	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, 1998	June 30, 1997
<b>ASSETS AND OTHER DEBITS</b>										
Equity in Pooled Cash and Investments	\$ 57,456,101	\$ 274,780	\$ 43,098,223	\$ 617,539	\$ 13,075,072	\$ 13,029,743	\$ ---	\$ ---	\$ 127,551,458	\$ 109,317,323
Receivables - Taxes	1,845,000	---	---	---	---	---	---	---	1,845,000	1,740,000
Receivables - Other	199,327	---	1,048,966	113,080	430	8,459	---	---	1,370,262	1,873,216
Due from Other Governments	388,347	---	2,109,441	---	60,134	492	---	---	2,558,414	4,584,957
Inventories, at Cost	---	---	---	533,386	---	---	---	---	533,386	589,323
Deposits and Other	4,375	---	---	---	9,806	---	---	---	14,181	656,012
Total Current Assets	59,893,150	274,780	46,256,630	1,264,005	13,145,442	13,038,694	---	---	133,872,701	118,760,831
Advances to Other Funds	---	---	---	---	---	1,734,875	---	---	1,734,875	1,734,875
Restricted Assets -	---	---	---	---	---	---	---	---	---	---
Land Held for Transfer	---	---	---	---	---	14,307,629	---	---	14,307,629	14,306,820
Other	---	---	---	---	---	404,995	---	---	404,995	395,272
Fixed Assets	---	---	---	35,017,596	4,193,996	---	270,071,018	---	309,282,610	302,027,231
Accumulated Depreciation	---	---	---	(7,366,168)	(1,110,676)	---	---	---	(8,476,844)	(9,252,345)
Amount Available in Debt Service Funds	---	---	---	---	---	---	---	274,780	274,780	---
Resources to be Provided in Future Years -	---	---	---	---	---	---	---	---	---	---
Retirement of General Obligation Bonds	---	---	---	---	---	---	---	126,380,220	126,380,220	111,165,000
Retirement of Accrued Liability for Compensated Absences	---	---	---	---	---	---	---	4,677,000	4,677,000	4,569,000
Total Assets and Other Debits	\$ 59,893,150	\$ 274,780	\$ 46,256,630	\$ 28,915,433	\$ 16,228,762	\$ 29,486,193	\$ 270,071,018	\$ 131,332,000	\$ 582,457,966	\$ 543,706,684
<b>LIABILITIES, EQUITY AND OTHER CREDITS</b>										
<b>Liabilities:</b>										
Current Portion of Notes Payable	\$ ---	\$ ---	\$ ---	\$ ---	\$ 90,421	\$ ---	\$ ---	\$ ---	\$ 90,421	\$ 211,134
Accounts Payable	3,771,752	---	1,391,387	178,296	43,885	168,829	---	---	5,554,149	5,201,266
Accrued Liabilities	2,833,330	---	---	446,862	5,640,790	47,444	---	---	8,968,426	7,541,055
Deposits and Deferred Revenue	2,338,481	---	---	81,260	---	1,315,258	---	---	3,734,999	3,548,529
Total Current Liabilities	8,943,563	---	1,391,387	706,418	5,775,096	1,531,531	---	---	18,347,995	16,501,984
General Obligation Bonds Payable	---	---	---	---	---	---	---	126,655,000	126,655,000	111,165,000
Notes Payable - Net of Current Portion	---	---	---	---	1,982,005	---	---	---	1,982,005	2,072,426
Advances from Other Funds	---	---	---	1,734,875	---	---	---	---	1,734,875	1,734,875
Accrued Liability for Compensated Absences	---	---	---	---	---	---	---	4,677,000	4,677,000	4,569,000
Total Liabilities	8,943,563	---	1,391,387	2,441,293	7,757,101	1,531,531	---	131,332,000	153,396,875	136,043,285
<b>Equity and Other Credits:</b>										
Contributed Capital	---	---	---	25,920,178	4,860	---	---	---	25,925,038	26,153,604
Investment in General Fixed Assets	---	---	---	---	---	---	270,071,018	---	270,071,018	260,738,482
Retained Earnings (Deficit) -	---	---	---	---	---	---	---	---	---	---
Reserved for Contingency	---	---	---	---	6,546,668	---	---	---	6,546,668	5,975,191
Unreserved	---	---	---	553,962	1,920,133	---	---	---	2,474,095	3,070,321
Fund Balances -	---	---	---	---	---	---	---	---	---	---
Reserved for Encumbrances	9,198,268	---	24,509,497	---	---	---	---	---	33,707,765	10,407,898
Reserved for Land Held for Transfer	---	---	---	---	---	16,042,504	---	---	16,042,504	16,041,695
Reserved for Debt Service	---	274,780	---	---	---	---	---	---	274,780	---
Unreserved -	---	---	---	---	---	---	---	---	---	---
Designated for Subsequent Years	30,131,659	---	20,355,746	---	---	11,912,158	---	---	62,399,563	69,095,347
Undesignated	11,619,660	---	---	---	---	---	---	---	11,619,660	16,180,861
Total Retained Earnings/Fund Balances	50,949,587	274,780	44,865,243	553,962	8,466,801	27,954,662	---	---	133,065,035	120,771,313
Total Equity and Other Credits	50,949,587	274,780	44,865,243	26,474,140	8,471,661	27,954,662	270,071,018	---	429,061,091	407,663,399
Total Liabilities, Equity and Other Credits	\$ 59,893,150	\$ 274,780	\$ 46,256,630	\$ 28,915,433	\$ 16,228,762	\$ 29,486,193	\$ 270,071,018	\$ 131,332,000	\$ 582,457,966	\$ 543,706,684



**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, 1998

	Governmental Fund Types			Fiduciary Fund Types	Totals (Memorandum Only) Year Ended	
	General Accounts	Debt Service	Capital Projects	Expendable Trust	June 30, 1998	June 30, 1997
Revenues:						
Property Taxes	\$ 97,487,737	\$ 1,050,561	\$ ---	\$ ---	\$ 98,538,298	\$ 96,816,650
Intergovernmental	662,418	---	1,462,849	5,028	2,130,295	7,441,177
Charges for Services	6,492,399	---	---	3,562,513	10,054,912	10,172,959
Interest	3,823,071	---	2,009,231	625,796	6,458,098	4,712,869
Miscellaneous	321,422	---	547,776	815,401	1,684,599	7,097,756
Total Revenues	<u>108,787,047</u>	<u>1,050,561</u>	<u>4,019,856</u>	<u>5,008,738</u>	<u>118,866,202</u>	<u>126,241,411</u>
Expenditures:						
Current -						
General Government	5,609,422	---	---	---	5,609,422	5,611,371
County Planning and Zoning	14,024,336	---	---	---	14,024,336	13,928,468
Park Operation and Maintenance	41,782,331	---	---	---	41,782,331	41,269,238
Recreation Programs	27,750,023	---	---	---	27,750,023	26,884,491
Miscellaneous Expendable Trust Funds	---	---	---	4,605,156	4,605,156	8,431,644
Capital Outlay - Land Acquisition and Development	---	---	17,643,444	---	17,643,444	14,151,322
Debt Service -						
Principal Retirement	---	5,480,000	---	---	5,480,000	4,685,000
Interest and Fiscal Charges	---	6,372,306	---	---	6,372,306	4,342,160
Total Expenditures	<u>89,166,112</u>	<u>11,852,306</u>	<u>17,643,444</u>	<u>4,605,156</u>	<u>123,267,018</u>	<u>119,303,694</u>
Excess of Revenues over (under) Expenditures	<u>19,620,935</u>	<u>(10,801,745)</u>	<u>(13,623,588)</u>	<u>403,582</u>	<u>(4,400,816)</u>	<u>6,937,717</u>
Other Financing Sources (Uses):						
Proceeds of Refunding Bonds	---	7,325,000	21,000,000	---	28,325,000	33,000,000
Payment to Refunded Bond Escrow Agent	---	(7,605,178)	---	---	(7,605,178)	---
Operating Transfers In	2,009,231	11,955,000	5,240,481	818,297	20,023,009	11,977,971
Operating Transfers Out	(21,416,016)	(598,297)	(2,009,231)	---	(24,023,544)	(13,807,989)
Total Other Financing Sources (Uses)	<u>(19,406,785)</u>	<u>11,076,525</u>	<u>24,231,250</u>	<u>818,297</u>	<u>16,719,287</u>	<u>31,169,982</u>
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses:	214,150	274,780	10,607,662	1,221,879	12,318,471	38,107,699
Fund Balances, July 1	<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>
Fund Balances, June 30	<u>\$ 50,949,587</u>	<u>\$ 274,780</u>	<u>\$ 44,865,243</u>	<u>\$ 27,954,662</u>	<u>\$ 124,044,272</u>	<u>\$ 111,725,801</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, 1998

	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Property Taxes	\$ 95,037,000	\$ 97,487,737	\$ 2,450,737
Intergovernmental	739,982	662,418	(77,564)
Charges for Services	4,841,554	5,106,410	264,856
Rentals and Concessions	1,684,800	1,385,989	(298,811)
Interest	2,300,000	3,823,071	1,523,071
Miscellaneous	224,206	321,422	97,216
Total Revenues	<u>104,827,542</u>	<u>108,787,047</u>	<u>3,959,505</u>
Expenditures/Encumbrances:			
Current:			
General Government	5,718,083	5,661,034	57,049
County Planning and Zoning	14,047,413	13,810,583	236,830
Park Operation and Maintenance	45,363,955	44,277,931	1,086,024
Recreation Programs	28,750,000	28,084,572	665,428
Total Expenditures/Encumbrances	<u>93,879,451</u>	<u>91,834,120</u>	<u>2,045,331</u>
Excess of Revenues over (under) Expenditures/Encumbrances	<u>10,948,091</u>	<u>16,952,927</u>	<u>6,004,836</u>
Other Financing Sources (Uses):			
Operating Transfers In	1,000,000	2,009,231	1,009,231
Operating Transfers Out:	<u>(16,986,535)</u>	<u>(21,416,016)</u>	<u>(4,429,481)</u>
Total Other Financing Sources (Uses)	<u>(15,986,535)</u>	<u>(19,406,785)</u>	<u>(3,420,250)</u>
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses - Budget Basis	<u>\$ (5,038,444)</u>	<u>(2,453,858)</u>	<u>\$ 2,584,586</u>
Fund Balances - Budget Basis, July 1		<u>44,205,177</u>	
Fund Balances - Budget Basis, June 30		<u>\$ 41,751,319</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, 1998

	Proprietary Fund Types		Totals (Memorandum Only)	
	Enterprise	Internal Service	Year Ended	
			June 30, 1998	June 30, 1997
Operating Revenues:				
Sales	\$ 1,418,861	\$ ---	\$ 1,418,861	\$ 1,324,360
Charges for Services	2,296,235	13,934,904	16,231,139	16,626,936
Rentals and Concessions	1,557,106	---	1,557,106	1,601,124
Miscellaneous	---	89,410	89,410	80,201
Total Operating Revenues	<u>5,272,202</u>	<u>14,024,314</u>	<u>19,296,516</u>	<u>19,632,621</u>
Operating Expenses:				
Cost of Goods Sold	940,538	---	940,538	854,310
Personal Services	3,338,506	4,915,946	8,254,452	8,361,777
Supplies and Materials	947,372	70,088	1,017,460	955,965
Other Services and Charges	1,512,778	10,289,035	11,801,813	10,481,100
Administrative Charges	547,828	---	547,828	569,020
Depreciation	<u>1,256,252</u>	<u>244,657</u>	<u>1,500,909</u>	<u>1,254,261</u>
Total Operating Expenses	<u>8,543,274</u>	<u>15,519,726</u>	<u>24,063,000</u>	<u>22,476,433</u>
Operating Income (Loss)	<u>(3,271,072)</u>	<u>(1,495,412)</u>	<u>(4,766,484)</u>	<u>(2,843,812)</u>
Nonoperating Revenues	43,034	633,607	676,641	657,605
Nonoperating Expenses	---	(164,007)	(164,007)	(177,726)
Nonoperating Revenues (Expenses), Net	<u>43,034</u>	<u>469,600</u>	<u>512,634</u>	<u>479,879</u>
Income (Loss) Before Operating Transfers	<u>(3,228,038)</u>	<u>(1,025,812)</u>	<u>(4,253,850)</u>	<u>(2,363,933)</u>
Operating Transfers In	2,200,535	1,800,000	4,000,535	2,330,017
Operating Transfer Out	---	---	---	(500,000)
Total Operating Transfers	<u>2,200,535</u>	<u>1,800,000</u>	<u>4,000,535</u>	<u>1,830,017</u>
Net Income (Loss)	<u>(1,027,503)</u>	<u>774,188</u>	<u>(253,315)</u>	<u>(533,916)</u>
Add Depreciation Charge to Contributed Capital	<u>228,566</u>	---	<u>228,566</u>	<u>228,566</u>
Net Increase (Decrease) in Retained Earnings	<u>(798,937)</u>	<u>774,188</u>	<u>(24,749)</u>	<u>(305,350)</u>
Retained Earnings (Deficit), July 1	<u>1,352,899</u>	<u>7,692,613</u>	<u>9,045,512</u>	<u>9,350,862</u>
Retained Earnings (Deficit), June 30	<u>\$ 553,962</u>	<u>\$ 8,466,801</u>	<u>\$ 9,020,763</u>	<u>\$ 9,045,512</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, 1998

	Proprietary Fund Types		Totals (Memorandum Only) Year Ended	
	Enterprise	Internal Service	June 30, 1998	June 30, 1997
Cash Flows from Operating Activities:				
Operating Income (Loss)	\$ (3,271,072)	\$ (1,495,412)	\$ (4,766,484)	\$ (2,843,812)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Depreciation	1,256,252	244,657	1,500,909	1,254,261
Changes in Assets and Liabilities:				
(Increase) Decrease in Accounts Receivable	(28,432)	(430)	(28,862)	(35,653)
(Increase) Decrease in Due from County Government	---	18,294	18,294	3,044
(Increase) Decrease in Inventories, at Cost	55,937	---	55,937	31,963
(Increase) Decrease in Deposits and Other	---	641,831	641,831	308,224
Increase (Decrease) in Accounts Payable	40,302	(206,698)	(166,396)	64,087
Increase (Decrease) in Claims Payable	---	424,135	424,135	591,634
Increase (Decrease) in Accrued Salaries and Benefits	93,679	168,034	261,713	(181,631)
Increase (Decrease) in Accrued Leave	(53,671)	(5,150)	(58,821)	(14,313)
Increase (Decrease) in Estimate of Incurred but Unreported Claims	---	86,202	86,202	198,387
Increase (Decrease) in Revenue Collected in Advance	(13,351)	---	(13,351)	(17,414)
Net Cash Provided (Used) by Operating Activities	(1,920,356)	(124,537)	(2,044,893)	(641,223)
Cash Flows from Noncapital Financing Activities:				
Operating Transfers In from Other Funds	2,200,535	1,800,000	4,000,535	2,330,017
Operating Transfers Out to Other Funds	---	---	---	(500,000)
Net Cash Provided (Used) by Noncapital Financing Activities	2,200,535	1,800,000	4,000,535	1,830,017
Cash Flows from Capital and Related Financing Activities:				
Acquisition of Fixed Assets	(199,252)	---	(199,252)	(200,884)
Principal Paid on Notes Payable	---	(211,134)	(211,134)	(197,417)
Interest Paid on Notes Payable	---	(164,007)	(164,007)	(177,726)
Net Cash Provided (Used) by Capital and Related Financing Activities	(199,252)	(375,141)	(574,393)	(576,027)
Cash Flows from Investing Activities:				
Interest on Investments	43,034	633,607	676,641	657,605
Net Cash Provided (Used) by Investing Activities	43,034	633,607	676,641	657,605
Net Increase (Decrease) in Cash and Cash Equivalents	123,961	1,933,929	2,057,890	1,270,372
Cash and Cash Equivalents, July 1	493,578	11,141,143	11,634,721	10,364,349
Cash and Cash Equivalents, June 30	\$ 617,539	\$ 13,075,072	\$ 13,692,611	\$ 11,634,721



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## ♦ PART II B ♦

### FINANCIAL SECTION

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Combining Statements and Schedules



Junior anglers try their luck at the Little Bennett Park fishing pier.

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## GENERAL FUND

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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, 1998

	MONTGOMERY COUNTY				PRINCE GEORGE'S COUNTY				TOTALS		
	Totals				Totals						
	Adminis- tration Account	Park Account	June 30, 1998	June 30, 1997	Adminis- tration Account	Park Account	Recreation Account	June 30, 1998	June 30, 1997	June 30, 1998	June 30, 1997
ASSETS											
Equity in Pooled Cash and Investments	\$ 3,746,227	\$ 6,307,776	\$ 10,054,003	\$ 6,573,579	\$ 6,604,565	\$ 40,449,780	\$ 10,401,756	\$ 57,456,101	\$ 54,631,495	\$ 67,510,104	\$ 61,205,074
Receivables - Taxes	425,000	1,035,000	1,460,000	3,433,000	342,000	1,056,000	447,000	1,845,000	1,740,000	3,305,000	5,173,000
Receivables - Other	8,490	110,141	118,631	36,784	9,666	151,476	38,185	199,327	589,498	317,958	626,282
Due From County Governments	305,746	380,796	686,542	501,053	122,683	152,440	69,653	344,776	345,431	1,031,318	846,484
Due From Other Governments	34,606	310,302	344,908	306,816	32,803	9,268	1,500	43,571	13,376	388,479	320,192
Due From Other Funds	---	666,491	666,491	---	---	---	---	---	---	666,491	---
Deposits and Other	2,197	---	2,197	2,198	4,375	---	---	4,375	4,375	6,572	6,573
Total Current Assets	\$ 4,522,266	\$ 8,810,506	\$ 13,332,772	\$ 10,853,430	\$ 7,116,092	\$ 41,818,964	\$ 10,958,094	\$ 59,893,150	\$ 57,324,175	\$ 73,225,922	\$ 68,177,605
LIABILITIES AND FUND BALANCE											
Liabilities:											
Accounts Payable	\$ 601,036	\$ 833,744	\$ 1,434,780	\$ 1,027,801	\$ 1,425,662	\$ 1,334,801	\$ 1,011,289	\$ 3,771,752	\$ 2,389,711	\$ 5,206,532	\$ 3,417,512
Accrued Salaries and Benefits	668,434	1,497,145	2,165,579	1,682,945	652,376	1,302,791	878,163	2,833,330	2,114,279	4,998,909	3,797,224
Deposits and Deferred Revenue	446,093	1,064,026	1,510,119	3,001,016	357,500	1,232,459	748,522	2,338,481	2,084,748	3,848,600	5,085,764
Total Current Liabilities	1,715,563	3,394,915	5,110,478	5,711,762	2,435,538	3,870,051	2,637,974	8,943,563	6,588,738	14,054,041	12,300,500
Fund Balance:											
Reserved for Encumbrances	1,403,106	1,858,355	3,261,461	2,444,143	1,688,198	5,793,612	1,716,458	9,198,268	6,530,260	12,459,729	8,974,403
Unreserved -											
Designated for Subsequent Years	835,510	2,454,480	3,289,990	2,229,800	2,073,194	25,918,690	2,139,775	30,131,659	28,024,316	33,421,649	30,254,116
Undesignated	568,087	1,102,756	1,670,843	467,725	919,162	6,236,611	4,463,887	11,619,660	16,180,861	13,290,503	16,648,586
Total Fund Balance	2,806,703	5,415,591	8,222,294	5,141,668	4,680,554	37,948,913	8,320,120	50,949,587	50,735,437	59,171,881	55,877,105
Total Liabilities and Fund Balance	\$ 4,522,266	\$ 8,810,506	\$ 13,332,772	\$ 10,853,430	\$ 7,116,092	\$ 41,818,964	\$ 10,958,094	\$ 59,893,150	\$ 57,324,175	\$ 73,225,922	\$ 68,177,605

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, 1998

	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, 1998	June 30, 1997				June 30, 1998	June 30, 1997	June 30, 1998	June 30, 1997
Revenues:											
Property Taxes	\$ 16,826,041	\$ 42,172,463	\$ 58,998,504	\$ 56,405,289	\$ 18,152,088	\$ 55,568,729	\$ 23,766,920	\$ 97,487,737	\$ 95,784,288	\$ 156,486,241	\$ 152,189,577
Intergovernmental -											
Federal	---	327,507	327,507	249,137	---	5,526	7,920	13,446	27,360	340,953	276,497
State	24,000	3,488	27,488	84,986	38,167	---	285,166	323,333	222,620	350,821	307,606
County	170,057	---	170,057	269,678	323,259	---	---	323,259	257,325	493,316	527,003
Local	---	---	---	---	---	---	2,380	2,380	---	2,380	---
Charges for Services	817,193	262,873	1,080,066	654,625	398,758	114,922	4,592,730	5,106,410	4,924,242	6,186,476	5,578,867
Rentals and Concessions	1,263	1,050,449	1,051,712	1,036,561	---	1,054,925	331,064	1,385,989	1,853,661	2,437,701	2,890,222
Interest	295,251	594,131	889,382	683,642	538,581	2,629,481	655,009	3,823,071	3,167,371	4,712,453	3,851,013
Miscellaneous	7,001	66,705	73,706	124,113	24,259	179,072	118,091	321,422	261,729	395,128	385,842
Total Revenues	18,140,806	44,477,616	62,618,422	59,508,031	19,475,112	59,552,655	29,759,280	108,787,047	106,498,596	171,405,469	166,006,627
Expenditures:											
General Government	4,985,152	---	4,985,152	4,949,621	5,609,422	---	---	5,609,422	5,611,371	10,594,574	10,560,992
Planning Department	12,503,437	---	12,503,437	13,067,495	14,024,336	---	---	14,024,336	13,928,468	26,527,773	26,995,963
Park Operation and Maintenance	---	39,019,404	39,019,404	38,060,834	---	41,782,331	---	41,782,331	41,269,238	80,801,735	79,330,072
Recreation Programs	---	---	---	---	---	---	27,750,023	27,750,023	26,884,491	27,750,023	26,884,491
Total Expenditures	17,488,589	39,019,404	56,507,993	56,077,950	19,633,758	41,782,331	27,750,023	89,166,112	87,693,568	145,674,105	143,771,518
Excess of Revenues over (under) Expenditures	652,217	5,458,212	6,110,429	3,430,081	(158,646)	17,770,324	2,009,257	19,620,935	18,805,028	25,731,364	22,235,109
Other Financing Sources (Uses):											
Operating Transfers In	---	145,778	145,778	129,569	---	2,009,231	---	2,009,231	959,376	2,155,009	1,088,945
Operating Transfers Out	---	(3,175,581)	(3,175,581)	(4,023,641)	---	(20,816,016)	(600,000)	(21,416,016)	(11,557,839)	(24,591,597)	(15,581,480)
Total Other Financing Sources (Uses)	---	(3,029,803)	(3,029,803)	(3,894,072)	---	(18,806,785)	(600,000)	(19,406,785)	(10,598,463)	(22,436,588)	(14,492,535)
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses	652,217	2,428,409	3,080,626	(463,991)	(158,646)	(1,036,461)	1,409,257	214,150	8,206,565	3,294,776	7,742,574
Fund Balance, July 1	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
Fund Balance, June 30	\$ 2,806,703	\$ 5,415,591	\$ 8,222,294	\$ 5,141,668	\$ 4,680,554	\$ 37,948,913	\$ 8,320,120	\$ 50,949,587	\$ 50,735,437	\$ 59,171,881	\$ 55,877,105

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



# THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

MONTGOMERY COUNTY

EXHIBIT A-3

## 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, 1998 and 1997

	1998		Variance	1997
	Budget	Actual	Favorable (Unfavorable)	Actual
Revenues:				
Property Taxes	\$ 16,232,840	\$16,826,041	\$ 593,201	\$ 16,375,821
Intergovernmental -				
State	130,000	24,000	(106,000)	63,498
County	165,897	170,057	4,160	269,678
Charges for Services	572,500	818,456	245,956	415,310
Interest	290,000	295,251	5,251	267,048
Miscellaneous	---	7,001	7,001	75,605
Total Revenues	<u>17,391,237</u>	<u>18,140,806</u>	<u>749,569</u>	<u>17,466,960</u>
Expenditures/Encumbrances:				
Commissioners' Office	901,215	878,730	22,485	848,405
Central Administrative Services -				
Department of Human Resources and Management	1,319,700	1,317,377	2,323	1,266,524
Legal	611,085	584,181	26,904	529,139
Finance	1,696,100	1,695,110	990	1,666,830
Support Services	547,135	553,890	(6,755)	409,593
Total Central Administrative Services	<u>4,174,020</u>	<u>4,150,558</u>	<u>23,462</u>	<u>3,872,086</u>
Merit System Board	32,750	29,029	3,721	26,715
Planning Department	12,475,907	12,461,123	14,784	12,942,536
Non-Departmental	---	(19,354)	19,354	(78,100)
Total Expenditures/Encumbrances	<u>17,583,892</u>	<u>17,500,086</u>	<u>83,806</u>	<u>17,611,642</u>
Excess of Revenues over (under)				
Expenditures/Encumbrances	\$ <u>(192,655)</u>	640,720	\$ <u>833,375</u>	(144,682)
Fund Balance - Budget Basis, July 1		762,877		907,559
Fund Balance - Budget Basis, June 30		\$ <u>1,403,597</u>		\$ <u>762,877</u>

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

591,205 Rev  
244,805 F.B.  
512,000



# THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

MONTGOMERY COUNTY

EXHIBIT A-3

## 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, 1998 and 1997

	1998		Variance	1997
	Budget	Actual	Favorable (Unfavorable)	Actual
Revenues:				
Property Taxes	\$ 40,715,150	\$ 42,172,463	\$ 1,457,313	\$ 40,029,468
Intergovernmental -				
Federal	433,935	327,507	(106,428)	249,137
State	3,488	3,488	---	21,488
Charges for Services	133,250	262,873	129,623	240,540
Rentals and Concessions	997,000	1,050,449	53,449	1,035,336
Interest	460,000	594,131	134,131	416,594
Miscellaneous	83,718	66,705	(17,013)	48,508
Total Revenues	<u>42,826,541</u>	<u>44,477,616</u>	<u>1,651,075</u>	<u>42,041,071</u>
Expenditures/Encumbrances:				
Director of Parks	956,490	1,000,023	(43,533)	1,001,289
Management Services	1,200,270	1,125,152	75,118	1,127,174
Park Planning, Engineering and Design	1,336,418	1,410,948	(74,530)	1,545,713
Park Police	8,046,375	8,125,801	(79,426)	7,476,134
Natural Resources	3,822,960	3,867,370	(44,410)	3,680,643
Central Maintenance	7,088,463	6,973,498	114,965	6,489,926
Region I	5,104,545	5,091,544	13,001	5,063,711
Region II	7,433,600	7,342,513	91,087	7,095,853
Property Management	791,750	687,941	103,809	789,540
Support Services	4,020,740	4,200,435	(179,695)	3,936,085
Non-Departmental	---	---	---	(163,716)
Total Expenditures/Encumbrances	<u>39,801,611</u>	<u>39,825,225</u>	<u>(23,614)</u>	<u>38,042,352</u>
Excess of Revenues over (under)				
Expenditures/Encumbrances	<u>3,024,930</u>	<u>4,652,391</u>	<u>1,627,461</u>	<u>3,998,719</u>
Other Financing Sources (Uses):				
Operating Transfers In (Out) -				
Capital Projects Funds - Interest	250,000	145,778	(104,222)	129,569
Debt Service - Park Fund	(3,393,000)	(2,949,581)	443,419	(3,205,641)
Capital Projects Funds - Development	(140,000)	(140,000)	---	(732,000)
Enterprise Fund	(86,000)	(86,000)	---	(86,000)
Total Other Financing Sources (Uses)	<u>(3,369,000)</u>	<u>(3,029,803)</u>	<u>339,197</u>	<u>(3,894,072)</u>
Excess of Revenues and Other Sources				
over (under) Expenditures and Other Uses	<u>\$ (344,070)</u>	<u>1,622,588</u>	<u>\$ 1,966,658</u>	<u>104,647</u>
Fund Balance - Budget Basis, July 1		1,934,648		1,830,001
Fund Balance - Budget Basis, June 30		<u>\$ 3,557,236</u>		<u>\$ 1,934,648</u>

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

71,425,410 Rev.  
(1,028,070) EB  
70,397,340



# 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, 1998 and 1997

	1998		Variance	1997
	Budget	Actual	Favorable (Unfavorable)	Actual
Revenues:				
Property Taxes	\$ 17,836,000	\$ 18,152,088	\$ 316,088	\$ 17,836,924
Intergovernmental -				
Federal	8,009	8,009	---	10,110
State	30,158	30,158	---	---
County	318,729	323,259	4,530	257,325
Charges for Services	315,000	398,758	83,758	379,423
Interest	400,000	538,581	138,581	504,471
Miscellaneous	9,500	24,259	14,759	10,618
Total Revenues	<u>18,917,396</u>	<u>19,475,112</u>	<u>557,716</u>	<u>18,998,871</u>
Expenditures/Encumbrances:				
Commissioners' Office	1,648,448	1,618,583	29,865	1,567,086
Central Administrative Services -				
Department of Human Resources and Management	1,319,700	1,317,377	2,323	1,266,524
Legal	611,085	584,181	26,904	529,139
Finance	1,696,100	1,695,109	991	1,666,831
Support Services	410,000	416,755	(6,755)	409,593
Total Central Administrative Services	<u>4,036,885</u>	<u>4,013,422</u>	<u>23,463</u>	<u>3,872,087</u>
Merit System Board	32,750	29,029	3,721	26,715
Planning Department	14,047,413	13,810,889	236,524	13,358,775
Non-Departmental	---	(306)	306	(64,861)
Total Expenditures/Encumbrances	<u>19,765,496</u>	<u>19,471,617</u>	<u>293,879</u>	<u>18,759,802</u>
Excess of Revenues over (under)				
Expenditures/Encumbrances	\$ <u>(848,100)</u>	3,495	\$ <u>851,595</u>	239,069
Fund Balance - Budget Basis, July 1		2,988,861		2,749,792
Fund Balance - Budget Basis, June 30		\$ <u>2,992,356</u>		\$ <u>2,988,861</u>

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

(571,000) per  
(1,502,194) F.B.  
(2,000,000) FY 99 amend

7/19/92, M.K., 200,000



# THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

PRINCE GEORGE'S COUNTY

## GENERAL FUND

EXHIBIT A-3

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, 1998 and 1997

	1998		Variance Favorable (Unfavorable)	1997
	Budget	Actual		Actual
Revenues:				
Property Taxes	\$ 53,827,000	\$ 55,568,729	\$ 1,741,729	\$ 54,577,505
Intergovernmental -				
Federal	40,000	5,526	(34,474)	16,350
State	50,000	---	(50,000)	285
Charges for Services	104,000	114,922	10,922	90,702
Rentals and Concessions	1,405,500	1,054,925	(350,575)	1,534,675
Interest	1,500,000	2,629,481	1,129,481	2,120,994
Miscellaneous	79,160	179,072	99,912	132,686
Total Revenues	<u>57,005,660</u>	<u>59,552,655</u>	<u>2,546,995</u>	<u>58,473,197</u>
Expenditures/Encumbrances:				
Director's Office	2,309,933	2,361,571	(51,638)	1,891,786
Park Police	8,732,205	8,868,909	(136,704)	7,981,593
Support Services	4,894,936	4,597,324	297,612	4,683,317
Child Care/Special Projects	37,750	35,375	2,375	34,052
Park Permits	164,853	178,027	(13,174)	151,158
Sports/Athletic/Outreach Program	500,000	547,117	(47,117)	---
Facility Operations -				
Associate Director	318,306	310,748	7,558	277,936
Design and Engineering	2,784,423	2,602,970	181,453	2,558,585
Maintenance and Development	12,262,565	12,119,064	143,501	11,598,551
Property Management	1,392,162	1,220,573	171,589	1,035,834
Total Facility Operations	<u>16,757,456</u>	<u>16,253,355</u>	<u>504,101</u>	<u>15,470,906</u>
Area Operations -				
Northern Area	3,732,855	3,581,951	150,904	3,561,355
Central Area	3,385,411	3,232,463	152,948	3,157,915
Southern Area	2,794,781	2,896,476	(101,695)	2,685,415
Natural and Historical Resources	1,212,163	1,106,732	105,431	759,992
Total Area Operations	<u>11,125,210</u>	<u>10,817,622</u>	<u>307,588</u>	<u>10,164,677</u>
Non-Departmental	841,612	618,631	222,981	472,253
Total Expenditures/Encumbrances	<u>45,363,955</u>	<u>44,277,931</u>	<u>1,086,024</u>	<u>40,849,742</u>
Excess of Revenues over (under) Expenditures/Encumbrances	<u>11,641,705</u>	<u>15,274,724</u>	<u>3,633,019</u>	<u>17,623,455</u>
Other Financing Sources (Uses):				
Operating Transfers In (Out) -				
Capital Projects Funds - Interest	1,000,000	2,009,231	1,009,231	959,376
Debt Service - Park Fund	(11,955,000)	(11,955,000)	---	(8,262,064)
Risk Management	---	(1,200,000)	(1,200,000)	---
Advanced Land Acquisition	(220,000)	(220,000)	---	---
Enterprise Fund	(2,200,535)	(2,200,535)	---	(2,330,017)
Capital Projects Funds - Development	(2,611,000)	(5,240,481)	(2,629,481)	(878,250)
Total Other Financing Sources (Uses)	<u>(15,986,535)</u>	<u>(18,806,785)</u>	<u>(2,820,250)</u>	<u>(10,510,955)</u>
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses	<u>\$ (4,344,830)</u>	<u>(3,532,061)</u>	<u>\$ 812,769</u>	<u>7,112,500</u>
Fund Balance - Budget Basis, July 1		35,687,362		28,574,862
Fund Balance - Budget Basis, June 30		<u>\$ 32,155,301</u>		<u>\$ 35,687,362</u>

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

(21,667,644) net.  
(4,251,646) EB  
6,236,611



THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

PRINCE GEORGE'S COUNTY

EXHIBIT A-3

GENERAL FUND

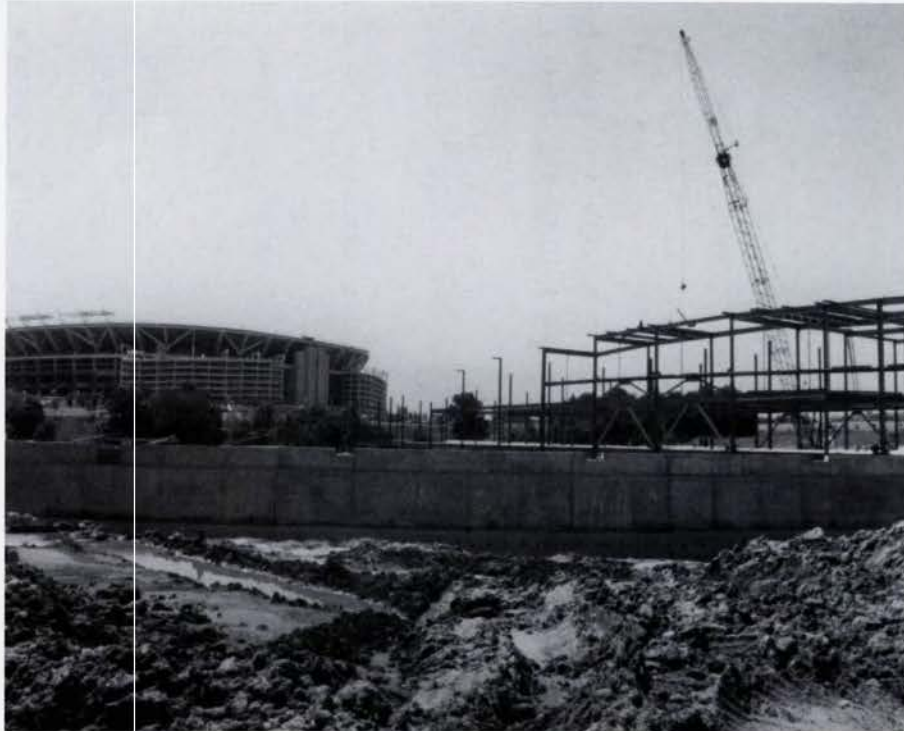
Comparative Schedule of Revenues, Expenditures/Encumbrances, and  
Changes in Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual - RECREATION ACCOUNT  
For the Fiscal Years Ended June 30, 1998 and 1997

	1998		Variance Favorable (Unfavorable)	1997
	Budget	Actual		Actual
Revenues:				
Property Taxes	\$ 23,374,000	\$ 23,766,920	\$ 392,920	\$ 23,369,859
Intergovernmental -				
Federal	7,920	7,920	---	900
State	285,166	285,166	---	222,335
County	---	2,380	2,380	---
Charges for Services	4,422,554	4,592,730	170,176	4,454,117
Rentals and Concessions	279,300	331,064	51,764	318,986
Interest	400,000	655,009	255,009	541,906
Miscellaneous	135,546	118,091	(17,455)	118,425
Total Revenues	<u>28,904,486</u>	<u>29,759,280</u>	<u>854,794</u>	<u>29,026,528</u>
Expenditures/Encumbrances:				
Director's Office	155,315	136,556	18,759	134,774
Area Operations -				
Associate Director	306,854	319,640	(12,786)	241,852
Child Care	1,689,866	1,856,533	(166,667)	1,828,353
Northern Area	4,987,120	4,992,280	(5,160)	4,257,628
Central Area	3,623,342	3,529,684	93,658	3,788,796
Southern Area	3,600,700	3,461,475	139,225	3,112,023
Total Area Operations	<u>14,207,882</u>	<u>14,159,612</u>	<u>48,270</u>	<u>13,228,652</u>
Countywide Operations -				
Natural and Historical Resources	2,450,807	2,405,557	45,250	2,421,706
Special Populations	1,317,349	1,317,695	(346)	1,189,361
Sports/Athletics	2,424,740	2,401,241	23,499	2,304,057
Arts	2,583,219	2,656,536	(73,317)	2,503,169
Aquatics	2,691,077	2,779,890	(88,813)	2,955,526
Total Countywide Operations	<u>11,467,192</u>	<u>11,560,919</u>	<u>(93,727)</u>	<u>11,373,819</u>
Support Services	2,323,049	2,214,537	108,512	2,162,505
Non-Departmental	596,562	12,948	583,614	223,750
Total Expenditures/Encumbrances	<u>28,750,000</u>	<u>28,084,572</u>	<u>665,428</u>	<u>27,123,500</u>
Excess of Revenues over (under) Expenditures/Encumbrances	<u>154,486</u>	<u>1,674,708</u>	<u>1,520,222</u>	<u>1,903,028</u>
Other Financing Sources (Uses):				
Operating Transfers In (Out) -				
Risk Management	---	(600,000)	(600,000)	(87,508)
Total Other Financing Sources (Uses)	<u>---</u>	<u>(600,000)</u>	<u>(600,000)</u>	<u>(87,508)</u>
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses	<u>\$ 154,486</u>	<u>1,074,708</u>	<u>\$ 920,222</u>	<u>1,815,520</u>
Fund Balance - Budget Basis, July 1		5,528,954		3,713,434
Fund Balance - Budget Basis, June 30		<u>\$ 6,603,662</u>		<u>\$ 5,528,954</u>

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

(147,228) Rec  
(1392,547) FB  
2463887





Construction proceeds on the Prince George's Sports and Learning Complex, adjacent to Jack Kent Cooke Stadium.

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## DEBT SERVICE FUNDS

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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.

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### *Park Debt Service Funds*

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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.

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### *Advance Land Acquisition Debt Service Funds*

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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, 1998

	MONTGOMERY COUNTY				PRINCE GEORGE'S COUNTY				TOTALS	
			Totals				Totals			
	Park	Advance Land Acquisition	June 30, 1998	June 30, 1997	Park	Advance Land Acquisition	June 30, 1998	June 30, 1997	June 30, 1998	June 30, 1997
<b>ASSETS</b>										
Equity in Pooled Cash and Investments	\$ 1,660	\$ ---	\$ 1,660	\$ ---	\$ 274,780	\$ ---	\$ 274,780	\$ 128,835	\$ 276,440	\$ 128,835
Total Current Assets	\$ 1,660	\$ ---	\$ 1,660	\$ ---	\$ 274,780	\$ ---	\$ 274,780	\$ 128,835	\$ 276,440	\$ 128,835
<b>LIABILITIES AND FUND BALANCES</b>										
Liabilities:										
Deposits	\$ ---	\$ ---	\$ ---	\$ ---	\$ ---	\$ ---	\$ ---	\$ 128,835	\$ ---	\$ 128,835
Accounts Payable	1,660	---	1,660	---	---	---	---	---	1,660	---
Total Current Liabilities	1,660	---	1,660	---	---	---	---	128,835	1,660	128,835
Fund Balances:										
Reserved for Debt Service	---	---	---	---	274,780	---	274,780	---	274,780	---
Total Fund Balances	---	---	---	---	274,780	---	274,780	---	274,780	---
Total Liabilities and Fund Balances	\$ 1,660	\$ ---	\$ 1,660	\$ ---	\$ 274,780	\$ ---	\$ 274,780	\$ 128,835	\$ 276,440	\$ 128,835

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



# 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, 1998

	MONTGOMERY COUNTY				PRINCE GEORGE'S COUNTY				TOTALS	
			Totals				Totals			
			Year Ended				Year Ended			
	Advance Land	June 30,	June 30,		Advance Land	June 30,	June 30,		June 30,	June 30,
Park	Acquisition	1998	1997		Park	Acquisition	1998	1997	1998	1997
Revenues:										
Property Taxes	\$ ---	\$ 1,272,269	\$ 1,272,269	\$ 1,207,523	\$ ---	\$ 1,050,561	\$ 1,050,561	\$ 1,032,362	\$ 2,322,830	\$ 2,239,885
Interest Revenue	---	---	---	---	---	---	---	53,049	---	53,049
Total Revenues	---	1,272,269	1,272,269	1,207,523	---	1,050,561	1,050,561	1,085,411	2,322,830	2,292,934
Expenditures:										
Principal Retirement	1,600,000	305,000	1,905,000	2,370,000	5,250,000	230,000	5,480,000	4,685,000	7,385,000	7,055,000
Interest	1,340,841	335,854	1,676,695	1,787,569	6,082,592	211,781	6,294,373	4,303,838	7,971,068	6,091,407
Fiscal Charges	8,740	5,186	13,926	23,411	67,450	10,483	77,933	38,322	91,859	61,733
Total Expenditures	2,949,581	646,040	3,595,621	4,180,980	11,400,042	452,264	11,852,306	9,027,160	15,447,927	13,208,140
Excess of Revenues over (under) Expenditures	(2,949,581)	626,229	(2,323,352)	(2,973,457)	(11,400,042)	598,297	(10,801,745)	(7,941,749)	(13,125,097)	(10,915,206)
Other Financing Sources (Uses):										
Proceeds of Refunding Bonds	---	---	---	---	7,325,000	---	7,325,000	---	7,325,000	---
Payment to Refunded Bond Escrow Agent	---	---	---	---	(7,605,178)	---	(7,605,178)	---	(7,605,178)	---
Operating Transfers In (Out) -										
Park Funds	2,949,581	---	2,949,581	3,205,641	11,955,000	---	11,955,000	8,262,064	14,904,581	11,467,705
Expendable Trust Funds	---	(626,229)	(626,229)	(255,182)	---	(598,297)	(598,297)	(476,220)	(1,224,526)	(731,402)
Total Other Financing Sources (Uses)	2,949,581	(626,229)	2,323,352	2,950,459	11,674,822	(598,297)	11,076,525	7,785,844	13,399,877	10,736,303
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses	---	---	---	(22,998)	274,780	---	274,780	(155,905)	274,780	(178,903)
Fund Balances, July 1	---	---	---	22,998	---	---	---	155,905	---	178,903
Fund Balances, June 30	\$ ---	\$ ---	\$ ---	\$ ---	\$ 274,780	\$ ---	\$ 274,780	\$ ---	\$ 274,780	\$ ---

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





Brookside Gardens Visitors Center was made possible by a bequest from Elizabeth Turner.

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## CAPITAL PROJECTS FUNDS

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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, 1998

	MONTGOMERY COUNTY		PRINCE GEORGE'S COUNTY		TOTALS	
	Totals		Totals			
	June 30, 1998	June 30, 1997	June 30, 1998	June 30, 1997	June 30, 1998	June 30, 1997
<b>ASSETS</b>						
Equity in Pooled Cash and Investments	\$ ---	\$ 3,120,847	\$ 43,098,223	\$ 31,296,058	\$ 43,098,223	\$ 34,416,905
Accounts Receivable	---	---	1,048,966	1,194,789	1,048,966	1,194,789
Due from County Government	732,965	1,673,636	501,674	233	1,234,639	1,673,869
Due from Other Governments	2,352,630	1,169,780	1,607,767	4,094,489	3,960,397	5,264,269
Total Current Assets	<u>\$ 3,085,595</u>	<u>\$ 5,964,263</u>	<u>\$ 46,256,630</u>	<u>\$ 36,585,569</u>	<u>\$ 49,342,225</u>	<u>\$ 42,549,832</u>
<b>LIABILITIES AND FUND BALANCES</b>						
Liabilities:						
Accounts Payable	\$ 616,781	\$ 1,161,426	\$ 350,858	\$ 756,828	\$ 967,639	\$ 1,918,254
Contract Retainages	490,910	1,056,233	1,040,529	1,571,160	1,531,439	2,627,393
Due To Other Funds	666,491	---	---	---	666,491	---
Total Current Liabilities	<u>1,774,182</u>	<u>2,217,659</u>	<u>1,391,387</u>	<u>2,327,988</u>	<u>3,165,569</u>	<u>4,545,647</u>
Fund Balances:						
Reserved for Encumbrances	1,311,413	3,746,604	24,509,497	3,877,638	25,820,910	7,624,242
Unreserved -						
Designated for Projects	---	---	20,355,746	30,379,943	20,355,746	30,379,943
Total Fund Balances	<u>1,311,413</u>	<u>3,746,604</u>	<u>44,865,243</u>	<u>34,257,581</u>	<u>46,176,656</u>	<u>38,004,185</u>
Total Liabilities and Fund Balances	<u>\$ 3,085,595</u>	<u>\$ 5,964,263</u>	<u>\$ 46,256,630</u>	<u>\$ 36,585,569</u>	<u>\$ 49,342,225</u>	<u>\$ 42,549,832</u>

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



# THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

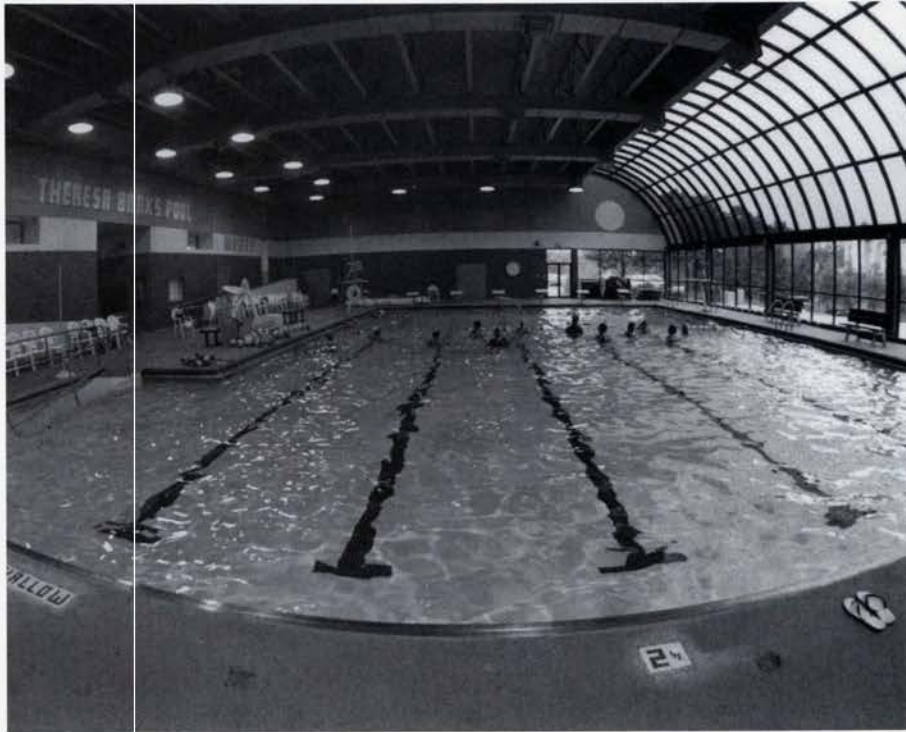
EXHIBIT C-2

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - CAPITAL PROJECTS FUNDS  
For the Fiscal Year Ended June 30, 1998

	MONTGOMERY COUNTY		PRINCE GEORGE'S COUNTY		TOTALS	
	Totals		Totals		Totals	
	Year Ended		Year Ended		Year Ended	
	June 30, 1998	June 30, 1997	June 30, 1998	June 30, 1997	June 30, 1998	June 30, 1997
Revenues:						
Intergovernmental -						
Federal	\$ ----	\$ 263,627	\$ 370,470	\$ 1,987,329	\$ 370,470	\$ 2,250,956
State	2,387,341	1,869,606	1,092,379	2,621,722	3,479,720	4,491,328
County	3,710,161	3,917,592	---	243,704	3,710,161	4,161,296
Local	175,172	---	---	---	175,172	---
Interest	145,778	129,569	2,009,231	959,376	2,155,009	1,088,945
Sale of Land	---	---	234,117	4,134,737	234,117	4,134,737
Miscellaneous	1,200	37,360	313,659	1,406,208	314,859	1,443,568
Total Revenues	<u>6,419,652</u>	<u>6,217,754</u>	<u>4,019,856</u>	<u>11,353,076</u>	<u>10,439,508</u>	<u>17,570,830</u>
Expenditures:						
Park Acquisition	1,364,879	503,638	2,395,796	1,135,545	3,760,675	1,639,183
Park Development	7,896,284	11,815,411	15,247,648	13,015,777	23,143,932	24,831,188
Total Expenditures	<u>9,261,163</u>	<u>12,319,049</u>	<u>17,643,444</u>	<u>14,151,322</u>	<u>26,904,607</u>	<u>26,470,371</u>
Excess of Revenues Over (under) Expenditures	<u>(2,841,511)</u>	<u>(6,101,295)</u>	<u>(13,623,588)</u>	<u>(2,798,246)</u>	<u>(16,465,099)</u>	<u>(8,899,541)</u>
Other Financing Sources (Uses):						
Proceeds of General Obligation Bonds	---	---	21,000,000	33,000,000	21,000,000	33,000,000
Operating Transfers In (Out) -						
General Fund - Park Account, Operating Interest	---	---	2,629,481	---	2,629,481	---
Internal Service Fund - Risk Management	---	---	---	500,000	---	500,000
General Fund - Park Account, Development	140,000	732,000	2,611,000	878,250	2,751,000	1,610,250
Expendable Trust Funds	412,098	1,015,207	---	814,554	412,098	1,829,761
General Fund - Park Account, Interest	(145,778)	(129,569)	(2,009,231)	(959,376)	(2,155,009)	(1,088,945)
Total Other Financing Sources (Uses)	<u>406,320</u>	<u>1,617,638</u>	<u>24,231,250</u>	<u>34,233,428</u>	<u>24,637,570</u>	<u>35,851,066</u>
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses	<u>(2,435,191)</u>	<u>(4,483,657)</u>	<u>10,607,662</u>	<u>31,435,182</u>	<u>8,172,471</u>	<u>26,951,525</u>
Fund Balances, July 1	<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>
Fund Balances, June 30	<u>\$ 1,311,413</u>	<u>\$ 3,746,604</u>	<u>\$ 44,865,243</u>	<u>\$ 34,257,581</u>	<u>\$ 46,176,656</u>	<u>\$ 38,004,185</u>

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





Theresa Banks pool provides recreational opportunities and swimming instruction year round.

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## ENTERPRISE FUNDS

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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, 1998

	MONTGOMERY COUNTY		PRINCE GEORGE'S COUNTY		TOTALS	
	Recreational and Cultural Facilities		Recreational and Cultural Facilities			
	Totals		Totals			
	June 30, 1998	June 30, 1997	June 30, 1998	June 30, 1997	June 30, 1998	June 30, 1997
<b>Assets</b>						
Current Assets:						
Equity in Pooled Cash and Investments	\$ 10,704,829	\$ 7,095,389	\$ 617,539	\$ 493,578	\$ 11,322,368	\$ 7,588,967
Accounts Receivable	6,189	2,569	113,080	84,648	119,269	87,217
Inventories, at Cost	707,527	619,125	533,386	589,323	1,240,913	1,208,448
Total Current Assets	<u>11,418,545</u>	<u>7,717,083</u>	<u>1,264,005</u>	<u>1,167,549</u>	<u>12,682,550</u>	<u>8,884,632</u>
Fixed Assets, at Cost:						
Land	8,632,328	8,632,328	5,684,643	5,684,643	14,316,971	14,316,971
Buildings	8,893,909	8,448,408	19,596,264	19,596,264	28,490,173	28,044,672
Improvements Other Than Buildings	1,571,684	1,523,177	7,193,975	7,193,974	8,765,659	8,717,151
Machinery and Equipment	3,313,608	5,045,690	2,542,714	4,195,332	5,856,322	9,241,022
Construction in Progress	2,889,437	2,071,265	---	---	2,889,437	2,071,265
	<u>25,300,966</u>	<u>25,720,868</u>	<u>35,017,596</u>	<u>36,670,213</u>	<u>60,318,562</u>	<u>62,391,081</u>
Less - Accumulated Depreciation	(4,856,491)	(5,557,539)	(7,366,168)	(7,961,786)	(12,222,659)	(13,519,325)
Net Fixed Assets	<u>20,444,475</u>	<u>20,163,329</u>	<u>27,651,428</u>	<u>28,708,427</u>	<u>48,095,903</u>	<u>48,871,756</u>
Total Assets	<u>\$ 31,863,020</u>	<u>\$ 27,880,412</u>	<u>\$ 28,915,433</u>	<u>\$ 29,875,976</u>	<u>\$ 60,778,453</u>	<u>\$ 57,756,388</u>
<b>Liabilities and Equity</b>						
Current Liabilities:						
Current Portion of Bonds Payable	\$ 265,000	\$ 160,000	\$ ---	\$ ---	\$ 265,000	\$ 160,000
Current Portion of Notes Payable	118,398	210,687	---	---	118,398	210,687
Accounts Payable	349,769	205,867	178,296	137,994	528,065	343,861
Accrued Salaries and Benefits	171,388	74,792	155,446	61,767	326,834	136,559
Accrued Leave	322,573	295,453	291,416	345,087	613,989	640,540
Interest Payable	103,135	92,090	---	---	103,135	92,090
Due to Other Governments	---	34	---	---	---	34
Revenue Collected in Advance	271,363	215,278	81,260	94,610	352,623	309,888
Total Current Liabilities	<u>1,601,626</u>	<u>1,254,201</u>	<u>706,418</u>	<u>639,458</u>	<u>2,308,044</u>	<u>1,893,659</u>
Revenue Bonds Payable - Net of Current Portion	4,026,118	4,305,000	---	---	4,026,118	4,305,000
Revenue Notes Payable - Net of Current Portion	3,600,000	---	---	---	3,600,000	---
Notes Payable - Net of Current Portion	123,726	242,123	---	---	123,726	242,123
Advanced from Advance Land Acquisition Fund	---	---	1,734,875	1,734,875	1,734,875	1,734,875
Total Liabilities	<u>9,351,470</u>	<u>5,801,324</u>	<u>2,441,293</u>	<u>2,374,333</u>	<u>11,792,763</u>	<u>8,175,657</u>
Equity:						
Contributed Capital	4,876,936	4,876,936	25,920,178	26,148,744	30,797,114	31,025,680
Retained Earnings (Deficit)	17,634,614	17,202,152	553,962	1,352,899	18,188,576	18,555,051
Total Equity	<u>22,511,550</u>	<u>22,079,088</u>	<u>26,474,140</u>	<u>27,501,643</u>	<u>48,985,690</u>	<u>49,580,731</u>
Total Liabilities and Equity	<u>\$ 31,863,020</u>	<u>\$ 27,880,412</u>	<u>\$ 28,915,433</u>	<u>\$ 29,875,976</u>	<u>\$ 60,778,453</u>	<u>\$ 57,756,388</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, 1998

	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, 1998	June 30, 1997	June 30, 1998	June 30, 1997	June 30, 1998	June 30, 1997
Operating Revenues:						
Sales	\$ 1,298,188	\$ 1,154,423	\$ 1,418,861	\$ 1,324,360	\$ 2,717,049	\$ 2,478,783
Charges for Services	8,040,221	7,172,753	2,296,235	2,181,860	10,336,456	9,354,613
Rentals and Concessions	1,936,597	1,874,807	1,557,106	1,601,124	3,493,703	3,475,931
Total Operating Revenues	11,275,006	10,201,983	5,272,202	5,107,344	16,547,208	15,309,327
Operating Expenses:						
Cost of Goods Sold	782,274	714,923	940,538	854,310	1,722,812	1,569,233
Personal Services	4,483,507	4,309,236	3,338,506	3,253,205	7,822,013	7,562,441
Supplies and Materials	1,248,430	912,285	947,372	891,409	2,195,802	1,803,694
Communications	86,967	102,900	236,647	249,534	323,614	352,434
Utilities	492,677	430,875	278,012	269,718	770,689	700,593
Maintenance	177,112	246,190	341,416	276,948	518,528	523,138
Contractual Services	858,409	727,297	365,490	316,951	1,223,899	1,044,248
Other Services and Charges	211,717	155,409	291,213	237,746	502,930	393,155
Administrative Charges	1,037,703	993,702	547,828	569,020	1,585,531	1,562,722
Depreciation	1,534,613	754,372	1,256,252	1,015,755	2,790,865	1,770,127
Total Operating Expenses	10,913,409	9,347,189	8,543,274	7,934,596	19,456,683	17,281,785
Operating Income (Loss)	361,597	854,794	(3,271,072)	(2,827,252)	(2,909,475)	(1,972,458)
Nonoperating Revenues (Expenses) -						
Interest Income	551,194	418,430	43,034	38,192	594,228	456,622
Interest Expense	(566,329)	(398,103)	---	---	(566,329)	(398,103)
Total Nonoperating Revenues (Expenses)	(15,135)	20,327	43,034	38,192	27,899	58,519
Income (Loss) Before Operating Transfers	346,462	875,121	(3,228,038)	(2,789,060)	(2,881,576)	(1,913,939)
Operating Transfers In (Out) -						
General Fund - Park Account	86,000	86,000	2,200,535	2,330,017	2,286,535	2,416,017
Net Operating Transfers	86,000	86,000	2,200,535	2,330,017	2,286,535	2,416,017
Net Income (Loss)	432,462	961,121	(1,027,503)	(459,043)	(595,041)	502,078
Add Depreciation Charge to Contributed Capital	---	---	228,566	228,566	228,566	228,566
Net Increase (Decrease) In Retained Earnings	432,462	961,121	(798,937)	(230,477)	(366,475)	730,644
Retained Earnings (Deficit), July 1	17,202,152	16,241,031	1,352,899	1,583,376	18,555,051	17,824,407
Retained Earnings (Deficit), June 30	\$ 17,634,614	\$ 17,202,152	\$ 553,962	\$ 1,352,899	\$ 18,188,576	\$ 18,555,051

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, 1998

	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, 1998	June 30, 1997	June 30, 1998	June 30, 1997	June 30, 1998	June 30, 1997
Cash Flows from Operating Activities:						
Operating Income (Loss)	\$ 361,597	\$ 854,794	\$ (3,271,072)	\$ (2,827,252)	\$ (2,909,475)	\$ (1,972,458)
Adjustments to Reconcile Operating Income (Loss) to						
Net Cash Provided (Used) by Operating Activities:						
Depreciation	1,534,613	754,372	1,256,252	1,015,755	2,790,865	1,770,127
Changes in Assets and Liabilities:						
(Increase) Decrease in Accounts Receivable	(3,620)	3,270	(28,432)	(35,653)	(32,052)	(32,383)
(Increase) Decrease in Inventories, at Cost	(88,402)	3,929	55,937	31,963	(32,465)	35,892
(Increase) Decrease in Deposits and Other	---	8,208	---	700	---	8,908
Increase (Decrease) in Accounts Payable	143,902	(10,139)	40,302	(22,626)	184,204	(32,765)
Increase (Decrease) in Accrued Salaries and Benefits	96,596	(43,582)	93,679	(63,459)	190,275	(107,041)
Increase (Decrease) in Accrued Leave	27,120	26,552	(53,671)	(28,992)	(26,551)	(2,440)
Increase (Decrease) in Interest Payable	11,045	(3,094)	---	---	11,045	(3,094)
Increase (Decrease) in Due to Other Governments	(88)	(160)	---	---	(88)	(160)
Increase (Decrease) in Revenue Collected in Advance	56,139	(18,054)	(13,351)	(17,414)	42,788	(35,468)
Net Cash Provided (Used) by Operating Activities	2,138,902	1,576,096	(1,920,356)	(1,946,978)	218,546	(370,882)
Cash Flows from Noncapital Financing Activities:						
Operating Transfers In from Other Funds	86,000	86,000	2,200,535	2,330,017	2,286,535	2,416,017
Net Cash Provided (Used) by Noncapital						
Financing Activities	86,000	86,000	2,200,535	2,330,017	2,286,535	2,416,017
Cash Flows from Capital and Related Financing Activities:						
Acquisition of Fixed Assets	(1,815,760)	(2,392,253)	(199,252)	(198,369)	(2,015,012)	(2,590,622)
Principal Paid on Notes Payable	(210,685)	(208,057)	---	---	(210,685)	(208,057)
Principal Paid on Revenue Bonds	(160,000)	(150,000)	---	---	(160,000)	(150,000)
Interest Paid	(566,329)	(398,103)	---	---	(566,329)	(398,103)
Payment of Refunded Revenue Bonds	(4,305,000)	---	---	---	(4,305,000)	---
Proceeds from Financing - Revenue Bonds - net	4,291,118	---	---	---	4,291,118	---
Proceeds from Financing -Revenue Notes	3,600,000	---	---	---	3,600,000	---
Net Cash Provided (Used) by Capital and Related						
Financing Activities	833,344	(3,148,413)	(199,252)	(198,369)	634,092	(3,346,782)
Cash Flows from Investing Activities:						
Interest on Restricted Investments	91,646	32,299	---	---	91,646	32,299
Interest on Investments	459,548	386,131	43,034	38,192	502,582	424,323
Net Cash Provided (Used) by Investing Activities	551,194	418,430	43,034	38,192	594,228	456,622
Net Increase (Decrease) in Cash and Cash Equivalents	3,609,440	(1,067,887)	123,961	222,862	3,733,401	(845,025)
Cash and Cash Equivalents, July 1	7,095,389	8,163,276	493,578	270,716	7,588,967	8,433,992
Cash and Cash Equivalents, June 30	\$ 10,704,829	\$ 7,095,389	\$ 617,539	\$ 493,578	\$ 11,322,368	\$ 7,588,967

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





Oakley Cabin was home to slaves and tenant farmers during the 19th century.

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## INTERNAL SERVICE FUNDS

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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.

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### *Capital Equipment Funds*

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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.

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### *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, 1998

	MONTGOMERY COUNTY					PRINCE GEORGE'S COUNTY					TOTALS	
	TOTALS					TOTALS					TOTALS	
	Capital Equipment	Employee Benefits	Risk Management	June 30, 1998	June 30, 1997	Capital Equipment	Employee Benefits	Risk Management	June 30, 1998	June 30, 1997	June 30, 1998	June 30, 1997
<b>ASSETS</b>												
Current Assets:												
Equity in Pooled Cash and Investments	\$ ---	\$ 7,550,307	\$ 4,037,577	\$ 11,587,884	\$ 10,325,460	\$ 75,425	\$ 7,274,298	\$ 5,725,349	\$ 13,075,072	\$ 11,141,143	\$ 24,662,956	\$ 21,466,603
Accounts Receivable	2,477	---	430	2,907	2,477	---	---	430	430	---	3,337	2,477
Due from Other Funds	---	---	1,452,587	1,452,587	687,374	---	---	---	---	---	1,452,587	687,374
Due from County Government	---	---	60,133	60,133	78,428	---	---	60,134	60,134	78,428	120,267	156,856
Deposits and Other	---	---	9,806	9,806	651,637	---	---	9,806	9,806	651,637	19,612	1,303,274
Total Current Assets	2,477	7,550,307	5,560,533	13,113,317	11,745,376	75,425	7,274,298	5,795,719	13,145,442	11,871,208	26,258,759	23,616,584
Fixed Assets, at Cost:												
Land	---	---	---	---	---	748,497	---	---	748,497	748,497	748,497	748,497
Buildings	102,469	---	---	102,469	102,469	2,676,191	---	---	2,676,191	2,680,229	2,778,660	2,782,698
Machinery and Equipment	11,120,228	---	18,294	11,138,522	18,345,117	751,013	---	18,295	769,308	1,189,810	11,907,830	19,534,927
Less-Accumulated Depreciation	(5,915,526)	---	(15,402)	(5,930,928)	(13,356,029)	(1,095,273)	---	(15,403)	(1,110,676)	(1,290,559)	(7,041,604)	(14,646,588)
Net Fixed Assets	5,307,171	---	2,892	5,310,063	5,091,557	3,080,428	---	2,892	3,083,320	3,327,977	8,393,383	8,419,534
Total Assets	\$ 5,309,648	\$ 7,550,307	\$ 5,563,425	\$ 18,423,380	\$ 16,836,933	\$ 3,155,853	\$ 7,274,298	\$ 5,798,611	\$ 16,228,762	\$ 15,199,185	\$ 34,652,142	\$ 32,036,118
<b>LIABILITIES AND EQUITY</b>												
Current Liabilities:												
Current Portion of Notes Payable	\$ 839,745	\$ ---	\$ ---	\$ 839,745	\$ 803,584	\$ 90,421	\$ ---	\$ ---	\$ 90,421	\$ 211,134	\$ 930,166	\$ 1,014,718
Accounts Payable	237,362	22,026	1,463	260,851	343,154	20,538	22,026	1,321	43,885	250,583	304,736	593,737
Claims Payable	---	---	1,441,528	1,441,528	1,417,000	---	---	2,244,172	2,244,172	1,820,037	3,685,700	3,237,037
Accrued Salaries and Benefits	---	129,173	9,799	138,972	18,400	5,299	173,809	9,800	188,908	20,874	327,880	39,274
Accrued Leave	---	700,000	19,535	719,535	729,696	6,816	836,000	19,535	862,351	867,501	1,581,886	1,597,197
Estimate of Incurred but Unreported Claims	---	826,795	975,436	1,802,231	1,921,863	---	826,795	1,518,564	2,345,359	2,259,157	4,147,590	4,181,020
Due to Other Funds	1,452,587	---	---	1,452,587	687,374	---	---	---	---	---	1,452,587	687,374
Total Current Liabilities	2,529,694	1,677,994	2,447,761	6,655,449	5,921,071	123,074	1,858,630	3,793,392	5,775,096	5,429,286	12,430,545	11,350,357
Notes Payable - Net of Current Portion	877,533	---	---	877,533	1,717,278	1,982,005	---	---	1,982,005	2,072,426	2,859,538	3,789,704
Total Liabilities	3,407,227	1,677,994	2,447,761	7,532,982	7,638,349	2,105,079	1,858,630	3,793,392	7,757,101	7,501,712	15,290,083	15,140,061
Equity:												
Contributed Capital	525,128	---	---	525,128	525,128	4,860	---	---	4,860	4,860	529,988	529,988
Retained Earnings -												
Reserved for Contingency	---	5,872,313	777,000	6,649,313	5,358,162	---	5,415,668	1,131,000	6,546,668	5,975,191	13,195,981	11,333,353
Unreserved	1,377,293	---	2,338,664	3,715,957	3,315,294	1,045,914	---	874,219	1,920,133	1,717,422	5,636,090	5,032,716
Total Retained Earnings	1,377,293	5,872,313	3,115,664	10,365,270	8,673,456	1,045,914	5,415,668	2,005,219	8,466,801	7,692,613	18,832,071	16,366,069
Total Equity	1,902,421	5,872,313	3,115,664	10,890,398	9,198,584	1,050,774	5,415,668	2,005,219	8,471,661	7,697,473	19,362,059	16,896,057
Total Liabilities and Equity	\$ 5,309,648	\$ 7,550,307	\$ 5,563,425	\$ 18,423,380	\$ 16,836,933	\$ 3,155,853	\$ 7,274,298	\$ 5,798,611	\$ 16,228,762	\$ 15,199,185	\$ 34,652,142	\$ 32,036,118

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, 1998

	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, 1998	June 30, 1997				June 30, 1998	June 30, 1997	June 30, 1998	June 30, 1997
Operating Revenues:												
Charges for Services	\$ 1,824,563	\$ 11,314,121	\$ 905,000	\$ 14,043,684	\$ 14,148,109	\$ 717,409	\$ 12,117,495	\$ 1,100,000	\$ 13,934,904	\$ 14,445,076	\$ 27,978,588	\$ 28,593,185
Claim Recoveries	---	---	78,076	78,076	113,400	---	---	89,410	89,410	80,201	167,486	193,601
Total Operating Revenues	1,824,563	11,314,121	983,076	14,121,760	14,261,509	717,409	12,117,495	1,189,410	14,024,314	14,525,277	28,146,074	28,786,786
Operating Expenses:												
Personal Services	---	3,691,590	197,703	3,889,293	3,775,983	109,369	4,608,861	197,716	4,915,946	5,108,572	8,805,239	8,884,555
Supplies and Materials	245,218	6,086	16,066	267,370	16,255	46,658	6,086	17,344	70,088	64,556	337,458	80,811
Contractual Services - Montgomery County Self												
Insurance Fund, Net	---	---	463,527	463,527	472,119	---	---	2,489,641	2,489,641	2,225,197	2,953,168	2,697,316
Other	---	7,173	---	7,173	8,227	---	7,173	---	7,173	44,823	14,346	53,050
Claims Incurred	---	2,998,671	---	2,998,671	2,779,219	---	2,998,671	5,573	3,004,244	2,779,219	6,002,915	5,558,438
Insurance	---	3,672,489	---	3,672,489	3,504,552	---	3,672,489	35,967	3,708,456	3,504,552	7,380,945	7,009,104
Other Services and Charges	21,000	41,799	224,036	286,835	290,738	409,040	41,799	628,682	1,079,521	576,412	1,366,356	867,150
Depreciation	1,325,529	---	9,661	1,335,190	1,415,405	235,679	---	8,978	244,657	238,506	1,579,847	1,653,911
Total Operating Expenses	1,591,747	10,417,808	910,993	12,920,548	12,262,498	800,746	11,335,079	3,383,901	15,519,726	14,541,837	28,440,274	26,804,335
Operating Income (Loss)	232,816	896,313	72,083	1,201,212	1,999,011	(83,337)	782,416	(2,194,491)	(1,495,412)	(16,560)	(294,200)	1,982,451
Nonoperating Revenues (Expenses) -												
Interest Income	8,405	302,838	265,678	576,921	702,890	16,664	311,981	304,962	633,607	619,413	1,210,528	1,322,303
Interest Expense	(86,319)	---	---	(86,319)	(125,919)	(164,007)	---	---	(164,007)	(177,726)	(250,326)	(303,645)
Total Nonoperating Revenues (Expenses)	(77,914)	302,838	265,678	490,602	576,971	(147,343)	311,981	304,962	469,600	441,687	960,202	1,018,658
Income (Loss) Before Operating Transfers	154,902	1,199,151	337,761	1,691,814	2,575,982	(230,680)	1,094,397	(1,889,529)	(1,025,812)	425,127	666,002	3,001,109
Operating Transfers In (Out) -												
Park Fund	---	---	---	---	---	---	---	1,200,000	1,200,000	---	1,200,000	---
Recreation Fund	---	---	---	---	---	---	---	600,000	600,000	---	600,000	---
Capital Projects Fund	---	---	---	---	---	---	---	---	---	(500,000)	---	(500,000)
Net Operating Transfers	---	---	---	---	---	---	---	1,800,000	1,800,000	(500,000)	1,800,000	(500,000)
Net Income (Loss)	154,902	1,199,151	337,761	1,691,814	2,575,982	(230,680)	1,094,397	(89,529)	774,188	(74,873)	2,466,002	2,501,109
Retained Earnings, July 1	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
Retained Earnings, June 30	\$ 1,377,293	\$ 5,872,313	\$ 3,115,664	\$ 10,365,270	\$ 8,673,456	\$ 1,045,914	\$ 5,415,668	\$ 2,005,219	\$ 8,466,801	\$ 7,692,613	\$ 18,832,071	\$ 16,366,069

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



# THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

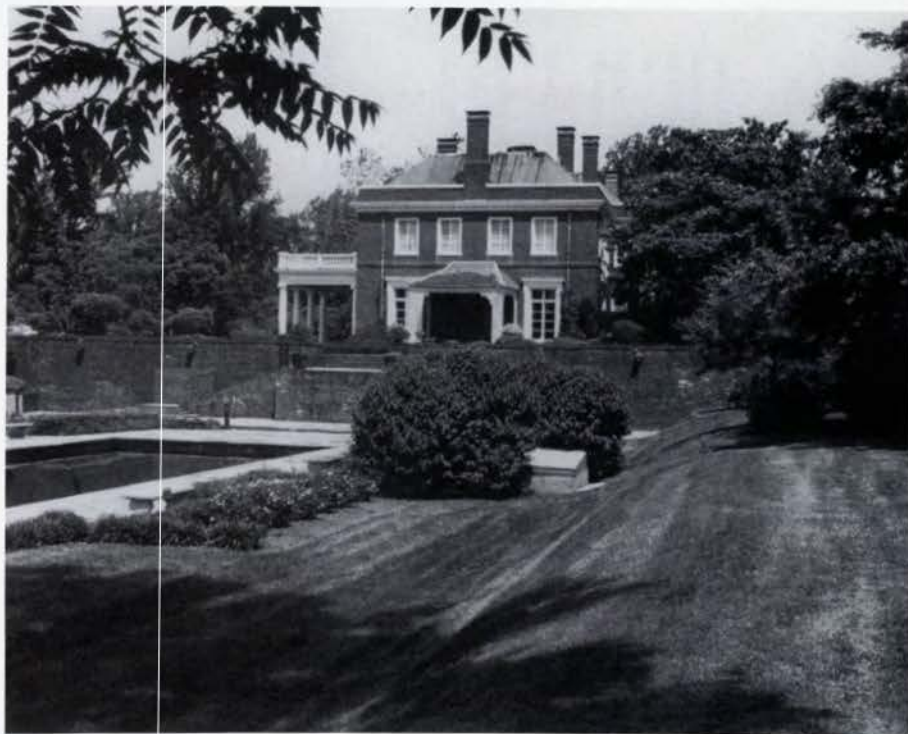
EXHIBIT E-3

## Combining Statement of Cash Flows - INTERNAL SERVICE FUNDS For the Fiscal Year Ended June 30, 1998

	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, 1998	June 30, 1997				June 30, 1998	June 30, 1997	June 30, 1998	June 30, 1997
Cash Flows from Operating Activities:												
Operating Income (Loss)	\$ 232,816	\$ 896,313	\$ 72,083	\$ 1,201,212	\$ 1,999,011	\$ (83,337)	\$ 782,416	\$ (2,194,491)	\$ (1,495,412)	\$ (16,560)	\$ (294,200)	\$ 1,982,451
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:												
Depreciation	1,325,529	---	9,661	1,335,190	1,415,405	235,679	---	8,978	244,657	238,506	1,579,847	1,653,911
Changes in Assets and Liabilities:												
(Increase) Decrease in Accounts Receivable	---	---	(430)	(430)	(2,477)	---	---	(430)	(430)	---	(860)	(2,477)
(Increase) Decrease in Due From Other Funds	---	687,374	(1,452,587)	(765,213)	(687,374)	---	---	---	---	---	(765,213)	(687,374)
(Increase) Decrease in Due from County Government	---	---	18,295	18,295	3,044	---	---	18,294	18,294	3,044	36,589	6,088
(Increase) Decrease in Deposits and Other	---	646,561	(4,730)	641,831	307,524	---	646,561	(4,730)	641,831	307,524	1,283,662	615,048
Increase (Decrease) in Accounts Payable	111,636	(190,140)	(3,799)	(82,303)	78,128	(7,126)	(190,140)	(9,432)	(206,698)	86,713	(289,001)	164,841
Increase (Decrease) in Claims Payable	---	---	24,528	24,528	(5,638)	---	---	424,135	424,135	591,634	448,663	585,996
Increase (Decrease) in Accrued Salaries and Benefits	---	113,835	6,737	120,572	(68,971)	3,393	157,903	6,738	168,034	(118,172)	288,606	(187,143)
Increase (Decrease) in Accrued Leave	---	(13,000)	2,839	(10,161)	34,874	11	(8,000)	2,839	(5,150)	14,679	(15,311)	49,553
Increase (Decrease) in Estimate of Incurred but Unreported Claims	---	90,785	(210,417)	(119,632)	(331,963)	---	90,785	(4,583)	86,202	198,387	(33,430)	(133,576)
Increase (Decrease) in Due to Other Funds	765,213	---	---	765,213	687,374	---	---	---	---	---	765,213	687,374
Net Cash Provided (Used) by Operating Activities	2,435,194	2,231,728	(1,537,820)	3,129,102	3,428,937	148,620	1,479,525	(1,752,682)	(124,537)	1,305,755	3,004,565	4,734,692
Cash Flows from Noncapital Financing Activities:												
Operating Transfers In (Out) to Other Funds	---	---	---	---	---	---	---	1,800,000	1,800,000	(500,000)	1,800,000	(500,000)
Net Cash Provided (Used) by Noncapital Financing Activities	---	---	---	---	---	---	---	1,800,000	1,800,000	(500,000)	1,800,000	(500,000)
Cash Flows from Capital and Related Financing Activities:												
Acquisition of Fixed Assets	(1,553,696)	---	---	(1,553,696)	(2,253,888)	---	---	---	---	(2,515)	(1,553,696)	(2,256,403)
Principal Paid on Notes Payable	(803,584)	---	---	(803,584)	(1,000,553)	(211,134)	---	---	(211,134)	(197,417)	(1,014,718)	(1,197,970)
Interest Paid on Notes Payable	(86,319)	---	---	(86,319)	(125,919)	(164,007)	---	---	(164,007)	(177,726)	(250,326)	(303,645)
Net Cash Provided (Used) by Capital and Related Financing Activities	(2,443,599)	---	---	(2,443,599)	(3,380,360)	(375,141)	---	---	(375,141)	(377,658)	(2,818,740)	(3,758,018)
Cash Flows from Investing Activities:												
Interest on Investments	8,405	302,838	265,678	576,921	702,890	16,664	311,981	304,962	633,607	619,413	1,210,528	1,322,303
Net Cash Provided (Used) by Investing Activities	8,405	302,838	265,678	576,921	702,890	16,664	311,981	304,962	633,607	619,413	1,210,528	1,322,303
Net Increase (Decrease) in Cash and Cash Equivalents	---	2,534,566	(1,272,142)	1,262,424	751,467	(209,857)	1,791,506	352,280	1,933,929	1,047,510	3,196,353	1,798,977
Cash and Cash Equivalents, July 1	---	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
Cash and Cash Equivalents, June 30	\$ ---	\$ 7,550,307	\$ 4,037,577	\$ 11,587,884	\$ 10,325,460	\$ 75,425	\$ 7,274,298	\$ 5,725,349	\$ 13,075,072	\$ 11,141,143	\$ 24,662,956	\$ 21,466,603

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





Historic Oxon Hill Manor is a beautiful rental site for meetings, weddings and special events.

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## FIDUCIARY FUNDS

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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.

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### *Pension Trust Fund - Employees' Retirement Fund*

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The Pension Trust Fund is used to account for all activities of the Employees' Retirement System including accumulation of resources for, and payment of, retirement annuities and/or other benefits and the administrative costs of operating the system.

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### *Agency Funds*

---

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

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### *Expendable Trust Funds*

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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  
June 30, 1998

	EXPENDABLE TRUST FUNDS								PENSION TRUST FUND	AGENCY FUNDS		TOTALS
	Montgomery County			Prince George's County					Employees' Retirement Fund	Employees' Deferred Compensation Fund	State Retirement	June 30, 1998
	Advance Land Acquisition	Other	June 30, 1998	Advance Land Acquisition	Public Contributions	Recreation Activities	Historic Sites	June 30, 1998	June 30, 1998			
<b>ASSETS</b>												
Equity in Pooled Cash and Investments	\$ 2,257,559	\$ 3,744,533	\$ 6,002,092	\$ 5,206,788	\$ 4,445,909	\$ 3,104,177	\$ 272,869	\$ 13,029,743	\$ ---	\$ ---	\$ 2,853,264	\$ 21,885,099
Cash and Marketable Securities	---	---	---	---	---	---	---	---	504,316,041	30,024,037	---	534,340,078
Accounts Receivable	---	1,462	1,462	---	1,547	6,912	---	8,459	2,249,524	---	---	2,259,445
Due to County Government	---	---	---	---	---	492	---	492	---	---	---	492
Deposits and Other	---	---	---	---	---	---	---	---	41,367	---	---	41,367
Total Current Assets	2,257,559	3,745,995	6,003,554	5,206,788	4,447,456	3,111,581	272,869	13,038,694	506,606,932	30,024,037	2,853,264	558,526,481
Land Advanced to Enterprise Fund	---	---	---	1,734,875	---	---	---	1,734,875	---	---	---	1,734,875
Restricted Assets -												
Land Held for Transfer	25,416,791	---	25,416,791	14,307,629	---	---	---	14,307,629	---	---	---	39,724,420
Other	---	---	---	---	404,995	---	---	404,995	---	---	---	404,995
Total Assets	\$ 27,674,350	\$ 3,745,995	\$ 31,420,345	\$ 21,249,292	\$ 4,852,451	\$ 3,111,581	\$ 272,869	\$ 29,486,193	\$ 506,606,932	\$ 30,024,037	\$ 2,853,264	\$ 600,390,771
<b>LIABILITIES AND FUND BALANCES</b>												
Liabilities:												
Accounts Payable	\$ 1,500	\$ 19,737	\$ 21,237	\$ ---	\$ 3,217	\$ 165,214	\$ 398	\$ 168,829	\$ 79,180,327	\$ 30,024,037	\$ 2,853,264	\$ 112,247,694
Accrued Liabilities	---	3,266	3,266	---	---	46,379	1,065	47,444	---	---	---	50,710
Deposits and Deferred Revenue	---	2,810,595	2,810,595	---	1,307,258	---	8,000	1,315,258	---	---	---	4,125,853
Total Current Liabilities	1,500	2,833,598	2,835,098	---	1,310,475	211,593	9,463	1,531,531	79,180,327	30,024,037	2,853,264	116,424,257
Fund Balances:												
Reserved for Land Held for Transfer	25,416,791	---	25,416,791	16,042,504	---	---	---	16,042,504	---	---	---	41,459,295
Unreserved -												
Designated for Pension Benefits	---	---	---	---	---	---	---	---	427,426,605	---	---	427,426,605
Designated for Trust Activities	2,256,059	912,397	3,168,456	5,206,788	3,541,976	2,899,988	263,406	11,912,158	---	---	---	15,080,614
Total Fund Balances	27,672,850	912,397	28,585,247	21,249,292	3,541,976	2,899,988	263,406	27,954,662	427,426,605	---	---	483,966,514
Total Liabilities and Fund Balances	\$ 27,674,350	\$ 3,745,995	\$ 31,420,345	\$ 21,249,292	\$ 4,852,451	\$ 3,111,581	\$ 272,869	\$ 29,486,193	\$ 506,606,932	\$ 30,024,037	\$ 2,853,264	\$ 600,390,771

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



# THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - EXPENDABLE TRUST FUNDS  
For the Fiscal Year Ended June 30, 1998

EXHIBIT F-2

	Montgomery County			Prince George's County					TOTALS	
	Advance Land Acquisition	Other	June 30, 1998	Advance Land Acquisition	Public Contributions	Recreation Activities	Historic Sites	June 30, 1998	Year Ended June 30, 1998	Year Ended June 30, 1997
<b>Revenues:</b>										
Intergovernmental - County	\$ ---	\$ ---	\$ ---	\$ ---	\$ ---	\$ 600	\$ ---	\$ 600	\$ 600	\$ 2,065,393
Other	---	---	---	---	---	4,428	---	4,428	4,428	15,724
Charges for Services	---	---	---	---	---	33,216	---	33,216	33,216	29,228
Recreation Activities	---	---	---	---	---	3,529,297	---	3,529,297	3,529,297	3,365,828
Interest	74,256	209,879	284,135	238,776	240,197	134,214	12,609	625,796	909,931	858,521
Contributions	---	126,435	126,435	---	352,076	---	131,769	483,845	610,280	1,311,623
Miscellaneous	---	---	---	---	---	331,556	---	331,556	331,556	208,552
<b>Total Revenues</b>	<b>74,256</b>	<b>336,314</b>	<b>410,570</b>	<b>238,776</b>	<b>592,273</b>	<b>4,033,311</b>	<b>144,378</b>	<b>5,008,738</b>	<b>5,419,308</b>	<b>7,854,869</b>
<b>Expenditures:</b>										
Current -										
Cultural and Recreational	---	---	---	---	---	4,090,194	---	4,090,194	4,090,194	3,972,823
Miscellaneous Expendable Trust Activities	---	280,470	280,470	150,000	272,912	---	92,050	514,962	795,432	4,740,662
<b>Total Expenditures</b>	<b>---</b>	<b>280,470</b>	<b>280,470</b>	<b>150,000</b>	<b>272,912</b>	<b>4,090,194</b>	<b>92,050</b>	<b>4,605,156</b>	<b>4,885,626</b>	<b>8,713,485</b>
<b>Excess of Revenues over (under) Expenditures</b>	<b>74,256</b>	<b>55,844</b>	<b>130,100</b>	<b>88,776</b>	<b>319,361</b>	<b>(56,883)</b>	<b>52,328</b>	<b>403,582</b>	<b>533,682</b>	<b>(858,616)</b>
<b>Other Financing Sources (Uses):</b>										
Operating Transfers In (Out) -										
General Fund - Park Account	---	---	---	220,000	---	---	---	220,000	220,000	87,508
Debt Service Fund - Advance Land Acquisition	626,229	---	626,229	598,297	---	---	---	598,297	1,224,526	731,401
Capital Projects Fund	---	(412,098)	(412,098)	---	---	---	---	---	(412,098)	(1,829,762)
<b>Total Other Financing Sources (Uses)</b>	<b>626,229</b>	<b>(412,098)</b>	<b>214,131</b>	<b>818,297</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>818,297</b>	<b>1,032,428</b>	<b>(1,010,853)</b>
<b>Excess of Revenues and Other Sources over (under) Expenditures and Other Uses</b>	<b>700,485</b>	<b>(356,254)</b>	<b>344,231</b>	<b>907,073</b>	<b>319,361</b>	<b>(56,883)</b>	<b>52,328</b>	<b>1,221,879</b>	<b>1,566,110</b>	<b>(1,869,469)</b>
<b>Fund Balances, July 1</b>	<b>26,972,365</b>	<b>1,268,651</b>	<b>28,241,016</b>	<b>20,342,219</b>	<b>3,222,615</b>	<b>2,956,871</b>	<b>211,078</b>	<b>26,732,783</b>	<b>54,973,799</b>	<b>56,843,268</b>
<b>Fund Balances, June 30</b>	<b>\$ 27,672,850</b>	<b>\$ 912,397</b>	<b>\$ 28,585,247</b>	<b>\$ 21,249,292</b>	<b>\$ 3,541,976</b>	<b>\$ 2,899,988</b>	<b>\$ 263,406</b>	<b>\$ 27,954,662</b>	<b>\$ 56,539,909</b>	<b>\$ 54,973,799</b>

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

# 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, 1998

	EMPLOYEES' DEFERRED COMPENSATION FUND				STATE RETIREMENT FUND				TOTAL
	July 1, 1997	Additions	Deductions	June 30, 1998	July 1, 1997	Additions	Deductions	June 30, 1998	June 30, 1998
<b>ASSETS</b>									
Cash and Marketable Securities	\$ 23,172,150	\$ 7,855,362	\$ 1,003,475	\$ 30,024,037	\$ 2,821,598	\$ 221,224	\$ 189,558	\$ 2,853,264	\$ 32,877,301
Total Current Assets	\$ 23,172,150	\$ 7,855,362	\$ 1,003,475	\$ 30,024,037	\$ 2,821,598	\$ 221,224	\$ 189,558	\$ 2,853,264	\$ 32,877,301
<b>LIABILITIES</b>									
Accounts Payable	\$ 23,172,150	\$ 7,855,362	\$ 1,003,475	\$ 30,024,037	\$ 2,821,598	\$ 221,224	\$ 189,558	\$ 2,853,264	\$ 32,877,301
Total Current Liabilities	\$ 23,172,150	\$ 7,855,362	\$ 1,003,475	\$ 30,024,037	\$ 2,821,598	\$ 221,224	\$ 189,558	\$ 2,853,264	\$ 32,877,301

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





In Operation Teddy Bear, Park Police help kids traumatized by crimes or accidents.

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## GENERAL ACCOUNT GROUPS

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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, 1998

	Montgomery County	Prince George's County	TOTAL
General Fixed Assets:			
Land	\$ 111,294,324	\$ 86,172,490	\$ 197,466,814
Buildings and Improvements	73,629,788	137,935,734	211,565,522
Machinery and Equipment	7,441,079	20,239,528	27,680,607
Construction in Progress	11,834,446	25,723,266	37,557,712
Total General Fixed Assets	<u>\$ 204,199,637</u>	<u>\$ 270,071,018</u>	<u>\$ 474,270,655</u>
Investment in General Fixed Assets From:			
Capital Project Funds -			
General Obligation Bonds	\$ 86,259,830	\$ 127,827,915	\$ 214,087,745
Intergovernmental	42,814,929	83,692,017	126,506,946
General Fund Revenues	12,117,708	34,128,475	46,246,183
Contributions	63,007,170	24,422,611	87,429,781
Total Investments in General Fixed Assets	<u>\$ 204,199,637</u>	<u>\$ 270,071,018</u>	<u>\$ 474,270,655</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, 1998

### COMMISSION TOTAL

Function and Activity	Total	Land	Buildings and Improvements	Machinery and Equipment
General Government	\$ 475,540	\$ ---	\$ 83,744	\$ 391,796
Planning and Zoning	5,890,398	52,138	1,908,170	3,930,090
Parks	430,347,005	197,414,676	209,573,608	23,358,721
Total General Fixed Assets Allocated to Functions	436,712,943	\$ 197,466,814	\$ 211,565,522	\$ 27,680,607
Construction in Progress	37,557,712			
Total General Fixed Assets	\$ 474,270,655			

### MONTGOMERY COUNTY

General Government	\$ 257,547	\$ ---	\$ 42,885	\$ 214,662
Planning and Zoning	3,269,990	52,138	1,901,988	1,315,864
Parks	188,837,654	111,242,186	71,684,915	5,910,553
Total General Fixed Assets Allocated to Functions	192,365,191	\$ 111,294,324	\$ 73,629,788	\$ 7,441,079
Construction in Progress	11,834,446			
Total General Fixed Assets	\$ 204,199,637			

### PRINCE GEORGE'S COUNTY

General Government	\$ 217,993	\$ ---	\$ 40,859	\$ 177,134
Planning and Zoning	2,620,408	---	6,182	2,614,226
Parks	241,509,351	86,172,490	137,888,693	17,448,168
Total General Fixed Assets Allocated to Functions	244,347,752	\$ 86,172,490	\$ 137,935,734	\$ 20,239,528
Construction in Progress	25,723,266			
Total General Fixed Assets	\$ 270,071,018			

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, 1998

### COMMISSION TOTAL

Function and Activity	General Fixed Assets July 1, 1997	Additions	Deductions	General Fixed Assets June 30, 1998
General Government	\$ 2,343,307	\$ 42,325	\$ 1,910,092	\$ 475,540
Planning and Zoning	7,852,002	401,753	2,363,357	5,890,398
Parks	413,605,133	26,696,212	9,954,340	430,347,005
Construction in Progress	30,538,457	19,601,665	12,582,410	37,557,712
Total General Fixed Assets	<u>\$ 454,338,899</u>	<u>\$ 46,741,955</u>	<u>\$ 26,810,199</u>	<u>\$ 474,270,655</u>

### MONTGOMERY COUNTY

General Government	\$ 1,015,187	\$ 5,490	\$ 763,130	\$ 257,547
Planning and Zoning	4,278,121	92,646	1,100,777	3,269,990
Parks	176,459,806	13,285,846	907,998	188,837,654
Construction in Progress	11,847,303	4,354,017	4,366,874	11,834,446
Total General Fixed Assets	<u>\$ 193,600,417</u>	<u>\$ 17,737,999</u>	<u>\$ 7,138,779</u>	<u>\$ 204,199,637</u>

### PRINCE GEORGE'S COUNTY

General Government	\$ 1,328,120	\$ 36,835	\$ 1,146,962	\$ 217,993
Planning and Zoning	3,573,881	309,107	1,262,580	2,620,408
Parks	237,145,327	13,410,366	9,046,342	241,509,351
Construction in Progress	18,691,154	15,247,648	8,215,536	25,723,266
Total General Fixed Assets	<u>\$ 260,738,482</u>	<u>\$ 29,003,956</u>	<u>\$ 19,671,420</u>	<u>\$ 270,071,018</u>

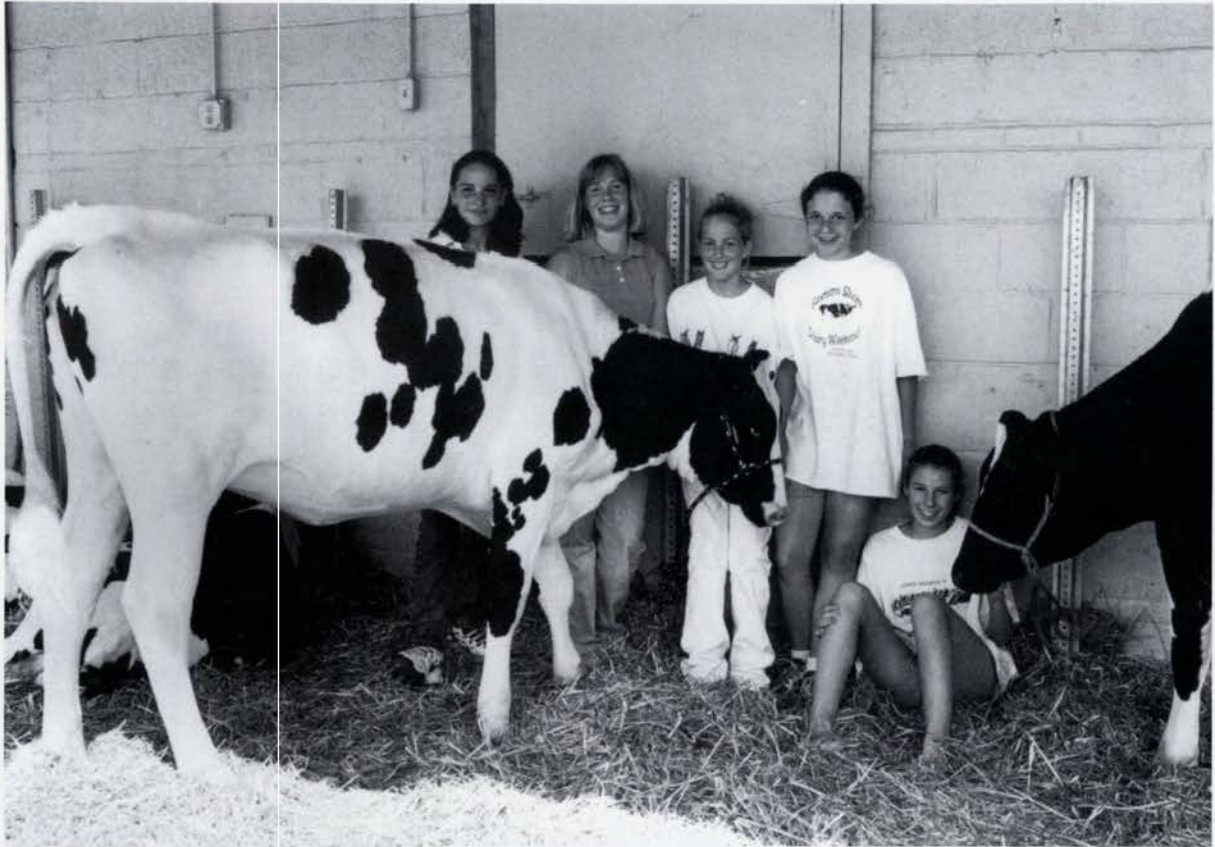
The notes to the financial statements are an integral part of this schedule.



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♦ PART III ♦  
STATISTICAL SECTION

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4-H exhibitors pose with livestock at the annual County Fair at the Prince George's Equestrian Center.

# 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			
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
1998	4,985,152	12,503,437	39,019,404	10,913,409	9,261,163	3,595,621	80,278,186

### PRINCE GEORGE'S COUNTY

Fiscal Year	General Government	Culture-Recreation			Park Acquisition And Development	Debt Service	Total
		Planning And Zoning	Park Operations	Recreation			
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
1998	5,609,422	14,024,336	41,782,331	36,293,297	17,643,444	11,852,306	127,205,136

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
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 (1)
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 (2)
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 (3)
1997	57,612,812	6,654,626	7,827,378	1,231,641	4,227,264	77,553,721	---
1998	60,267,015	6,797,726	9,120,287	1,590,112	4,361,403	82,136,543	---

### PRINCE GEORGE'S COUNTY

Fiscal Year	Property Taxes	Inter-Governmental	Charges for Services	Interest Earnings	Other	Total	General Obligation Bonds Sold
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 (1)
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 (2)
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 (3)
1997	96,816,650	5,360,060	7,106,102	4,217,988	10,581,819	124,082,619	33,000,000
1998	98,538,298	2,125,267	7,402,645	5,875,336	5,231,154	119,172,700	21,000,000
							7,325,000 (3)

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

(1) Includes Refunding Bonds

(2) Issued to retire Bond Anticipation Notes

(3) 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
1998	59,150,686	58,603,216	99	1,667,557	60,270,773	102

### 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
1998	98,618,464	97,670,607	99	867,691	98,538,298	100

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	
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
1998	27,274,641	69,295,328	30,929,092	72,949,779	42.40

## 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	
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
1998	14,393,723	36,104,232	17,159,141	38,869,650	44.15

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	Administration	Park Operations	Park Maintenance	Advance Land Acquisition	Total	Countywide Property Taxes Within County	Total
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
1998	0.0610	0.1330	0.0200	0.0040	0.2180	2.2630	2.4810

### PRINCE GEORGE'S COUNTY

Fiscal Year	Administration	Park Operations	Recreation	Advance Land Acquisition	Total	Countywide Property Taxes Within County	Total
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
1998	0.1103	0.3534	0.1401	0.0062	0.6100	2.7410	3.3510

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
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
1998	837,000	27,052,214	23,585	0.09	28.18

## 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
1989	708,025	\$ 10,176,441	\$ 40,790 (3)	0.40	\$ 57.61
1990	729,263	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
1998	790,335	15,590,000 (4)	122,815	0.79	155.40

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.

(4) Estimated by The Maryland-National Capital Park and Planning Commission.

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, 1998

Park Acquisition and Development Bonds  
Guaranteed by Montgomery County

Assessed Valuation - Metropolitan District for fiscal year ending June 30, 1998 .....	\$	<u>27,052,214,000</u>
Annual Revenue from 9 cents mandatory park tax levied for each \$100 of assessed valuation .....	\$	<u>24,346,993</u>
Legal Debt Margin -		
Revenue available from 9 cents mandatory park tax over next thirty years .....	\$	<u>730,409,790</u>
Debt service over next thirty years on \$23,585,000 bonds and notes issued and outstanding at June 30, 1998 .....	\$	<u>32,816,000</u>
Amount of tax available for debt service on future bonds .....	\$	<u>697,593,790</u>

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

Assessed Valuation - Metropolitan District for fiscal year ending June 30, 1998 .....	\$	<u>15,590,000,000</u>
Annual Revenue from 10 cents mandatory park tax levied for each \$100 of assessed valuation .....	\$	<u>15,590,000</u>
Legal Debt Margin -		
Revenue available from 10 cents mandatory park tax over next thirty years .....	\$	<u>467,700,000</u>
Debt service over next thirty years on \$122,815,000 bonds and notes issued and outstanding at June 30, 1998 .....	\$	<u>174,590,000</u>
Amount of tax available for debt service on future bonds .....	\$	<u>293,110,000</u>



# THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

TABLE T-8

## Computation of Direct and Overlapping Debt

June 30, 1998

	MONTGOMERY COUNTY	PRINCE GEORGE'S COUNTY	TOTAL DEBT OUTSTANDING
Direct Debt Outstanding	\$ 38,299,261	\$ 128,727,472	\$ 167,026,733
Overlapping Debt			
Montgomery County Debt	1,288,153,054 (1)	---	1,288,153,054
Prince George's County Debt	---	605,214,885 (1)	605,214,885
Washington Suburban Sanitary Commission Debt	1,159,874,328	661,804,158	1,821,678,486
Montgomery County Revenue Authority Debt	41,342,063	---	41,342,063
Montgomery County Housing Opportunities Commission	605,019,190	---	605,019,190
Prince George's County State of Maryland Participation Loans	---	12,011,319	12,011,319
Total Overlapping Debt	3,094,388,635	1,279,030,362	4,373,418,997
Total Direct and Overlapping Debt	3,132,687,896	1,407,757,834	4,540,445,730
Less Self-Supporting Debt			
M-NCPPC - Revenue Bonds	4,291,118	---	4,291,118
M-NCPPC - Revenue Notes	3,600,000	---	3,600,000
M-NCPPC - Notes Payable	1,959,402	2,072,426	4,031,828
Montgomery County Debt	80,690,000	---	80,690,000
Prince George's County Debt	---	165,435,070	165,435,070
Washington Suburban Sanitary Commission Debt	1,159,874,328	640,334,158	1,800,208,486
Montgomery County Revenue Authority Debt	41,342,063	---	41,342,063
Montgomery County Housing Opportunities Commission	592,979,190	---	592,979,190
Prince George's County State of Maryland Participation Loans	---	12,011,319	12,011,319
Total Self-Supporting Debt	1,884,736,101	819,852,973	2,700,989,074
Net Direct and Overlapping Debt	\$ 1,247,951,795	\$ 587,904,861	\$ 1,839,456,656

Note: (1) Overlapping debt does not include the debt of towns, cities and villages aggregating \$35,294,493 in Montgomery County and \$39,856,278 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

<u>Year</u>	<u>Population</u>	<u>Per Capita Income</u>	<u>Labor Force</u>	<u>Unemployment Rate</u>	<u>Registered Pupils</u>
1989	735,000	\$ 31,193	427,621	2.2 %	98,519
1990	757,027	32,746	442,215	2.5	100,259
1991	765,000	33,435	442,971	3.2	103,732
1992	773,000	34,375	454,378	3.7	107,140
1993	785,000	35,697	450,597	3.5	110,037
1994	798,000	37,142	462,202	2.9	113,429
1995	810,000	39,091	463,112	2.9	117,082
1996	819,000	40,466	473,180	2.7	120,291
1997	828,000	41,900	468,428	2.6	122,505
1998	837,000	43,450	473,500	2.2 (3)	125,035

### PRINCE GEORGE'S COUNTY

<u>Year</u>	<u>Population (1)</u>	<u>Per Capita Income (2)</u>	<u>Labor Force</u>	<u>Unemployment Rate</u>	<u>Registered Pupils</u>
1989	708,025	\$ 20,006	422,362	3.1 %	101,403
1990	729,268	20,744	421,642	3.9	103,731
1991	736,525	20,950	424,231	4.9	105,891
1992	744,083	21,523	443,596	5.7	109,662
1993	752,830	22,380	432,990	5.9	111,132
1994	764,053	23,169	474,485	4.4	111,823
1995	764,053	23,774	485,100	4.7	116,383
1996	767,413	24,639	463,700	5.1	119,951
1997	773,810	*	463,690	4.6	122,831
1998	790,335	*	454,528	4.0 (3)	125,637

#### 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 1988 through FY 1995 were revised; updated figures for FY 1997 and 1998 are not yet available)
- (3) U.S. Bureau of Labor Statistics
- \* 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
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
1998	1,905,000	1,676,695	3,581,695	80,278,186	4.46

## PRINCE GEORGE'S COUNTY

Fiscal Year	Principal	Interest	Total Debt Service	Total General Expenditures	Ratio of Debt Service to General Expenditures
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
1998	5,480,000	6,294,373	11,774,373	127,205,136	9.26

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
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	765	116	7,994	66,677
1997	13,837	726	183	7,973	68,285
1998	14,162	743	331	*	69,295

## 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
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	2,815	257	168	3,854	35,828
1998	3,430	318	190	*	36,104

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, 1998

### MONTGOMERY COUNTY

Taxpayer	Total Assessment	Percentage of Total Assessed Valuation	Real Property	Other Property
Potomac Electric Power Company	\$ 989,635,360	3.23 %	\$ 23,311,090	\$ 966,324,270
Bell Atlantic - Washington D.C Inc.	560,581,280	1.83	23,998,640	536,582,640
Washington Gas Light Company	159,973,950	0.52	6,434,100	153,539,850
Montgomery Mall	77,219,890	0.25	77,219,890	---
May Department Stores	65,742,820	0.21	24,118,440	41,624,380
International Business Machines	61,437,020	0.20	17,270,710	44,166,310
Bryant F Foulger Trustee	56,923,880	0.19	56,923,880	---
MacBeth Associates	52,019,330	0.17	52,019,330	---
Wheaton Plaza Regional Shopping Center	51,550,340	0.17	51,550,340	---
Albert & R. Abramson, et. al.	51,094,860	0.17	51,094,860	---
Total	<u>\$ 2,126,178,730</u>	<u>6.94 %</u>	<u>\$ 383,941,280</u>	<u>\$ 1,742,237,450</u>
Total Assessable Base	<u>\$ 30,647,787,862</u>	<u>100.00 %</u>		

### PRINCE GEORGE'S COUNTY

Taxpayer	Total Assessment	Percentage of Total Assessed Valuation	Real Property	Other Property
Potomac Electric Power Company	\$ 985,377,850	5.74 %	\$ 13,875,720	\$ 971,502,130
Bell Atlantic Maryland	339,859,790	1.98	---	339,859,790
Washington Gas Light Company	136,546,850	0.80	1,601,450	134,945,400
Panda-Brandywine LTD Partnership	84,003,660	0.49	2,196,570	81,807,090
Baltimore Gas & Electric Company	82,840,270	0.48	1,468,320	81,371,950
JKC Stadium	52,591,735	0.31	52,591,735	---
Giant Foods, Incorporated	46,276,960	0.27	---	46,276,960
Summerfield Housing Ltd, Partnership	37,046,050	0.22	37,046,050	---
Southern Maryland Electric Co-Op, Inc.	36,226,610	0.21	683,360	35,543,250
Greenbelt Homes, Incorporated	3,352,480	0.02	3,352,480	---
Total	<u>\$ 1,804,122,255</u>	<u>10.51 %</u>	<u>\$ 112,815,685</u>	<u>\$ 1,691,306,570</u>
Total Assessable Base	<u>\$ 17,159,141,000</u>	<u>100.00 %</u>		

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, 1998

TYPE OF COVERAGE AND NAME OF COMPANY	POLICY/BOND NUMBER	POLICY/BOND FROM	PERIOD TO	COVERAGE	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 o Public Official Liability o Police Professional Liability o Automobile Physical Damage				\$10,000,000 combined single limit of Bodily Injury and Property Damage  Comprehensive and Collision \$1,000 deductible each loss	
Insured in Conjunction with Montgomery County Self Insurance Fund: o Exhibition Floater Travelers Indemnity Co.	TJCM225T952693	07/01/97	07/01/98	\$250,000 all risk on display \$20,000, (blanket aggregate); \$10,000 any one item, \$250 deductible; \$25,000 any one conveyance  Actual cash value, broad form coverage per scheduled listing with \$5,000 S.I.R. per occurrence	\$ 850
o All Risk Real and Personal Property Contractor's Equipment and Difference in Conditions and EDP  Boiler and Machinery Travelers Indemnity Co.	TJCM225T952693	07/01/97	06/30/99	\$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	\$ 47,880
Insurance purchased directly by the Commission: o Airport Liability including Products, Hangar Keeper's and Nonowned Aircraft Associated Aviation Underwriters	ALI 604866	01/18/98	01/18/99	\$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 Nonowned Aircraft Liability and Physical Damage Associated Aviation Underwriters	BNO 604867	01/18/98	01/18/99	\$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	09/13/97	09/14/97	\$10,000,000 per occurrence	\$ 2,500
o Fine Arts Floater (Duvall Tool Collection) Hartford	42 MS AP2002	05/25/98	05/25/99	\$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	3066 59 36	08/14/97	08/14/98	\$50,000	\$ 175
o Depositors Forgery Bond Fidelity and Deposit Company	948 10 95-1	07/01/96	07/01/99	\$50,000	\$ 1,325
o Travel Accident	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	03/15/98	03/15/99	\$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
Miscellaneous Bonds purchased directly by the Commission o License and Permit Bond Harleysville Mutual Ins. Co.	BBM 01 59 09	03/17/98	03/17/99	\$5,000 Driveway Entrance 1500 Glenallen Ave. Wheaton	\$ 100
Peerless Insurance Company	018-89-66-77	03/31/98	03/31/99	\$5,000 Driveway Entrance 6724 Needwood Rd., Rockville	\$ 100
Peerless Insurance Company	018-89-66-79	04/08/98	04/08/99	\$12,500 Driveway Entrance Acceleration & Deceleration for 6724 Needwood Rd., Rockville	\$ 125
					\$ 173,394



# THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

## SUPPLEMENTAL ENTERPRISE INFORMATION

Table T-14

### Condensed Schedule of Revenues and Expenses For the Fiscal Year Ended June 30, 1998

#### Recreational Facilities

#### MONTGOMERY COUNTY

	Conference Centers	Golf Courses	Ice Rinks	Indoor Tennis	Park Facilities	Totals
Operating Revenues	\$ 443,876	\$ 6,627,272	\$ 2,151,180	\$ 1,023,329	\$ 1,029,349	\$ 11,275,006
Operating Expenses Before Depreciation	591,895	5,240,440	2,020,111	609,121	917,229	9,378,796
Operating Income (Loss) Before Depreciation	(148,019)	1,386,832	131,069	414,208	112,120	1,896,210
Depreciation	74,300	1,063,124	188,807	77,348	131,034	1,534,613
Operating Income (Loss)	(222,319)	323,708	(57,738)	336,860	(18,914)	361,597
Nonoperating Revenues (Expenses)	—	(213,238)	21,192	100,543	76,368	(15,135)
Operating Transfers In (Out)	76,000	—	10,000	—	—	86,000
Net Income (Loss)	\$ (146,319)	\$ 110,470	\$ (26,546)	\$ 437,403	\$ 57,454	\$ 432,462

#### PRINCE GEORGE'S COUNTY

	Airport	Equestrian Center/ Multipurpose Arena	Golf Courses	Ice Rinks	Regional Parks	Trap and Skeet Center	Bladensburg Marina	Totals
Operating Revenues	\$ 239,197	\$ 927,245	\$ 2,279,026	\$ 515,040	\$ 292,027	\$ 1,019,667	\$ —	\$ 5,272,202
Operating Expenses Before Depreciation	563,222	2,288,864	2,172,712	575,184	418,457	1,065,763	202,820	7,287,022
Operating Income (Loss) Before Depreciation	(324,025)	(1,361,619)	106,314	(60,144)	(126,430)	(46,096)	(202,820)	(2,014,820)
Depreciation	104,386	587,299	233,255	69,570	127,228	35,027	99,487	1,256,252
Operating Income (Loss)	(428,411)	(1,948,918)	(126,941)	(129,714)	(253,658)	(81,123)	(302,307)	(3,271,072)
Nonoperating Revenues (Expenses)	—	—	—	—	27,290	—	15,744	43,034
Operating Transfers In (Out)	259,401	1,321,028	—	65,824	216,621	92,561	245,100	2,200,535
Net Income (Loss)	\$ (169,010)	\$ (627,890)	\$ (126,941)	\$ (63,890)	\$ (9,747)	\$ 11,438	\$ (41,463)	\$ (1,027,503)

**Cover:**

The Commission's newly opened College Park Aviation Museum has as its primary mission to collect, preserve and interpret the significant aviation history of College Park Airport, the oldest continuously operating airport in the world, through collections and exhibits. The main gallery of the museum (as pictured in the cover photo), gives visitors the rare chance to see a 1911 Wright B Aeroplane, a 1918 Curtiss Jenny, a 1932-era Monocoupe, an Ercoupe, a J-2 Cub and the National Air & Space Museum's Berliner Helicopter.

**Page 16:**

Wheaton Indoor Tennis Facility provides opportunities for competitive play and year-round fitness . . . Olney Manor Park hosts hundreds of adult and youth baseball games and tournaments . . . A park naturalist offers a "Hawk Talk" at the Meadowside Nature Center in Rock Creek Regional Park . . . Participants stretch their muscles during Senior Fitness Day at Watkins Regional Park . . . Amateur hoopsters take to the courts at Lane Manor Park . . . Young people receive expert instruction at the Youth Golf Training Facility . . . Kettering-Largo Community Center opened to enthusiastic accolades in 1998.

**Photo credits:**

Steve Abramowitz (Prince George's County): cover, 16, 25, 73, 79, 87, and 95.

Francine Bethea (Montgomery County): pages 4, 16, 65, 76, 83, and 91



## ACKNOWLEDGMENTS

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