

# THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION



COMPREHENSIVE ANNUAL FINANCIAL REPORT  
For The Fiscal Year Ended June 30,  
1999



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

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

For the Fiscal Year Ended June 30, 1999

**Commissioners**

William H. Hussmann, Chairman of the Commission  
Elizabeth M. Hewlett, 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 (retired)  
John M. Heater, Acting Secretary-Treasurer  
Richard A. Romine, General Counsel

**Department Directors**

Charles Loehr, Montgomery County Director of Park and Planning  
Fern V. Piret, Prince George's County Director of Planning  
Marye Wells-Harley, Acting Prince George's County Director of Parks and Recreation

Trudye M. Johnson, Department of Human Resources and Management  
John M. Heater, Department of Finance  
Richard A. Romine, Legal Department

*Prepared by the Department of Finance*

John M. Heater, Acting Secretary-Treasurer

***Finance Managers***

Vivian A. Calkins-McGettigan, Accounting  
Larry S. Ibanez, Accounting  
Philip Litman, Internal Audit

Richard J. Osuri, Computer Services  
Keith R. Phillip, Cash Management  
Jack K. Roof, Systems & Procedures

\*Deceased



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

	<u>Page</u>
Title Page	1
Table of Contents	2
Memorial Tribute - Commissioner Roy I. Dabney, Jr.	4
 <b>PART I - INTRODUCTORY SECTION</b>	
Letter of Transmittal	6
Certificate of Achievement	15
Commission Background and Organization	16
Program Highlights	19
 <b>PART IIA - FINANCIAL SECTION</b>	
<u>General Purpose Financial Statements:</u>	
Auditors' Report	28
<u>Exhibit</u> Combined Statements - Overview	
1 Combined Balance Sheet - ALL FUND TYPES AND ACCOUNT GROUPS	29
2 Combined Statement of Revenues, Expenditures, and Changes in Fund Balances - ALL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUNDS	30
3 Combined Statement of Revenues, Expenditures/Encumbrances, and Changes in Fund Balances - Budget (Non-GAAP Budgetary Basis) and Actual - GENERAL FUND	31
4 Combined Statement of Revenues, Expenses, and Changes In Retained Earnings/Fund Balances - ALL PROPRIETARY FUND TYPES	32
5 Combined Statement of Cash Flows - ALL PROPRIETARY FUND TYPES	33
6 Statement of Plan Net Assets and Statement of Changes in Plan Net Assets - PENSION TRUST FUND	34
Notes to Financial Statements	35
 <b>PART IIB - FINANCIAL SECTION</b>	
<u>Combining, Individual Fund and Account Group Statements and Schedules:</u>	
<u>Governmental Funds</u>	
<u>General Fund</u>	
A-1 Schedule of Assets, Liabilities and Fund Balance	72
A-2 Schedule of Revenues, Expenditures, and Changes in Fund Balance	73
A-3 Comparative Schedule of Revenues, Expenditures/Encumbrances, and Changes in Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual -	
Montgomery County Administration Account	74
Montgomery County Park Account	75
Prince George's County Administration Account	76
Prince George's County Park Account	77
Prince George's County Recreation Account	78
 <u>Debt Service Funds</u>	
B-1 Combining Balance Sheet	80
B-2 Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	81

	<u>Page</u>
<u>Capital Projects Funds</u>	
C-1 Combining Balance Sheet	83
C-2 Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	84
<u>Proprietary Funds - Enterprise</u>	
D-1 Combining Balance Sheet	86
D-2 Combining Statement of Revenues, Expenses, and Changes in Retained Earnings	87
D-3 Combining Statement of Cash Flows	88
<u>Proprietary Funds - Internal Service</u>	
E-1 Combining Balance Sheet	90
E-2 Combining Statement of Revenues, Expenses, and Changes in Retained Earnings	91
E-3 Combining Statement of Cash Flows	92
<u>Fiduciary Funds</u>	
F-1 Combining Balance Sheet	94
F-2 Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - EXPENDABLE TRUST FUNDS	95
F-3 Combining Statement of Changes in Assets and Liabilities - AGENCY FUNDS	96
<u>General Account Group</u>	
G-1 Schedule of General Fixed Assets - By Sources	98
G-2 Schedule of General Fixed Assets - By Function and Activity	99
G-3 Schedule of Changes in General Fixed Assets - By Function and Activity	100

### **PART III - STATISTICAL SECTION**

<u>Table</u>	
T-1 General Governmental Expenditures by Function - Last Ten Fiscal Years	102
T-2 General Revenues by Source - Last Ten Fiscal Years	103
T-3 Property Tax Levies and Collections - Last Ten Fiscal Years	104
T-4 Assessed and Estimated Actual Value of Taxable Property - Last Ten Fiscal Years	105
T-5 Property Tax Rates - Direct and Overlapping Governments - Last Ten Fiscal Years	106
T-6 Ratio of Net General Obligation Bonded Debt to Assessed Value and Net General Obligation Bonded Debt Per Capita - Last Ten Fiscal Years	107
T-7 Computation of Legal Debt Margin	108
T-8 Computation of Direct and Overlapping Debt	109
T-9 Demographic Statistics - Last Ten Fiscal Years	110
T-10 Ratio of Annual Debt Service Expenditures for General Obligation Bonded Debt to Total General Expenditures - Last Ten Fiscal Years	111
T-11 Property Value, Construction, and Bank Deposits - Last Ten Fiscal Years	112
T-12 Principal Taxpayers	113
T-13 Schedule of Insurance in Force	114
T-14 Supplemental Enterprise Information	115
Photo Index	116



**COMMISSIONER ROY I. DABNEY, JR.**  
**1942-1999**



The Maryland-National Capital Park and Planning Commission lost a leader and friend with the sudden and untimely passing of Commissioner Roy I. Dabney, Jr. on June 3, 1999.

Mr. Dabney was one of the longest-serving Commissioners, from 1983 to 1991, and again from 1993 to 1999. He was Acting Chairman of the Prince George's County Planning Board from 1994 to 1995, and Vice Chairman since 1995.

During his tenure, Commissioner Dabney contributed in countless ways to the Commission, lending considerable financial knowledge and expertise as past Chairman and Vice Chairman of the Employees' Retirement System Board of Trustees, and as an active participant in many internal projects and studies.

Whether participating in Commission and Planning Board meetings, public hearings, special events, employee retirement and farewell parties, budget sessions, community meetings, or staff meetings, Commissioner Dabney was "always there" for the Commission and its employees.

Roy's professional activities were eclipsed only by his many affiliations, chairmanships, presidencies and board memberships of civic and community organizations.

Throughout his long and distinguished career, Roy received countless awards, proclamations and honors for his outstanding community service, and, in 1996, was selected to carry the Olympic Torch as a "Community Hero".

Mr. Dabney's life and career were governed by a tireless desire to make a difference in his community. His considerable contributions to his community spanned several decades and impacted countless lives. His imposing, yet gentle presence, and his unequivocal support and love for the Commission and its employees will be sorely missed by all.

---

♦ PART I ♦  
INTRODUCTORY SECTION

---



A popular tour and rental site, Montpelier Mansion is included in the National Register of Historic Places.





# THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

6611 Kenilworth Avenue • Riverdale, Maryland 20737

September 7, 1999

## Commissioners:

The Comprehensive Annual Financial Report of The Maryland-National Capital Park and Planning Commission for the fiscal year ended June 30, 1999 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 \$48,079,000. Of this amount, \$9,333,000 is designated to fund fiscal year 2000, \$4,954,000 (approximating 3% of the General Fund budget for fiscal year 2000) is designated for unforeseen circumstances, \$19,176,000 is designated to fund the operating, maintenance and debt service costs of future Prince George's County facilities, and \$14,616,000 is uncommitted as of June 30, 1999. Second, property taxes, which constituted approximately 92% of the Commission's General Fund Revenues in fiscal year 1999 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 \$156,486,000 to \$159,245,000 (1.8%). The tax rates remained the same in fiscal year 1999 as in fiscal year 1998. The Montgomery and Prince George's unemployment rates as of July 1999 were 2.0% and 3.8% respectively, in comparison to the 3.9% State-wide and 4.5% national unemployment rates. The unemployment rates have continuously declined for the past three years. The fiscal impact of the State of Maryland electricity deregulation on the Commission is uncertain. Management continues to monitor developments and will use conservative estimates when preparing future tax revenue and utility expenditure estimates.

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 1999. 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, 1999, 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, 1999, a total of 207 facility audits were performed, and 8 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 \$11,124,000. In Montgomery County, the \$1,698,000 positive variance of the Administration and Park Accounts was primarily a result of favorable property tax collections that exceeded the budget by \$307,000, charges for planning services that exceeded the budget by \$270,000, interest earnings that exceeded the budget by \$191,000, savings in the park operations and planning divisions of \$525,000, non-departmental savings from liquidation of prior year encumbrances of \$196,000, and debt service savings of \$305,000. The variance, together with July 1, 1998 undesignated fund balances, resulted in budget basis fund balances at June 30, 1999 totaling \$5,021,000. The fiscal year 2000 budget was adopted with a funding source from fiscal year 1999 of \$2,194,000 for fiscal year 2000 expenditures and \$1,652,000 for unforeseen circumstances (approximating 3% of the fiscal year 2000 operating budget). The remaining \$1,175,000 is undesignated as of June 30, 1999.

In Prince George's County, the \$9,426,000 positive variance of the Administration, Park and Recreation Accounts was largely a result of property taxes that exceeded the budget by \$4,183,000; interest earnings, including interest transferred from the Capital Projects Funds of \$2,203,000 and excluding interest transferred to the Capital Projects Funds of \$2,021,000, that exceeded the budget by \$474,000; and expenditure savings of \$7,441,000, offset by additional operating transfers of \$2,519,000. The variance, together with July 1, 1998 undesignated fund balances, resulted in budget basis fund balances at June 30, 1999 totaling \$43,058,000. The fiscal year 2000 budget was adopted with a funding source from fiscal year 1999 of \$7,139,000 for fiscal year 2000 expenditures, \$3,302,000 for unforeseen circumstances (approximating 3% of the fiscal year 2000 operating budget), and \$19,176,000 for the operating costs and debt service of future facilities. The remaining \$13,441,000 is undesignated as of June 30, 1999. Prince George's County fund balances reflect the plan to stabilize property tax rates at the 1993 rate 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).



<u>MONTGOMERY COUNTY</u>	<u>Actual FY99</u>	<u>Actual FY98</u>	<u>Increase (Decrease)</u>	
			<u>Amount</u>	<u>Percent</u>
Revenue Source -				
Property Taxes	\$ 59,013	\$ 58,999	\$ 14	0.0%
Intergovernmental	499	525	(26)	( 5.0)
Charges for Services	2,276	2,131	145	6.8
Interest Earnings	832	889	(57)	(6.4)
Other	141	74	67	90.5
County Total	<u>\$ 62,761</u>	<u>\$ 62,618</u>	<u>\$ 143</u>	<u>0.2%</u>
Expenditure Classification -				
Personal Services	\$ 43,398	\$ 42,169	\$ 1,229	2.9%
Supplies, Materials, Other				
Services and Charges	15,349	14,142	1,207	8.5
Capital Outlay	744	1,014	(270)	(26.6)
County Total	<u>\$ 59,491</u>	<u>\$ 57,325</u>	<u>\$ 2,166</u>	<u>3.8%</u>
<u>PRINCE GEORGE ' S COUNTY</u>				
Revenue Source -				
Property Taxes	\$ 100,231	\$ 97,488	\$2,743	2.8%
Intergovernmental	897	662	235	35.5
Charges for Services	6,740	6,493	247	3.8
Interest Earnings	2,992	3,823	(831)	(21.7)
Other	299	321	(22)	(6.9)
County Total	<u>\$111,159</u>	<u>\$108,787</u>	<u>\$2,372</u>	<u>2.2%</u>
Expenditure Classification -				
Personal Services	\$ 61,628	\$ 59,504	\$ 2,124	3.6%
Supplies, Materials, Other				
Services and Charges	27,790	27,767	23	0.1
Capital Outlay	2,375	4,563	(2,188)	(48.0)
County Total	<u>\$ 91,793</u>	<u>\$ 91,834</u>	<u>\$ (41)</u>	<u>0.0%</u>

The property tax revenue in Montgomery County remained fairly constant from fiscal year 1998 to fiscal year 1999. Fiscal year 1998 revenues included unusually high collections from prior years of \$1,700,000 versus \$800,000 in fiscal year 1999. This decrease was offset by current year collections which reflected a 2.4% growth in assessable base in fiscal year 1999 and the full year's impact of the prior year's assessable base growth. The applicable tax rate of 21.40 cents was unchanged. The increase in Prince George's County property tax revenue reflected 2.1% growth in fiscal year 1999, the full year's impact of the prior year's assessable base growth, and a \$400,000 increase in prior year collections. The applicable tax rate of 60.38 cents was unchanged. The interest earnings decreases reflected lower investment balances and a lower average rate of return throughout fiscal year 1999. Charges for services were up in Montgomery County by \$145,000, due primarily to increases in planning and sales fees, collections of ballfield registrations, and shelter and community building fees. The charges for services increased in Prince George's County primarily due to higher recreation revenues for trips and excursions. Prince George's intergovernmental revenues increased in fiscal year 1999 due primarily to the \$190,000 award of the Federal "COPSMORE" grant. The changes in personal services charges were due primarily to the June 28, 1998, 2.75% non-bargaining unit cost of living adjustment (COLA), the union COLAs ranging from 2.25% to 2.75%, and merit increases. The increase in personal services was partially offset by a decrease in employer retirement contributions. The capital outlay decrease in Prince George's County is due primarily to the 1998 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) and Advance Land Acquisition Bonds (ALA Bonds). The outstanding issues totaling \$156,130,000 and the related debt service requirements to maturity are set forth in Note 10 of the Notes to Financial Statements.



The Commission's general obligation bonds are unconditionally guaranteed by the County for which issued. Debt service expenditures for general obligation bonds and ALA Bonds totaled \$15,173,000 (Montgomery - \$3,619,000, Prince George's - \$11,554,000) for the fiscal year.

Of the outstanding debt, park acquisition and development bonds (Park Debt) totaled \$146,965,000 at June 30, 1999. Park debt, and the related debt service expenditures, totaled \$14,108,000 (Montgomery - \$2,994,000, Prince George's - \$11,114,000) 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 7.1 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 1999, the Commission issued \$21,000,000 Prince George's County Park Acquisition and Development Refunding Taxable Bonds, Series X-2, with a maturity date of August 1, 2002, and a fixed interest rate of 5%, the proceeds of which were used to retire \$21,000,000 Prince George's County Park Acquisition and Development Variable Rate Bond Anticipation Notes, Series V-2. This sale was undertaken to replace tax exempt debt with taxable debt to enable the Commission to expand the use of the Prince George's County Sports and Learning Complex. On July 30, 1998, the Commission also issued \$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%.

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>
Montgomery County	Aaa	AAA
Prince George's County	Aa2	AA

The Commission's revenue bonds and revenue notes payable which totaled \$13,658,000 at June 30, 1999, 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 \$850,143 for the fiscal year.

The Commission also issued a \$6,000,000 Cabin John Regional Park Ice Rink 1999 Revenue Note at an interest rate of 5.16% with a fifteen year term to finance the reconstruction and expansion of the existing ice rink in Cabin John Regional Park.

The outstanding proprietary fund debt as of June 30, 1999, 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 1999, projects totaling \$14,660,000 were completed.

Montgomery County authorized projects totaling \$21,323,000 in fiscal year 1999, of which \$2,381,000 is funded by the Commission from bonds. The amount of fiscal year 1999 budget allocated to acquisition of parkland is \$520,000, and \$20,803,000 for development. 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. The largest project currently under construction in Montgomery County is the South Germantown SoccerPlex within the South Germantown Recreational Park. The Commission has formed a partnership with a non-profit organization, The Maryland Soccer Foundation, Inc., to make the plan a reality through planned private funding of \$11,000,000 of the total \$20,000,000 project. The SoccerPlex will consist of twenty-two soccer fields, i.e., twenty one outdoor fields and a championship tournament field, an indoor arena with two multi-purpose athletic fields, and supporting facilities and infrastructure.



Prince George's County authorized projects totaling \$21,174,000 in fiscal year 1999 of which \$5,349,000 is to be funded by current and future Commission bonds. The amount of fiscal year 1999 budget allocated to acquisition of parkland is \$2,187,000, and \$18,987,000 for development. Major projects included authorization for increased funding of the Prince George's Sports and Learning Complex of \$7,800,000, enhancements for the Gardens Ice House of \$1,500,000, and additional funding for Community Park Schools of \$900,000.

Financial activity for 1999 and 1998 is summarized as follows (\$000's).

	<u>Montgomery County</u>		<u>Prince George's County</u>	
	<u>FY 1999</u>	<u>FY 1998</u>	<u>FY 1999</u>	<u>FY 1998</u>
Proceeds of Debt Issuance	\$7,000	\$ —	\$ —	\$21,000
Intergovernmental Revenues -				
Federal	—	—	422	371
Maryland Program Open Space	1,304	2,387	9,049	1,092
Local	4,118	3,885	—	—
Total	<u>12,422</u>	<u>6,272</u>	<u>9,471</u>	<u>22,463</u>
Transfers In -				
General Fund	290	140	3,468	5,240
Trust Fund	313	412	35	—
Sale of Land	—	—	156	234
Other Revenues	—	1	2,126	314
Total	<u>603</u>	<u>553</u>	<u>5,785</u>	<u>5,788</u>
Expenditures and Other -				
Acquisition	688	1,365	5,781	2,396
Development	6,951	7,896	30,947	15,247
Total	<u>7,639</u>	<u>9,261</u>	<u>36,728</u>	<u>17,643</u>
Authorized and Funded Projects	<u>6,697</u>	<u>1,311</u>	<u>23,393</u>	<u>44,865</u>
Working Capital	<u>6,697</u>	<u>1,311</u>	<u>23,393</u>	<u>44,865</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, a sports and learning center, 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 fell short of the goal by approximately \$1,442,000 including operating transfers in of \$86,000, and after payments for capital outlay and improvements totaling \$3,960,000. The Montgomery County Enterprise cash is used to partially fund Capital Improvement Projects, which amounted to \$3,727,000 in fiscal year 1999. The Prince George's County Enterprise Fund exceeded the goal by \$2,503,000 including operating transfers in of \$5,070,000, and after payments for capital outlay of \$259,000. At year end, \$1,990,000 was transferred from the General Fund to the Enterprise Fund for start-up costs for the Prince George's Sports and Learning Complex.



Summary comparative results of the financial operations of the Enterprise Funds for fiscal years 1999 and 1998 follow (\$000's).

	Montgomery County		Prince George's County	
	FY 1999	FY 1998	FY 1999	FY 1998
Operating Revenues	\$11,128	\$11,275	\$ 5,335	\$ 5,272
Operating Expenses				
Excluding Depreciation	8,696	9,378	7,643	7,287
Operating Income (Loss)				
Excluding Depreciation	2,432	1,897	(2,308)	(2,015)
Depreciation	665	1,535	991	1,256
Operating Income (Loss)	<u>\$ 1,767</u>	<u>\$ 362</u>	<u>\$ (3,299)</u>	<u>\$ (3,271)</u>

Comparative Montgomery County key data are as follows.

Facility	Revenues			Operating Income (Loss) Excluding Depreciation		
	FY 1999	FY 1998	Change	FY 1999	FY 1998	Change
Conference Centers	\$ 327,358	\$ 443,876	\$ (116,518)	\$ (158,338)	\$ (148,019)	\$ (10,319)
Golf Courses	6,989,681	6,627,272	362,409	1,940,300	1,386,832	553,468
Ice Rinks	1,396,410	2,151,180	(754,770)	(248,745)	131,069	(379,814)
Indoor Tennis	1,079,305	1,023,329	55,976	523,068	414,208	108,860
Park Facilities	1,335,182	1,029,349	305,833	375,779	112,120	263,659
TOTAL	<u>\$11,127,936</u>	<u>\$11,275,006</u>	<u>\$ (147,070)</u>	<u>\$2,432,064</u>	<u>\$1,896,210</u>	<u>\$ 535,854</u>

Total Enterprise Fund revenues decreased by 1.3% and operating income, excluding depreciation, improved by 28.3%. Operating income at the golf courses and park facilities increased 39.9% and 235.2% respectively, due to favorable weather conditions during the year. Ice rink revenues decreased 35.1% due to the warm winter, competition from The Gardens Ice House, a private ice rink, and the closing of Cabin John Ice Rink in March for construction. Conference center revenues decreased 26.3% due to the closing of the Silver Spring Armory.

Comparative Prince George's key data are as follows.

Facility	Revenues			Operating Income (Loss) Excluding Depreciation		
	FY 1999	FY 1998	Change	FY 1999	FY 1998	Change
Airport	\$ 218,549	\$ 239,197	\$(20,648)	\$ (327,899)	\$ (324,025)	\$ (3,874)
Equestrian Center/Arena	911,855	927,245	(15,390)	(1,576,910)	(1,361,619)	(215,291)
Golf Courses	2,378,134	2,279,026	99,108	149,814	106,314	43,500
Ice Rinks	481,000	515,040	(34,040)	(118,179)	(60,144)	(58,035)
Regional Parks	302,182	292,027	10,155	(181,372)	(126,430)	(54,942)
Trap & Skeet Center	1,043,059	1,019,667	23,392	(83,811)	(46,096)	(37,715)
Bladensburg Marina	---	---	---	(170,060)	(202,820)	32,760
TOTAL	<u>\$5,334,779</u>	<u>\$5,272,202</u>	<u>\$ 62,577</u>	<u>\$ (2,308,417)</u>	<u>\$ (2,014,820)</u>	<u>\$ (293,597)</u>

Total Enterprise Fund revenues increased by 1.2%, however, the operating loss, excluding depreciation, increased by 14.5%. Favorable weather conditions helped the golf courses, regional parks, and trap and skeet range revenues. The Commission looks forward to the opening of the Prince George's Sports and Learning Complex (Sportsplex) scheduled for February 2000. The Sportsplex is a 235,000 square foot facility containing a field house with a 200 meter track, gymnastic center, aquatic center, fitness center, and learning component all connected by a central atrium. The 80-acre site will also have a 400 meter outdoor track, play area, pond and other recreational features.

#### 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, and has funded 60% of the long-term portion.

The Capital Equipment Funds permit spreading the cost of capital outlay to the operating funds over a period not to exceed six years. Risk management net cost decreased \$519,000, from \$3,557,000 in fiscal year 1998 to \$3,038,000 in fiscal year 1999 as a result of a decrease in automobile and general liability insurance payments. 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 3.4% from \$13,058,000 in fiscal year 1998 to \$13,508,000 in fiscal year 1999 due to the overall increases to group insurance plan premium rates.

#### **Fiduciary Activities - (Exhibits 6, and F-1, F-2, and F-3)**

Fiduciary activities include the Employees' Retirement System Pension Trust Fund, the Employees' Deferred Compensation Expendable Trust Fund, the Maryland State Retirement System (MSRS) Agency Fund, and a number of Expendable Trust Funds. Pension Trust Fund investments resulted in an overall gain of 7.7%. The Commission contributed \$2,972,000 to the Employees' Retirement System as determined by the actuarial valuation as of July 1, 1998, which is used for financial reporting purposes in the accompanying report. This represented a 44% decline from the \$5,337,000 contribution in fiscal year 1998. An actuarial valuation as of July 1, 1999, still in progress, indicates a net market value of Pension Trust Fund assets approximating \$453,350,000, up \$26,000,000 during the year primarily due to investment returns.

#### **Cash Management**

The Commission's accounting system operates under a pooled cash fund concept. This method reduces the efforts needed to manage cash and investments since bank accounts and investments are consolidated in a Treasurer's Fund instead of having separate bank accounts and investments for each Fund. Investments of the Treasurer's Fund earned interest income of \$6,796,000 during fiscal year 1999. The average rate of return on the Commission's cash and investments during fiscal year 1999 was 5.2%.

#### **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 \$517,898,000 at June 30, 1999, an increase of almost \$44,000,000 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.

**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, 1998. 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 1999. The Commission has received this award continuously since fiscal year 1987. 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.

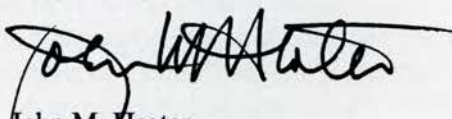
**Year 2000:** The Commission has a Year 2000 (Y2K) program mission to manage the processes and technology to ensure that no mission-critical services fail, or are disrupted as a result of date problems related to the year 2000. The Commission expects a smooth transition into the next millennium. Although minor problems could occur, the Commission expects to resolve all of its mission-critical Year 2000 problems before January 1, 2000. The Commission does not expect any Year 2000 problems to have a material adverse effect on its financial health, or its ability to meet the needs of its public in a timely manner.

Nevertheless, the Commission does not have control over the readiness of others. It is possible that while the Commission may be fully compliant and prepared, external unforeseen issues could adversely affect the business continuity of the Commission.

#### 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,



John M. Heater  
Acting 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, 1998

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.



*Douglas R. Ellsworth*  
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.

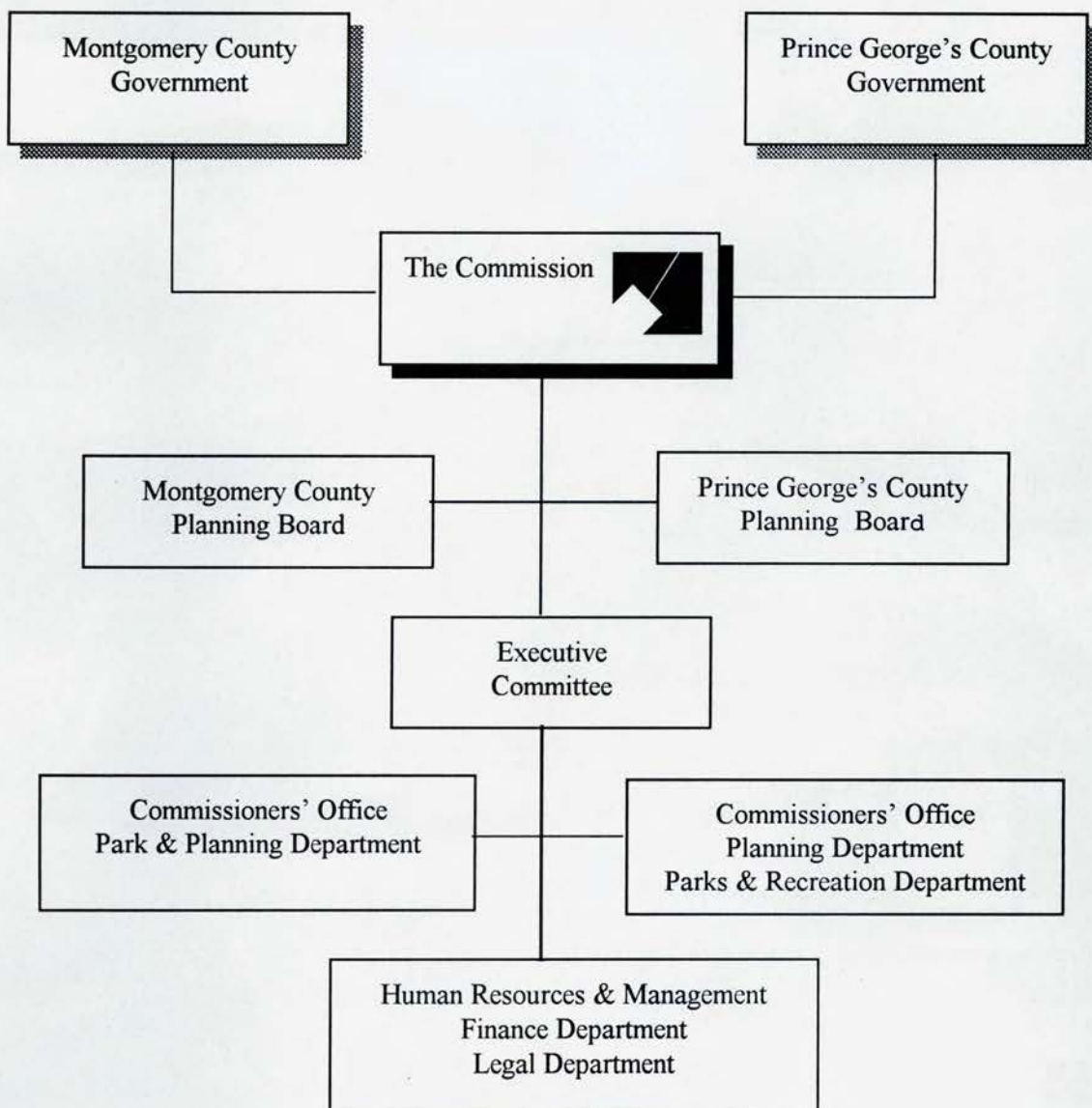
The Commission coordinates and acts on matters of interest to both Counties. Two regional offices are maintained, one in each County. The Commission meets once each month regularly, the site of the meetings alternating between the two regional offices. The members of the Commission from each County serve 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 51,000 acres. It is composed of stream-valley parks, large regional parks, neighborhood parks and park-school recreational areas. Its staff consists of over 1,940 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.

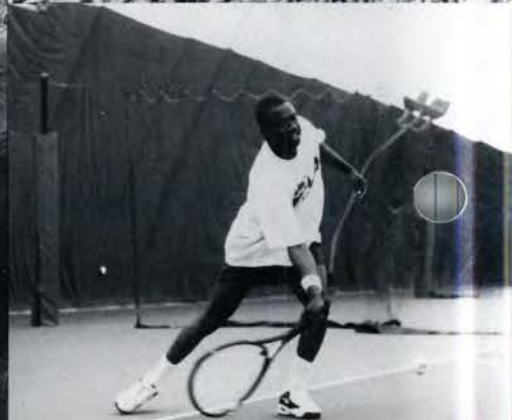


The operating and administrative functions of the Commission are financed primarily by property taxes levied for the Commission by the two Counties. The Commission has the authority to sell general obligation bonds to fund approved park acquisition and development projects.

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION  
ORGANIZATION CHART









## PROGRAM HIGHLIGHTS

**INTRODUCTION:** The Maryland-National Capital Park and Planning Commission continued its mission to improve the quality of life for the citizens of Montgomery and Prince George's Counties and for the communities in which they live, work and raise their families. Once again, the Commission's unequalled leadership in the fields of Planning, Parks and Recreation gained prestigious national recognition. The Prince George's County Planning Department earned the American Planning Association's Special Community Initiative Award for its work in the Port Towns revitalization planning area; the Port Towns project also merited a Joint Center for Sustainable Community Award from the National Governors Conference. The Parks and Recreation Department received the 1999 Award for Excellence from the National Association of Counties, the National Organization on Disability and the JC Penney Company for its model inclusion program for persons with disabilities. The Commission's Public Affairs staff brought home eight top awards from the National Association of Counties Information Officers. The Commission was proudly notified of its selection once again as a finalist for the National Gold Medal for excellence in parks and recreation management. As a four-time national gold medalist and seven-time nominee, the Commission has achieved a level of excellence unparalleled by any other agency in the nation.

The Commission pursued several public/private partnerships, producing dramatic results. With extensive public input, South Germantown Recreational Park's SoccerPlex received approval and major funding from state, county, Commission and private sources, particularly the Maryland Soccer Foundation, Inc., to begin design and construction of an indoor soccer stadium and 22 tournament fields, tennis and aquatic facilities, nature center and many other features. Work proceeded on the multimillion dollar Prince George's Sports and Learning Complex, built with support from the Washington Redskins. The community also celebrated the grand openings of the College Park Aviation Museum, the Youth Golf Training Facility, Shirley Povich Field and Hadley's Playground, all outstanding examples of public/private partnerships.

## MONTGOMERY COUNTY DEPARTMENT OF PARK AND PLANNING

**Focusing on Silver Spring/Takoma Park Areas:** An innovative revitalization strategy was included as part of the comprehensive amendment to the Sector Plan for the Silver Spring Central Business District (CBD). This strategy is presently being used in the development and review of projects in the core area of the Silver Spring CBD. Additional housing, a headquarters building for Discovery Communications and a major retail project are under development within this core area of the Silver Spring CBD as part of the revitalization strategy.

**I-270 Initiatives:** Several national models of successful employment centers were examined including Austin, Texas; Research Triangle, North Carolina; Silicon Valley, California; and Princeton, New Jersey; and several livability characteristics of these model employment centers identified. The findings of this employment center analysis will be used in preparing recommendations for improving the I-270 Corridor in Montgomery County.

**Planning for the Potomac Subregion:** The Community-Based Planning Division continued preparing recommendations for the Potomac Subregion, with promotion of development patterns concurrent with environmental protection as a central theme. Rural and rustic roads, water and sewer policies, new community facilities, and modifications to the existing land use and zoning will be included in this master plan.

**Protecting Rural Communities:** A recently-completed study of regulations affecting rural zones recommended changes to the existing regulations to allow the use of private roads in rural developments, to establish cluster development options, and to provide more flexible septic requirements. These recommendations strengthen the protection of quality farmland and open space in Montgomery County.



**Planning for Future Transportation Infrastructure:** For the first time the Department began looking at growth scenarios to the year 2050, to make sure all planning has a focused vision of the future. As part of a transportation policy report, alternative transit and roadway network modeling helps guide near-term investments in transportation infrastructure. This modeling will provide a context for County Council decisions and recommendations to the State Legislature. Avoiding negative community impact in both the location and design of new infrastructure has been a central theme in participation with the State's congestion relief study and design review of County projects.

**Focusing on the Environment:** As the administrative agency for the Forest Conservation Ordinance, the Department developed and will be suggesting amendments to the existing law to ensure the intent of the law is carried out in its implementation and that unnecessary regulatory submissions are eliminated. Increasing the survival rate for reforested areas and retaining existing forest stands are principle areas of the law in need of revision. Each year, the forest conservation program is responsible for planting trees in 600 acres. Throughout the park system, a major campaign is underway to upgrade maintenance yards to meet new environmental regulations.

**Respecting the County's Past:** The Department published an award-winning book on the history of Chevy Chase, which is now in its second printing. Designation of historic resources in Chevy Chase continued and staff is also reviewing Olney area resources in advance of updating the master plan. Historic area work permits are an ever increasing work load as the number of historic resources expands. Rehabilitation of park historic resources is underway with the stabilization of the Oliver Watkins House and the reconditioned barn. Public and private partnerships are sought to ensure continued maintenance of historic structures.

**Implementing the Park, Recreation, and Open Space Plan:** Providing for increased use of existing ballfields and the construction of additional ballfields continued as a prime focus. The County Council's "Kids First" initiative requires reducing the number of youths turned away from organized play due to the lack of fields. Installing lighting on selected existing fields will increase the hours of play, and renovations will bring fields back into condition for increased play. The Commission-appointed task force suggested several long-term projects, such as eight school field renovations, and policy modifications. The Commission's use of a comprehensive Facility Scheduling database in partnership with Montgomery County's Community Use of Public Facilities Office and the Department of Recreation assured greater efficiency in scheduling new and existing fields, and an increased construction rate for park trails responded to the expressed needs of County residents.

**Geographic Information System (GIS):** The Department is undertaking an inventory of park facilities in a GIS readable format. This will provide information available throughout the Department and the County. The GIS Team is converting the County's 30-40 years of zoning maps into the GIS. Although boundary lines are complete, additional work will make them legal. The GIS Team is developing the digital street address coverage, due for completion in December 1999.

**Understanding the Economy:** In April, the Department presented the second annual update of the economy study to the County Council. Updates will provide valuable input for budget considerations. Results of the interview and focus group phase of the Site Characteristics Study were presented at the same time. Both studies show an increasingly healthy economy. In addition, the site characteristics study indicates industry appreciation of the recently streamlined development review process.

**Streamlining the Development Review Process:** To automate components of the development review process, the Department used a consultant to develop a comprehensive, integrated computer system which staff is now implementing. It supports improved tracking and monitoring; eliminates redundancies; improves interagency coordination; uses client/server technology and the Oracle system; is maintainable and expandable; and integrates with the GIS and other systems. The computer system is scheduled to "go live" in mid-October 1999. Development Review staff continue



to work closely with the Maryland-National Capital Building Industry Association to improve the development approval process. Updating application forms, checklists, and submission requirements to more accurately reflect the current process is underway.

**Parks' Capital Improvements Program:** For the first time, the Department tracked the Capital Improvements Program's "cumulative obligations" rate, considered a more leading indicator of productivity than expenditure. Generally, a level of obligations that exceeds the expenditure for a given year points to an increased level of expenditure in the following year. By May 1999, the cumulative obligation reached \$19.5 million toward a year-end goal of \$24.3 million. Significant accomplishments included: the completion of Fairland Recreational Park and Brookview Local Park; the renovation of Bullis Local Park; the beginning of construction at Needwood Golf Course Maintenance Yard, Calverton-Fairland and McKnew Local Parks, and Ovid Hazen Wells Park; and enclosed ice rinks at Cabin John and Wheaton Regional Park.

**Public-Private Partnerships:** Plans for new facilities at South Germantown Recreational Park mandate simultaneous development of some public amenities along with the SoccerPlex, facilitated by a partnership involving the state, county and Maryland Soccer Foundation. Hadley's Playground at Falls Road Local Park, a \$700,000 initiative of the mother of a child with disabilities, opened in June featuring communication signage used by autistic children, Braille, and a rubberized ground cover made of recycled tires. The Bethesda Big Train, a collegiate baseball team, played its first home game on June 4 in the new Shirley Povich Field in Cabin John Regional Park, thanks to the financial support of a local baseball club.

**Land Acquisition:** Parkland increased by 144 acres in four stream valley parks, plus 34 acres at Fairland Recreational Park, and 95 additional acres at South Germantown Recreational Park. A joint acquisition with the Board of Education of almost 13 acres established the new Airy Hill Local Park, which will be shared by Paint Branch High School. The park system now totals more than 29,100 acres.

**Natural Resources:** For the first time, the Smithsonian, the U.S. Botanic Gardens and Brookside Gardens collaboratively sponsored a major eight-week Orchid Show in Brookside's Conservatory. The Gardens also hosted five major flower shows in the new Visitors Center. To improve boating and fishing, an aquatic weed suppression program treated 35 acres of lakes and ponds. More than 25 acres of parkland were reforested and a soil amendment program promoting tree health care was implemented. The completed restoration of the pond at Brookside Nature Center, supported by a grant from the Chesapeake Bay Foundation, interprets the link between suburban water quality care and the Bay's health.

**Volunteers in Parks:** Supported by a grant from the Chesapeake Bay Foundation, the Stream Striders Program recruited, trained and placed 28 adult volunteers, who in turn educated 35 volunteer groups in a variety of conservation projects. The Department also served as a Student Service Learning site, offering high school students opportunities in community service while earning credits toward graduation. One volunteer gardener at the Black Hill Visitor Center received the Governor's Award for Volunteerism, while the Department was honored with the "Agency Volunteer Award" by the Maryland Recreation and Parks Association.

**Excellence in Park Policing:** The Montgomery County Park Police Division achieved national accreditation status from the Commission on Accreditation for Law Enforcement Agencies. The Division's technology program was specifically designated as a national exemplary program. A new Mentor Officer Program enhanced retention and professional development of new recruits and career officers. The Division also received several awards, including the Council of Government's 1998 K-9 Team Enforcement Award.



## PRINCE GEORGE'S COUNTY

**DEPARTMENT OF PARKS AND RECREATION:** Continuing a tradition of excellence and national recognition for park and recreation programming and management, the Department offered a growing and culturally diverse population a wide variety of park and recreation programming, with patron visitation at parks and facilities numbering into the millions. To better address citizen needs, the Department embarked upon an ongoing and wide-scale marketing and customer service program.

The guaranteed potential for quality park and recreation opportunities was clearly evident with the on-going development of key projects to include: the multi-use, multi-faceted Prince George's Sports and Learning Complex; the environmentally friendly project known as the Bladensburg Waterfront Park, Phase I; and the groundbreaking for the WB&A Trail, a key segment in the Washington, Baltimore and Annapolis regional hiker-biker-equestrian trail system. Significant development and facility renovation took place during this period to include: the grand opening of the \$6 million College Park Aviation Museum; the development and grand opening of the Prince George's County Youth Golf Training Center funded in-part by a grant from the United States Golf Association; and renovations to the Ardmore Recreation Center, Hamilton Magruder Park, the Newton White Mansion Atrium, historic Snow Hill Manor, and numerous playgrounds throughout the park system.

Special events and festivals offered throughout the County proved to be crowd pleasers, some of which included: the Hispanic Festival; Marlborough Day; the 6th Annual Bluebird Blues Festival; the Montpelier Spring Festival; the College Park AeroFair; the ever-popular Winter Festival of Lights that attracted over 114,000 visitors; the Harlem Renaissance Festival; and month-long Black History events.

The Upper Marlboro and Glenridge Child Care Centers continued to serve as model employer child care programs, hosting numerous private, county and state officials interested in establishing similar programs in their jurisdictions. Excellence in child care continued as the Summer Lunch program, offered in cooperation with the Department of Social Services at 46 sites, served 105,870 nutritional lunches. Once again, the At Risk Youth Program was offered in conjunction with the Prince George's County Public Schools at Greenbelt, Shadyside, Columbia Park and Glenarden Woods elementary schools. A State Department of Education School-Community Center Program grant was coordinated and administered helping to keep schools open weekdays after hours and on weekends.

Thousands of traditional recreational programs, as well as numerous specialized programs were offered to meet the needs of the residents. Summer playgrounds and day camps, specialized teen activities, specialized senior facilities and activities, 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.

The Sports/Permit Division administered a diversified program of county-wide sports for youth and adults. Thousands of people permitted park facilities and the popular garden plots. The Division also administered the Prince George's County Boys and Girls Club sports program.

To better serve the public, all the department's interpretive house museums were reorganized under one division. The Archeological Society of Maryland selected Mt. Calvert as the site of its 29th Annual Field School for the third year in a row. Specialized programming including the Jug Bay 10K Run For Wildlife, Dino Day, and the Big Tree tour continue to grow in popularity. Preservation of natural resources was further promoted with volunteer assisted tree plantings and river and stream clean ups.



Arts and cultural offerings were well attended, and locally and nationally acclaimed artists and performers thrilled theater goers and gallery visitors throughout the year. Attention was given to the show "SSS: When The Iron Was Hot: African-American Iron workers in Laurel/Muirkirk," a show depicting local history from a previous era. Rental facilities are now managed by the Arts and Cultural Heritage Division to better serve the public.

The Commission received a federal "COPSMORE" grant that will enable the Park Police to purchase and use a sophisticated computer system in police vehicles, thereby giving officers in the field quicker access to information regarding possible suspects. The Park Police role of providing policing at special events and daily operations throughout the county is further aided by graduates of the popular Park/Community Volunteer Academy and Alumni Association. Park Police continue an active role in mentoring and participation in the Drug Abuse Resistance Education program.

Maintaining the park system is an enormous job, and renewed efforts are evident throughout the Department. From upgrading lighting systems, to making major building improvements, to developing a golf training facility, and installing a Vehicle Maintenance System to monitor Commission vehicles and equipment, the department is committed to keeping the park system clean, attractive, safe and user friendly for the public.

**PLANNING DEPARTMENT:** Community Planning staff continued to work on Metro-related projects, master plan and sectional map amendment (SMA) revisions, and specialized studies. The *College Park Transit Development District Plan (TDDP)* and revisions to the *West Hyattsville and Prince George's Plaza TDDP* were approved by Council. The *Preliminary Plan and SMA* was published for the Heights community planning area. The *Addison Road Metro Sector Plan and SMA* will be heard in the future.. The *Anacostia Trails Heritage Area Management Plan* proceeded through several steps of the public planning process, and a County Council-requested *Airport Study* was forwarded for review. The *Citizen's Handbook* was updated and redesigned to be a more customer-friendly document.

The Countywide Planning Section began work with Commission 2000 to develop the County's first Biennial Growth Policy Plan. This plan will incorporate the County's Economic Development Strategy, consider Zoning Ordinance changes, and make recommendations about the development pipeline that will lead to a new *General Plan* in 2000. Staff also provided technical assistance on the school adequate public facility legislation (CB-15-1999) and to the County's School Construction Team.

The Historic Preservation Section continued its support to the Historic Preservation Commission, reviewed historic work permit and tax credit applications, provided input on historic sites and environmental settings during the development review process and documented historic properties. A National Register nomination was approved for Hazelwood, and a proposal for the Greenbelt Historic District received overwhelming supported. An architectural survey was completed for East Hyattsville, while a survey of a potential historic district for Riverdale Park continues.

The award-winning Neighborhood Revitalization program achieved national recognition with awards in community capacity building and sustainability. In addition to revitalization planning, progress was achieved in the implementation of revitalization programs and projects. Examples include infrastructure redevelopment in several communities; the designation by the State of Maryland of the Port Towns Enterprise Zone; successful community events; development and implementation of a comprehensive model for revitalization development and implementation; and the establishment of a summer jobs-for-youth program in conjunction with area businesses. The program also staffs and supports the newly created Redevelopment Authority of Prince George's County, providing organization development input and identifying key redevelopment projects for the Authority's consideration.

The Urban Design Planning Division advanced the Greenbelt Metro Area Sector Plan/SMA process by conducting a series of planning group workshops that produced a "preferred land use concept" for the sector and a first draft of the preliminary plan. The Division completed work on the Brentwood Urban-Mixed Town Center Development Plan,



continued services to other area planning projects and initiated early work on the Route 1 Corridor Sector Plan in College Park.

The Development Review Division conducted timely review and analysis of approximately 750 applications, including zoning map amendments, special exceptions, conceptual and detailed site plans, and preliminary and final plats of subdivision. The Permit Review Section reviewed approximately 16,550 permit applications, of which approximately 13,200 were building permits, for compliance with appropriate codes and approval conditions. The Information Section provided various public information, street naming and property address services.

Transportation Planning staff continued to support the US 301 Implementation Task Force on the Demonstration Projects at MD 197 and MD 4. A new monthly process was instituted to improve coordination of development review in Prince George's County with State, County and local transportation agencies. Staff provided support to the Bicycle/Trails Advisory Group and the County in the development of project priority lists for pedestrian/bike facilities and State roads and transit projects, began the evaluation of land use scenarios for Commission 2000, and prepared or reviewed traffic impact studies for development applications.

Natural Resources Division staff led a team that prepared a grant application for the State Rural Legacy Program, requesting \$4.9 million for the County to protect more than 1,700 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. The fiscal year 1998 Forest Conservation Annual Report was prepared in accordance with the State Forest Conservation Act, and a Chesapeake Bay Critical Area Overlay Zoning Map Amendment was prepared for review by the District Council.

The Research Section completed amendments to the County's adopted forecasts that adjusted for the unification of the City of Takoma Park into Montgomery County, incorporated new average household size data from the Census Bureau, and extended the forecasts to 2025. Staff also published the *1998 Shopping Center Directory*, the *Planning Data Inventory* and two *Research Briefs*. Support and technical assistance were provided to various agencies and task forces.

Data Systems completed the conversion of non-Y2K compliant Department databases into Oracle. This solves the important Y2K problem and places the Department one step closer to an integrated relationship database. The network connection with Prince George's County was completed and new applications implemented.

The GIS Section completed the quality control phase of property identification number (PIN) assignments from the Assessor-Treasurer's File to the GIS Property Layer. Most of the critical Countywide political and geocode layers were successfully converted, improving the ability to do certain types of local analyses.

## **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.

Highlighting fiscal year 1999, the Department successfully negotiated and implemented a new three-year collective bargaining agreement with the Fraternal Order of Police, Lodge #30 and three wage reopeners for cost-of-living increases for the Service/Labor, Trades and Office Units. The Department implemented a pre-funding program for retirees' medical insurance. DHRM developed new policies and procedures in such areas as Electronic



Communications and Attendance and Tardiness. Departmental staff participated in the development and installation of a new automated time card system. The Department actively participated in Commission-wide solutions to the year 2000 computer issues.

Other major accomplishments included the Commission-wide initiation of an improved performance measurement system based on capturing program efficiency, effectiveness and outcomes. A Point of Service medical insurance option was added as a choice for employees. A new employment manual for seasonal, intermittent and term employees was developed and implemented along with a pay schedule for seasonal and intermittent employees. The Department is coordinating an Organizational Study of the Commission (Prince George's County portion) and an Information Technology Assessment Study. The Department, on behalf of the Commission, received the Distinguished Budget Presentation Award from the Government Finance Officers Association for the 12th consecutive year.

**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.

In fiscal year 1999, the Commission completed four debt transactions. The Commission sold \$7,000,000 General Obligation Bonds, Series U-2, to finance various Montgomery County Capital Projects, as well as \$21,000,000 Prince George's Park Acquisition and Development Refunding Taxable Bonds, Series X-2, which was a conversion of tax-exempt bonds to finance the Prince George's Sports and Learning Complex. The construction of a new ice rink at Cabin John Regional Park in Montgomery County was financed with a \$6,000,000 Revenue Note, and a \$2,800,000 lease/purchase agreement was negotiated to cover the cost of new vehicles and equipment for various Montgomery County facilities.

The Finance Department provided procurement support for numerous projects, including the purchase of deregulated natural gas and the construction of various park and recreation facilities. The major construction projects included the renovation and expansion of two ice rinks, the completion of the South Germantown Soccerplex and Recreational Park, and the development of the Prince George's County Sports and Learning Complex. Other significant accomplishments include the implementation of an automated time card system, an investment management system, and the electronic transfer of information into an automated utility system. The Finance Department coordinated the Year 2000 readiness program to ensure that no mission-imperative or mission-critical services failure occurs as a result of a Year 2000 date problem. This program included identifying the systems, replacing systems or remediating the problems, and preparing contingency plans.

For the 26th 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 1998 Comprehensive Annual Financial Report (CAFR), which was prepared by the Finance Department.

**OFFICE OF THE GENERAL COUNSEL:** The Office of the General Counsel provides comprehensive legal services to the Commission. Attorneys represent the Commission before federal and state courts and agencies in litigation and administrative matters which include but are not limited to the following areas: land use regulations, employment and Park Police matters, state and county legislative enactments, 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 new solutions for problems arising from the Commission's planning, zoning, subdivision and park and recreation management activities, as well as in implementing newly imposed legislative mandates.



In fiscal year 1999, the Office of the General Counsel updated and consolidated the Deferred Compensation Plans, Administrative Service Agreements and Resolutions. The Legal Department also negotiated an interim construction agreement and lease for the Soccerplex in Montgomery County; drafted and negotiated the Marketing Agreement and the Operations and Management Agreement, and drafted the concessionaires agreements for the Sports and Learning Center in Prince George's County; coordinated adoption of County legislation exempting the Commission from County Admissions and Amusements Taxes; and, continued negotiating the agreement for development of the US Airways Arena. The Office of the General Counsel has continued to support the Commission's operating departments by negotiating, drafting or reviewing numerous contracts and providing advice on an as needed daily basis.

Also during fiscal year 1999, the Office of the General Counsel tracked over 80 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 from the Office of the General Counsel in Riverdale.

### **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 1999, the Board continued to maintain its case load on a current and timely basis.

### **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 \$450 million. The FY 99 annualized rate of return on investments was approximately 7.7% gain. The Board of Trustees' actions for the year included: receipt of the Government Finance Officers Association's Certificate of Achievement for Excellence in Financial Reporting for the ERS' Comprehensive Annual Financial Report; continued comprehensive communications programs for all members regarding the System, including publishing the System's fifth summary annual report; and, conducting concentrated work site, and full day "Fitting the Pieces Together" retirement planning workshops for participants.



---

♦ PART IIA ♦  
FINANCIAL SECTION

---

General Purpose Financial Statements



Children learn to plant crops during the Spring Festival at the Agricultural History Farm Park.



# ARTHUR ANDERSEN LLP

## Report of Independent Public Accountants

To the Maryland-National Capital Park and Planning Commission:

We have audited the accompanying general-purpose financial statements (identified as Exhibits 1 through 6 in the accompanying Table of Contents) and the combining and individual fund and account group financial statements and schedules (identified as Exhibits A-1 through G-3 in the accompanying Table of Contents) of the Maryland-National Capital Park and Planning Commission (the "Commission"), as of and for the year then ended June 30, 1999. These financial statements and schedules are the responsibility of the Commission's management. Our responsibility is to express an opinion on these financial statements and schedules based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *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, 1999, 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, 1999, 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 a report, dated September 7, 1999, on our consideration of the Commission's internal control over financial reporting and on our tests of its compliance with certain provisions of law, regulations, contracts and grants.

As explained in Note 2 to the general purpose financial statements, the Commission changed its method of accounting for the Deferred Compensation fund.

Arthur Andersen LLP

Vienna, Virginia  
September 7, 1999



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

Combined Balance Sheet - ALL FUND TYPES AND ACCOUNT GROUPS  
June 30, 1999

EXHIBIT 1

	Governmental Fund Types			Proprietary Fund Types		Fiduciary Fund Types	Account Groups		Totals	
	General	Debt Service	Capital Projects	Enterprise	Internal Service	Trust and Agency Funds	General Assets	General Long-Term Obligations	(MEMORANDUM ONLY)	
								June 30, 1999	June 30, 1998	
ASSETS AND OTHER DEBITS										
Equity in Pooled Cash and Investments	\$ 65,435,725	\$ ---	\$ 26,335,222	\$ 18,294,271	\$ 32,804,200	\$ 24,868,317	\$ ---	\$ ---	\$ 167,737,735	\$ 168,755,190
Cash and Marketable Securities	---	---	---	---	---	584,794,423	---	---	584,794,423	534,340,078
Receivables - Taxes	3,841,000	---	---	---	---	---	---	---	3,841,000	3,305,000
Receivables - Other	221,789	---	908,077	56,173	40,174	2,081,373	---	---	3,307,586	3,748,975
Due from Other Funds	---	---	---	---	---	---	---	---	---	2,119,078
Due from Other Governments	1,606,622	---	9,193,919	---	31,100	---	---	---	10,831,641	6,735,592
Inventories, at Cost	---	---	---	1,176,273	---	---	---	---	1,176,273	1,240,913
Deposits and Other	3,655	---	---	---	121,967	142,136	---	---	267,758	67,551
Total Current Assets	71,108,791	---	36,437,218	19,526,717	32,997,441	611,886,249	---	---	771,956,416	720,312,377
Advances to Other Funds	---	---	---	---	---	1,734,875	---	---	1,734,875	1,734,875
Restricted Assets -	---	---	---	---	---	---	---	---	---	---
Land Held for Transfer	---	---	---	---	---	38,912,405	---	---	38,912,405	39,724,420
Other	---	---	---	---	---	418,291	---	---	418,291	404,995
Fixed Assets	---	---	---	62,937,495	15,859,321	---	517,898,050	---	596,694,866	550,024,204
Accumulated Depreciation	---	---	---	(13,351,154)	(7,732,404)	---	---	---	(21,083,558)	(19,264,263)
Amount Available in Debt Service Funds	---	---	---	---	---	---	---	---	---	274,780
Resources to be Provided in Future Years -	---	---	---	---	---	---	---	---	---	---
Retirement of General Obligation Bonds	---	---	---	---	---	---	---	156,130,000	156,130,000	155,830,220
Retirement of Accrued Liability for	---	---	---	---	---	---	---	---	---	---
Compensated Absences	---	---	---	---	---	---	---	9,488,000	9,488,000	8,708,000
Total Assets and Other Debits	\$ 71,108,791	\$ ---	\$ 36,437,218	\$ 69,113,058	\$ 41,124,358	\$ 652,951,820	\$ 517,898,050	\$ 165,618,000	\$ 1,554,251,295	\$ 1,457,749,608
LIABILITIES, EQUITY AND OTHER CREDITS										
Liabilities:										
Current Portion of Revenue Bonds Payable	\$ ---	\$ ---	\$ ---	\$ 245,000	\$ ---	\$ ---	\$ ---	\$ ---	\$ 245,000	\$ 265,000
Current Portion of Revenue Notes Payable	---	---	---	190,000	---	---	---	---	190,000	---
Current Portion of Notes Payable	---	---	---	123,725	1,489,647	---	---	---	1,613,372	1,048,564
Accounts Payable	4,321,526	---	6,327,437	388,809	254,371	99,423,286	---	---	110,715,429	120,786,105
Accrued Liabilities	5,636,054	---	---	1,105,902	10,238,936	57,059	---	---	17,037,951	15,733,498
Due to Other Funds	---	---	---	---	---	---	---	---	---	2,119,078
Due to Other Governments	498,875	---	---	---	---	3,664	---	---	502,539	---
Deposits and Deferred Revenue	4,245,954	---	19,041	370,677	---	4,658,230	---	---	9,293,902	8,327,076
Matured Bonds and Interest Payable	---	---	---	156,337	---	---	---	---	156,337	104,795
Total Current Liabilities	14,702,409	---	6,346,478	2,580,450	11,982,954	104,142,239	---	---	139,754,530	148,384,116
General Obligation Bonds Payable	---	---	---	---	---	---	---	156,130,000	156,130,000	156,105,000
Revenue Bonds Payable - Net of Current Portion	---	---	---	3,813,181	---	---	---	---	3,813,181	4,026,118
Revenue Notes Payable - Net of Current Portion	---	---	---	9,410,000	---	---	---	---	9,410,000	3,600,000
Notes Payable - Net of Current Portion	---	---	---	---	4,042,295	---	---	---	4,042,295	2,983,264
Advances from Other Funds	---	---	---	1,734,875	---	---	---	---	1,734,875	1,734,875
Accrued Liability for Compensated Absences	---	---	---	---	---	---	---	9,488,000	9,488,000	8,708,000
Total Liabilities	14,702,409	---	6,346,478	17,538,506	16,025,249	104,142,239	---	165,618,000	324,372,881	325,541,373
Equity and Other Credits:										
Contributed Capital	---	---	---	30,116,536	525,128	---	---	---	30,641,664	31,327,102
Investment in General Fixed Assets	---	---	---	---	---	---	517,898,050	---	517,898,050	474,270,655
Retained Earnings (Deficit) -	---	---	---	---	---	---	---	---	---	---
Reserved for Contingency	---	---	---	---	17,718,878	---	---	---	17,718,878	13,195,981
Unreserved	---	---	---	21,458,016	6,855,103	---	---	---	28,313,119	23,824,666
Fund Balances -	---	---	---	---	---	---	---	---	---	---
Reserved for Encumbrances	8,326,917	---	17,110,783	---	---	---	---	---	25,437,700	38,280,639
Reserved for Land Held for Transfer	---	---	---	---	---	40,647,280	---	---	40,647,280	41,459,295
Reserved for Debt Service	---	---	---	---	---	---	---	---	---	274,780
Reserved for Pension Benefits	---	---	---	---	---	453,350,152	---	---	453,350,152	427,426,605
Unreserved -	---	---	---	---	---	---	---	---	---	---
Designated for Subsequent Years	33,463,002	---	12,979,957	---	---	54,812,149	---	---	101,255,108	68,858,009
Undesignated	14,616,463	---	---	---	---	---	---	---	14,616,463	13,290,503
Total Retained Earnings/Fund Balances	56,406,382	---	30,090,740	21,458,016	24,573,981	548,809,581	---	---	681,338,700	626,610,478
Total Equity and Other Credits	56,406,382	---	30,090,740	51,574,552	25,099,109	548,809,581	517,898,050	---	1,229,878,414	1,132,208,235
Total Liabilities, Equity and Other Credits	\$ 71,108,791	\$ ---	\$ 36,437,218	\$ 69,113,058	\$ 41,124,358	\$ 652,951,820	\$ 517,898,050	\$ 165,618,000	\$ 1,554,251,295	\$ 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, 1999

	Governmental Fund Types			Fiduciary Fund Types	Totals (Memorandum Only) Year Ended	
	General	Debt Service	Capital Projects	Expendable Trust	June 30, 1999	June 30, 1998
<b>Revenues:</b>						
Property Taxes	\$ 159,244,758	\$ 2,334,390	\$ ---	\$ ---	\$ 161,579,148	\$ 158,809,071
Intergovernmental	1,396,303	---	14,893,093	22,806	16,312,202	8,928,021
Charges for Services	9,015,465	---	---	4,225,041	13,240,506	12,186,690
Interest	3,823,814	---	2,425,614	930,032	7,179,460	7,777,393
Investment Earnings	---	---	---	3,844,706	3,844,706	---
Contributions	---	---	---	4,414,008	4,414,008	---
Miscellaneous	439,779	---	2,281,853	1,025,809	3,747,441	1,885,940
<b>Total Revenues</b>	<b>173,920,119</b>	<b>2,334,390</b>	<b>19,600,560</b>	<b>14,462,402</b>	<b>210,317,471</b>	<b>189,587,115</b>
<b>Expenditures:</b>						
<b>Current -</b>						
General Government	10,930,626	---	---	---	10,930,626	10,594,574
County Planning and Zoning	27,353,307	---	---	---	27,353,307	26,527,773
Park Operation and Maintenance	87,941,231	---	---	---	87,941,231	80,801,735
Recreation Programs	29,191,944	---	---	---	29,191,944	27,750,023
Miscellaneous Expendable Trust Funds	---	---	---	6,434,695	6,434,695	4,885,626
Capital Outlay - Land Acquisition and Development	---	---	44,367,346	---	44,367,346	26,904,607
<b>Debt Service -</b>						
Principal Retirement	---	6,975,000	---	---	6,975,000	7,385,000
Interest and Fiscal Charges	---	8,198,017	---	---	8,198,017	8,062,927
<b>Total Expenditures</b>	<b>155,417,108</b>	<b>15,173,017</b>	<b>44,367,346</b>	<b>6,434,695</b>	<b>221,392,166</b>	<b>192,912,265</b>
<b>Excess of Revenues over (under) Expenditures</b>	<b>18,503,011</b>	<b>(12,838,627)</b>	<b>(24,766,786)</b>	<b>8,027,707</b>	<b>(11,074,695)</b>	<b>(3,325,150)</b>
<b>Other Financing Sources (Uses):</b>						
Proceeds of General Obligation Bonds	---	---	7,000,000	---	7,000,000	21,000,000
Proceeds of Refunding Bonds	---	21,000,000	---	---	21,000,000	7,325,000
Retirement of Debt - Bond Anticipation Notes	---	(21,000,000)	---	---	(21,000,000)	(7,605,178)
Operating Transfers In	2,628,373	13,833,148	4,106,484	1,331,301	21,899,306	24,296,695
Operating Transfers Out	(23,896,883)	(1,269,301)	(2,425,614)	(463,525)	(28,055,323)	(28,383,230)
<b>Total Other Financing Sources (Uses)</b>	<b>(21,268,510)</b>	<b>12,563,847</b>	<b>8,680,870</b>	<b>867,776</b>	<b>843,983</b>	<b>16,633,287</b>
<b>Excess of Revenues and Other Sources over (under) Expenditures and Other Uses</b>	<b>(2,765,499)</b>	<b>(274,780)</b>	<b>(16,085,916)</b>	<b>8,895,483</b>	<b>(10,230,712)</b>	<b>13,308,137</b>
<b>Fund Balances, July 1</b>	<b>59,171,881</b>	<b>274,780</b>	<b>46,176,656</b>	<b>86,563,946</b>	<b>192,187,263</b>	<b>148,855,089</b>
<b>Fund Balances, June 30</b>	<b>\$ 56,406,382</b>	<b>\$ ---</b>	<b>\$ 30,090,740</b>	<b>\$ 95,459,429</b>	<b>\$ 181,956,551</b>	<b>\$ 162,163,226</b>

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, 1999

	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Property Taxes	\$ 154,754,830	\$ 159,244,758	\$ 4,489,928
Intergovernmental	1,632,470	1,396,303	(236,167)
Charges for Services	5,923,980	6,415,526	491,546
Rentals and Concessions	2,887,825	2,599,939	(287,886)
Interest	3,340,500	3,823,814	483,314
Miscellaneous	207,510	439,779	232,269
Total Revenues	<u>168,747,115</u>	<u>173,920,119</u>	<u>5,173,004</u>
Expenditures/Encumbrances:			
Current -			
General Government	11,211,359	11,118,530	92,829
County Planning and Zoning	27,961,339	27,183,263	778,076
Park Operation and Maintenance	90,159,239	84,441,957	5,717,282
Recreation Programs	30,156,253	28,540,546	1,615,707
Total Expenditures/Encumbrances	<u>159,488,190</u>	<u>151,284,296</u>	<u>8,203,894</u>
Excess of Revenues over (under) Expenditures/Encumbrances	<u>9,258,925</u>	<u>22,635,823</u>	<u>13,376,898</u>
Other Financing Sources (Uses):			
Operating Transfers In	2,000,000	2,628,373	628,373
Operating Transfers Out	(21,015,517)	(23,896,883)	(2,881,366)
Total Other Financing Sources (Uses)	<u>(19,015,517)</u>	<u>(21,268,510)</u>	<u>(2,252,993)</u>
Excess of Revenues and Other Sources over (under) Expenditures/Encumbrances and Other Uses - Budget Basis	<u>\$ (9,756,592)</u>	1,367,313	<u>\$ 11,123,905</u>
Fund Balances - Budget Basis, July 1		<u>46,712,152</u>	
Fund Balances - Budget Basis, June 30		<u>\$ 48,079,465</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 For the Fiscal Year Ended June 30, 1999

	Proprietary Fund Types		Totals (Memorandum Only)	
	Enterprise	Internal Service	Year Ended	
			June 30, 1999	June 30, 1998
Operating Revenues:				
Sales	\$ 2,731,906	\$ ---	\$ 2,731,906	\$ 2,717,049
Charges for Services	10,216,444	32,321,795	42,538,239	38,315,044
Rentals and Concessions	3,514,365	---	3,514,365	3,493,703
Miscellaneous	---	107,800	107,800	167,486
Total Operating Revenues	<u>16,462,715</u>	<u>32,429,595</u>	<u>48,892,310</u>	<u>44,693,282</u>
Operating Expenses:				
Cost of Goods Sold	1,541,300	---	1,541,300	1,722,812
Personal Services	7,892,110	9,652,353	17,544,463	16,627,252
Supplies and Materials	2,140,802	186,517	2,327,319	2,533,260
Other Services and Charges	3,247,947	17,493,612	20,741,559	21,057,390
Depreciation	1,655,342	1,562,543	3,217,885	4,370,712
Administrative Expenses	1,516,909	---	1,516,909	1,585,531
Total Operating Expenses	<u>17,994,410</u>	<u>28,895,025</u>	<u>46,889,435</u>	<u>47,896,957</u>
Operating Income (Loss)	<u>(1,531,695)</u>	<u>3,534,570</u>	<u>2,002,875</u>	<u>(3,203,675)</u>
Nonoperating Revenues	629,715	1,460,548	2,090,263	1,804,756
Nonoperating Expenses	<u>(592,043)</u>	<u>(258,068)</u>	<u>(850,111)</u>	<u>(816,655)</u>
Nonoperating Revenues (Expenses), Net	<u>37,672</u>	<u>1,202,480</u>	<u>1,240,152</u>	<u>988,101</u>
Income (Loss) Before Operating Transfers	<u>(1,494,023)</u>	<u>4,737,050</u>	<u>3,243,027</u>	<u>(2,215,574)</u>
Operating Transfers In	5,156,017	1,000,000	6,156,017	4,086,535
Operating Transfers Out	<u>(621,120)</u>	---	<u>(621,120)</u>	---
Total Operating Transfers	<u>4,534,897</u>	<u>1,000,000</u>	<u>5,534,897</u>	<u>4,086,535</u>
Net Income (Loss)	<u>3,040,874</u>	<u>5,737,050</u>	<u>8,777,924</u>	<u>1,870,961</u>
Add Depreciation Charge to Contributed Capital	<u>228,566</u>	<u>4,860</u>	<u>233,426</u>	<u>228,566</u>
Net Increase (Decrease) in Retained Earnings/ Fund Balances	<u>3,269,440</u>	<u>5,741,910</u>	<u>9,011,350</u>	<u>2,099,527</u>
Retained Earnings/Fund Balances, July 1	<u>18,188,576</u>	<u>18,832,071</u>	<u>37,020,647</u>	<u>34,921,120</u>
Retained Earnings/Fund Balances, June 30	<u>\$ 21,458,016</u>	<u>\$ 24,573,981</u>	<u>\$ 46,031,997</u>	<u>\$ 37,020,647</u>

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, 1999

	Proprietary Fund Types		Totals (Memorandum Only) Year Ended	
	Enterprise	Internal Service	June 30, 1999	June 30, 1998
Cash Flows from Operating Activities:				
Operating Income (Loss)	\$ (1,531,695)	\$ 3,534,570	\$ 2,002,875	\$ (3,203,675)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Depreciation	1,655,342	1,562,543	3,217,885	4,370,712
Changes in Assets and Liabilities:				
(Increase) Decrease in Accounts Receivable	63,096	(36,837)	26,259	(32,912)
(Increase) Decrease in Due from Other Funds	---	1,452,587	1,452,587	(765,213)
(Increase) Decrease in Due from County Government	---	89,167	89,167	36,589
(Increase) Decrease in Inventories, at Cost	64,640	---	64,640	(32,465)
(Increase) Decrease in Deposits and Other	---	(102,355)	(102,355)	1,283,662
Increase (Decrease) in Accounts Payable	(139,256)	(50,365)	(189,621)	(104,885)
Increase (Decrease) in Claims Payable	---	684,106	684,106	448,663
Increase (Decrease) in Accrued Salaries and Benefits	38,930	49,184	88,114	478,881
Increase (Decrease) in Accrued Leave	126,149	(81,922)	44,227	(41,862)
Increase (Decrease) in Interest Payable	53,202	---	53,202	11,045
Increase (Decrease) in Estimate of Incurred but Unreported Claims	---	(155,488)	(155,488)	(33,430)
Increase (Decrease) in Due to Other Funds	---	(1,452,587)	(1,452,587)	765,213
Increase (Decrease) in Revenue Collected in Advance	18,054	---	18,054	42,788
Net Cash Provided (Used) by Operating Activities	<u>348,462</u>	<u>5,492,603</u>	<u>5,841,065</u>	<u>3,223,111</u>
Cash Flows from Noncapital Financing Activities:				
Operating Transfers In from Other Funds	5,156,017	1,000,000	6,156,017	4,086,535
Net Cash Provided (Used) by Noncapital Financing Activities	<u>5,156,017</u>	<u>1,000,000</u>	<u>6,156,017</u>	<u>4,086,535</u>
Cash Flows from Capital and Related Financing Activities:				
Acquisition of Fixed Assets	(4,218,913)	(1,296,075)	(5,514,988)	(3,568,708)
Principal Paid on Notes Payable	(118,398)	(1,057,764)	(1,176,162)	(1,225,403)
Principal Paid on Revenue Bonds	(265,000)	---	(265,000)	(160,000)
Interest Paid	(592,043)	(258,068)	(850,111)	(816,655)
Payment of Refunded Revenues Bonds	---	---	---	(4,305,000)
Write-Off of Revenue Bonds Unamortized Charge	32,063	---	32,063	---
Proceeds from Financing	---	2,800,000	2,800,000	---
Proceeds from Financing- Revenue Bonds - net	---	---	---	4,291,118
Proceeds from Financing - Revenue Notes	6,000,000	---	6,000,000	3,600,000
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>837,709</u>	<u>188,093</u>	<u>1,025,802</u>	<u>(2,184,648)</u>
Cash Flows from Investing Activities:				
Interest on Investments	629,715	1,460,548	2,090,263	1,804,756
Net Cash Provided (Used) by Investing Activities	<u>629,715</u>	<u>1,460,548</u>	<u>2,090,263</u>	<u>1,804,756</u>
Net Increase (Decrease) in Cash and Cash Equivalents	6,971,903	8,141,244	15,113,147	6,929,754
Cash and Cash Equivalents, July 1	11,322,368	24,662,956	35,985,324	29,055,570
Cash and Cash Equivalents, June 30	<u>\$ 18,294,271</u>	<u>\$ 32,804,200</u>	<u>\$ 51,098,471</u>	<u>\$ 35,985,324</u>

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



# THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

EXHIBIT 6

## Statement of Plan Net Assets - PENSION TRUST FUND

As of June 30, 1999 and 1998

	June 30, 1999	June 30, 1998
<b>ASSETS</b>		
Cash and Short Term Investments	\$ 102,851,740	\$ 71,695,647
Receivables:		
Plan Members	148,882	6,159
Interest Receivable	1,910,808	2,243,365
Total Receivables	2,059,690	2,249,524
Investments at Fair Value:		
U.S. Government Obligations	117,144,653	116,176,931
Domestic Corporate Bonds	75,866,877	84,599,053
Common Stock	251,467,841	231,387,131
Real Estate	161,678	457,279
Total Investments	444,641,049	432,620,394
Deposits and Other	140,386	41,367
Total Assets	549,692,865	506,606,932
<b>LIABILITIES</b>		
Investment Payable and Other	96,342,713	79,180,327
NET ASSETS HELD IN TRUST FOR PENSION BENEFITS (A Schedule of Funding Progress is presented in Note 11)	\$ 453,350,152	\$ 427,426,605

## Statement of Changes in Plan Net Assets - PENSION TRUST FUND

For the Fiscal Years Ended June 30, 1999 and 1998

### ADDITIONS:

Contributions:		
Employer	\$ 2,971,972	\$ 5,337,250
Plan Member	2,868,518	2,891,668
Total Contributions	5,840,490	8,228,918
Investment Income:		
Net Appreciation in Fair Value of Investments	18,516,906	47,460,573
Interest	13,580,212	13,140,226
Dividends	2,687,249	2,829,050
Real Estate Operating Income, Net	---	3,089,134
	34,784,367	66,518,983
Less: Investment Expense	(4,131,860)	(3,893,859)
Net Investment Income	30,652,507	62,625,124
Total Additions	36,492,997	70,854,042

### DEDUCTIONS:

Benefit Payments	9,511,899	8,905,020
Refunds of Contributions	295,832	414,487
Administrative Expenses	761,719	744,396
Total Deductions	10,569,450	10,063,903
Net Increase for the Year in Plan Net Assets	25,923,547	60,790,139
NET ASSETS HELD IN TRUST FOR PENSION BENEFITS		
July 1	427,426,605	366,636,466
June 30	\$ 453,350,152	\$ 427,426,605

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, 1999

### (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, 1999. The financial activities of the Commission's Employees' Retirement System, Employees' Deferred Compensation Expendable Trust 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 Expendable Trust 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 Expendable Trust Fund, and the MSRS are not maintained on a separate County basis.

## **ACCOUNT GROUPS**

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

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

### **(B) Basis of Accounting**

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

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

The governmental, expendable trust and agency funds are maintained on the modified accrual basis of accounting. Under this method of accounting, revenues are recorded in the accounting period in which they become both available and measurable. Revenues from taxes are recognized when they have been levied, are due on or before June 30 and collection is expected within 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.

In June 1999, the GASB issued Statement 34, "Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments." This statement will have significant impact on the financial reporting presentation of the Commission's CAFR with the inclusion of the Management's Discussion and Analysis Section and the reformatting of the basic financial statements. The Commission will be determining the impact of this statement on the financial statements in fiscal year 2000. The Commission will be implementing this statement in fiscal year 2002.

**(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 where grant funds received with the knowledge and approval of the respective 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 1999 supplemental appropriations were approved that increased the General Fund and Capital Projects Funds by \$415,000 and \$3,234,000, 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 1999 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.

**(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, 1999, consist of \$1,734,875 of land acquired by the Prince George's County Advance Land Acquisition Fund that is being used for park purposes in the Enterprise Fund. The advances are recorded as noncurrent receivables/payables in the respective Funds.

**(H) General Fixed Assets**

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

**(I) Property, Plant and Equipment - Proprietary Funds**

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

**(J) Employee Leave and Group Insurance**

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



Employee Benefits Internal Service Fund receives revenue from the General Fund for leave earned by employees. When leave is taken, it is recorded as an expense in the Employee Benefits Internal Service Fund. The liability for leave expected to be taken within 60 days after year end is recorded in the Employee Benefits Internal Service Fund. The accumulated leave balances in which employees have vested rights, but which are not expected to be used within 60 days after year-end, have been recorded in the General Long-Term Obligations Account Group. See Note 18.

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

#### **(K) Deferred Compensation Plans**

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

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

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. 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. During fiscal year 1999, the Commission established a trust for the protection of the participants and the preservation of their assets under the Deferred Compensation Plan. The assets will not be diverted for any other purpose. Effective July 1, 1998, the Deferred Compensation Plan was moved from being an Agency Fund to an Expendable Trust Fund. The cumulative effect of this change in accounting principle has been reported as a restatement of the beginning fund balance of \$30,024,037 in the Expendable Trust Funds.

#### **(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 1998 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 1998 to be consistent with 1999 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 year 1999 the noncash financing activity was related to the Montgomery County Enterprise Little Bennett Golf Facilities Revenue Bond amortization.

### (3) - CASH AND INVESTMENTS

The Commission's deposits and investments as of June 30, 1999, totaled \$752,532,158, presented in the combined balance sheet as the sum of "Equity in Pooled Cash and Investments" and "Cash and Marketable Securities," of which \$746,543,709 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 Fund. The remaining balance is composed of \$2,500,869 Cash Reserved for Debt Service, \$3,268,860 Cash Reserved for Construction, and \$218,720 cash at various Commission facilities. The Commission's pool is available to all Funds, except for the Pension Trust Fund and the Deferred Compensation Fund. The following is a schedule of total cash and investments.

	<u>Commission</u>	<u>Pension Trust Fund</u>	<u>Deferred Compensation Fund</u>	<u>Total</u>
Equity in Pooled Cash and Investments:				
Cash in Banks	\$ (214,997)	\$ ---	\$ ---	\$ (214,997)
Investments	161,964,283	---	---	161,964,283
Reserved for Debt Service	2,500,869	---	---	2,500,869
Reserved for Construction	3,268,860	---	---	3,268,860
Other Cash	218,720	---	---	218,720
Total Equity in Pooled Cash and Investments	<u>167,737,735</u>	<u>---</u>	<u>---</u>	<u>167,737,735</u>
Cash and Marketable Securities	<u>---</u>	<u>547,492,789</u>	<u>37,301,634</u>	<u>584,794,423</u>
Total Cash and Investments	<u>\$167,737,735</u>	<u>\$547,492,789</u>	<u>\$37,301,634</u>	<u>\$752,532,158</u>

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

**Cash in Bank** - At year-end, the carrying amount of deposits was an overdraft of \$214,997 and the bank balance was \$2,145,548. Of the bank balance, \$355,000 was covered by Federal depository insurance and the remainder was collateralized by \$2,803,054 of 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, 1999.

**Cash Reserved for Debt Service** - At year-end, the Commission had \$2,500,869 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 \$3,268,860 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 Securities and Exchange Commission 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 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, 1999, 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, 1999. Insurance contracts, real estate, and mutual funds are not subject to categorization.

The Commission's investments at June 30, 1999 were as follows:

	<u>Category 1</u>	<u>Carrying Amount</u>	<u>Market Value</u>
Commission Investments:			
Federal Farm Credit Banks	\$ 71,180,403	\$ 71,180,403	\$ 71,180,403
Certificate of Deposit	600,000	600,000	600,000
U.S. Treasury	703,388	703,388	703,388
Bankers' Acceptances	23,419,894	23,419,894	23,419,894
Commercial Paper	6,160,016	6,160,016	6,160,016
Federal National Mortgage Association	10,314,835	10,314,835	10,314,835
Federal Home Loan Bank	2,458,975	2,458,975	2,458,975
Federal Home Loan Mortgage Corporation	16,506,914	16,506,914	16,506,914
Repurchase Agreements	30,745,400	30,745,400	30,745,400
Total Investments	<u>162,089,825</u>	<u>162,089,825</u>	<u>162,089,825</u>
Total Pooled Investments Held in Mutual Funds		5,644,187	5,644,187
Total Pension Trust Fund		547,492,789	547,492,789
Total Deferred Compensation Expendable Trust Fund		37,301,634	37,301,634
Commission Total	<u>\$162,089,825</u>	<u>\$752,528,435</u>	<u>\$752,528,435</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 1998 and prior that are estimated to be collectible have been recorded as a receivable in the accompanying 1999 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, 1999, was \$10,831,641 for the Commission (\$4,065,173 and \$6,766,468 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	\$ ---	\$ ---
U.S. Department of Justice	227,002	---	---
Federal Highway Administration	---	27,549	---
State of Maryland	68,095	1,544,897	---
Montgomery County	683,791	1,487,683	15,550
Montgomery County Totals	<u>\$ 989,494</u>	<u>\$3,060,129</u>	<u>\$ 15,550</u>



	PRINCE GEORGE'S COUNTY		
	General Fund Accounts	Capital Projects Funds	Internal Service Funds
U.S. Dept. Of Transportation	\$ ---	\$ 95,213	\$ ---
U.S. Department of Justice	123	---	---
U.S. Department of Commerce	7,473	---	---
State of Maryland	10,375	6,038,577	---
Prince George's County	599,157	---	---
Montgomery County	---	---	15,550
Prince George's County Totals	<u>\$ 617,128</u>	<u>\$6,133,790</u>	<u>\$ 15,550</u>
Commission Totals	<u>\$1,606,622</u>	<u>\$9,193,919</u>	<u>\$ 31,100</u>

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

There were no individual interfund receivable or payable balances at June 30, 1999.

#### (7) - CONTRIBUTED CAPITAL

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

	Enterprise		Internal Service	
	Montgomery	Prince George's	Montgomery Capital Equipment	Prince George's Capital Equipment
Beginning Balance,				
Contributed Capital	\$4,876,936	\$25,920,178	\$525,128	\$4,860
Contributions	---	479,402	---	---
Less: Transfer of Assets				
Back to General Fixed Assets	(931,414)	---	---	---
Less: Depreciation Added Back	---	(228,566)	---	(4,860)
Ending Balance,				
Contributed Capital	<u>\$3,945,522</u>	<u>\$26,171,014</u>	<u>\$525,128</u>	<u>\$ ---</u>

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

The Commission and respective County governments have designated \$33,463,002 of budget basis fund balances in the General Fund at June 30, 1999, as restricted to fund fiscal year 2000 operations and provide reserves for contingencies.

	Montgomery County	Prince George's County	Total
Administration Account	\$1,247,687	\$ 1,534,162	\$ 2,781,849
Park Account	2,598,676	25,726,587	28,325,263
Recreation Account	N/A	2,355,890	2,355,890
	<u>\$3,846,363</u>	<u>\$29,616,639</u>	<u>\$33,463,002</u>

The amount of available fund balance as defined on a GAAP basis and on a non-GAAP budgetary basis is \$14,616,463 (\$1,175,052 and \$13,441,411 for Montgomery and Prince George's County, respectively).

There were no deficits in retained earnings for the year ended June 30, 1999.



## (9) - GENERAL FIXED ASSETS

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

General Fixed Assets	Balance June 30, 1998	Additions	Deductions	Transfers	Balance June 30, 1999
<b>Montgomery County</b>					
Land	\$111,294	\$ 7,707	\$ (621)	\$ 621	\$119,001
Buildings and Improvements	73,630	770	---	6,616	81,016
Machinery and Equipment	7,441	871	(160)	---	8,152
Construction in Progress	11,834	2,953	---	(6,616)	8,171
Total General Fixed Assets	<u>\$204,199</u>	<u>\$12,301</u>	<u>\$ (781)</u>	<u>\$ 621</u>	<u>\$216,340</u>
<b>Prince George's County</b>					
Land	\$ 86,172	\$ 6,429	\$ (881)	\$ ---	\$ 91,720
Buildings and Improvements	137,936	902	(479)	8,044	146,403
Machinery and Equipment	20,240	2,513	(444)	---	22,309
Construction in Progress	25,723	23,447	---	(8,044)	41,126
Total General Fixed Assets	<u>\$270,071</u>	<u>\$33,291</u>	<u>\$ (1,804)</u>	<u>\$ ---</u>	<u>\$301,558</u>
Commission-wide Totals	<u>\$474,270</u>	<u>\$45,592</u>	<u>\$ (2,585)</u>	<u>\$ 621</u>	<u>\$517,898</u>

The Commission is committed to \$17,110,783 for construction contracts for work to be performed in subsequent years.

A summary of proprietary fund type fixed assets at June 30, 1999 follows.

	Enterprise	Internal Service
<b>Montgomery County</b>		
Land	\$ 7,791,328	\$ ---
Buildings	7,885,468	102,469
Improvements Other Than Buildings	1,647,715	---
Machinery and Equipment	3,523,423	12,288,108
Construction in Progress	6,359,896	---
Total	27,207,830	12,390,577
Less-Accumulated Depreciation	(5,020,711)	(7,122,085)
Net	<u>\$ 22,187,119</u>	<u>\$ 5,268,492</u>
<b>Prince George's County</b>		
Land	\$ 5,684,643	\$ 748,497
Buildings	19,825,666	2,649,865
Improvements Other Than Buildings	7,630,612	---
Machinery and Equipment	2,588,744	70,382
Total	35,729,665	3,468,744
Less-Accumulated Depreciation	(8,330,443)	(610,319)
Net	<u>\$ 27,399,222</u>	<u>\$ 2,858,425</u>
Total Commission Fixed Assets	\$ 62,937,495	\$ 15,859,321
Less-Accumulated Depreciation	(13,351,154)	(7,732,404)
Net	<u>\$ 49,586,341</u>	<u>\$ 8,126,917</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 1999, the actual debt service expenditures per \$100 of assessed valuation for Park Bonds approximated 1.1 cents in Montgomery County and 7.1 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 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%.

**Refunding** - On December 3, 1998, the Commission sold \$21,000,000 Prince George's County Park Acquisition and Development Refunding Taxable Bonds, Series X-2, with a maturity date of August 1, 2002, and a fixed interest rate of 5%, the proceeds of which were used to retire the Prince George's County Park Acquisition and Development Variable Rate Bond Anticipation Notes (BANS), Series V-2. This sale was undertaken to replace tax exempt debt with taxable debt to enable the Commission to expand the use of the Prince George's County Sports and Learning Complex. The Commission pays interest only on the Prince George's County Park Acquisition and Development Refunding Taxable Bonds and intends to refinance the entire \$21,000,000 with long-term bonds on or before August 1, 2002. The BANS were remarketed daily and interest rates varied from 1.70% to 5.00% during fiscal year 1999.

### **(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 April 27, 1999, the Commission issued a \$6,000,000 Cabin John Regional Park Ice Rink 1999 Revenue Note (Note) at an interest rate of 5.16% with a fifteen year term to finance the reconstruction and expansion of the existing ice rink in Cabin John Regional Park. The Note matures over



the period through November 1, 2013. The Note is secured by a \$600,000 Certificate of Deposit until the facility is completed, and a pledge of security interest in the revenues of the facility until the Note is repaid.

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

	<u>Little Bennett Golf Course</u>	<u>Wheaton Ice Rink</u>	<u>Cabin John Ice Rink</u>
Debt Service Reserve Fund	\$512,052	\$ ---	\$600,000
Construction Fund	---	3,268,860	---
Total	<u>\$512,052</u>	<u>\$3,268,860</u>	<u>\$600,000</u>

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

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

In prior years, the Commission defeased certain general obligation and other bonds by placing the proceeds of new bonds 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, 1999, \$10,750,000 of Montgomery County and \$37,435,000 of Prince George's County general obligation bonds, and \$4,130,000 of Montgomery County revenue bonds are considered to be defeased.

### **(D) Outstanding Debt**

General obligation bonds and notes, revenue bonds, net of the \$416,819 deferred amount on the Little Bennett Golf Facilities Refunding Bond, and revenue notes payable at June 30, 1999, consist of the following individual issues (000's):

<u>Series</u>	<u>Effective Interest Rate at Date of Sale</u>	<u>Dated</u>	<u>Final Maturity Date</u>	<u>FY 2000 Serial Payment</u>	<u>Original Issue</u>	<u>Outstanding at June 30, 1999</u>
<b><u>Montgomery County</u></b>						
<b>Park Acquisition and Development Bonds</b>						
1990 Advance Refunding, E-2	6.7983	06-01-90	07-01-03	\$ 590	\$ 6,675	\$ 2,865
Series H-2	6.7983	06-01-90	07-01-10	300	7,500	600
Series K-2	5.9212	05-01-92	07-01-12	250	6,000	4,500
Series N-2	4.7561	12-01-93	07-01-14	275	5,500	4,400
Series Q-2	6.3609	11-15-94	11-01-14	150	5,000	1,150
Series R-2 Advance Refunding	4.8972	12-01-95	07-01-14	85	8,700	8,470
Series U-2	4.5346	07-30-98	08-01-18	210	7,000	7,000
				<u>1,860</u>	<u>46,375</u>	<u>28,985</u>
<b>Advance Land Acquisition</b>						
Bonds of 1990	6.7983	06-01-90	07-01-10	200	5,000	400
Bonds of 1994	6.3609	11-15-94	11-01-14	70	2,200	1,920
Bonds of 1995 Advance Refunding	4.7707	12-01-95	07-01-10	35	3,345	3,240
				<u>305</u>	<u>10,545</u>	<u>5,560</u>
<b>Revenue Bonds and Notes</b>						
Little Bennett Golf Course (net of deferred amount)	5.6350	11-20-97	10-01-07	245	4,291	4,058
Wheaton Ice Rink	6.0600	09-18-97	05-01-07	190	3,600	3,600
Cabin John Ice Rink	5.1600	04-27-99	11-01-13	---	6,000	6,000
				<u>\$ 435</u>	<u>\$13,891</u>	<u>\$ 13,658</u>
County Total				<u>\$2,600</u>	<u>\$70,811</u>	<u>\$ 48,203</u>



Series	Effective Interest Rate at Date of Sale	Dated	Final Maturity Date	FY 2000 Serial Payment	Original Issue	Outstanding at June 30, 1999
<b>Prince George's County</b>						
<b>Park Acquisition and Development Bonds &amp; Notes</b>						
1990 Advance Refunding, G-2	6.8867	06-01-90	07-01-06	\$ 790	\$ 12,390	\$ 6,700
Series J-2	6.8867	06-01-90	07-01-10	700	23,500	1,395
Series L-2	5.9922	05-01-92	07-01-12	845	23,000	3,370
Series M-2	5.1483	05-01-93	07-01-13	700	15,250	12,250
Series P-2	4.8382	12-01-93	07-01-14	700	14,500	11,200
Series S-2 Advance Refunding	4.9787	12-01-95	07-01-12	205	30,025	23,740
Series T-2	5.3913	01-01-97	01-15-17	1,000	33,000	31,000
Series W-2	6.4000	06-25-98	07-01-12	405	7,325	7,325
Series X-2 Refunding	5.0000	12-03-98	08-01-02	---	21,000	21,000
				<u>5,345</u>	<u>179,990</u>	<u>117,980</u>
<b>Advance Land Acquisition</b>						
Bonds of 1990	6.8867	06-01-90	07-01-10	200	5,000	400
Bonds of 1995 Advance Refunding	4.8991	12-01-95	07-01-10	35	3,300	3,205
				<u>235</u>	<u>8,300</u>	<u>3,605</u>
<b>County Total</b>				<u>\$5,580</u>	<u>\$188,290</u>	<u>\$121,585</u>
<b>Commission Total</b>				<u>\$8,180</u>	<u>\$259,101</u>	<u>\$169,788</u>
<b>Distribution:</b>						
General Long-Term Obligations Account Group - Montgomery County						\$ 34,545
- Prince George's County						<u>121,585</u>
<b>Account Group Total</b>						<u>156,130</u>
Proprietary Funds - Montgomery County (Revenue Bonds and Notes)						<u>13,658</u>
<b>Commission Total</b>						<u>\$169,788</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, 1999 (\$000's).

	Montgomery County			Prince George's County		Total
	Park Bonds & Notes	Advance Land Bonds	Proprietary Revenue Bonds	Park Bonds & Notes	Advance Land Bonds	
Bonds Payable at June 30, 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>
Debt Issued	7,000	---	6,000	21,000	---	34,000
Debt Retired	(1,600)	(305)	(265)	(4,835)	(235)	(7,240)
Amortization of Deferred Amount	---	---	32	---	---	32
Debt Refunded	---	---	---	(21,000)	---	(21,000)
Bonds Payable at June 30, 1999	<u>\$28,985</u>	<u>\$5,560</u>	<u>\$13,658</u>	<u>\$117,980</u>	<u>\$3,605</u>	<u>\$169,788</u>

The annual requirements to amortize all debt outstanding as of June 30, 1999 including interest payments of \$19,783,651 for Montgomery County (\$11,717,443 for Park Bonds, \$2,208,189 for Advance Land Bonds and \$5,858,019 for Revenue Bonds and Notes) and \$47,266,391 for Prince George's County (\$46,150,628 for Park Bonds & Notes and \$1,115,763 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 &amp; Notes</u>	<u>Advance Land Bonds</u>	<u>Proprietary Revenue Bonds</u>	<u>Park Bonds &amp; Notes</u>	<u>Advance Land Bonds</u>	
2000	\$ 3,321	\$ 602	\$ 1,212	\$ 11,541	\$ 416	\$ 17,092
2001	3,254	607	1,641	11,240	400	17,142
2002	3,285	680	1,621	11,371	484	17,441
2003	3,156	659	1,600	31,583	463	37,461
2004	3,126	632	1,571	10,441	441	16,211
2005-2009	12,126	2,910	9,613	46,536	1,902	73,087
2010-2014	9,072	1,523	2,258	33,059	615	46,527
2015-2019	3,362	155	---	8,360	---	11,877
TOTAL	<u>\$40,702</u>	<u>\$ 7,768</u>	<u>\$19,516</u>	<u>\$164,131</u>	<u>\$4,721</u>	<u>\$236,838</u>

## (11) - RETIREMENT ARRANGEMENTS

### (A) Defined Benefit Pension Plan

#### Plan Description

The Commission contributes to The Maryland-National Capital Park and Planning Commission Employees' Retirement System (the "System"), a single-employer defined benefit public employee retirement plan. Benefit provisions and 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, 1999. 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, 1999, or at any time during the year.

### **Funding Status and Progress**

The actuarial 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, 1997, actuarial value rolled forward to July 1, 1998.

**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 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, 1998. 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, (c) cost of living increases in benefits after retirement assumed to be 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, and (d) a rate of increase in Social Security Wage Base of 5.5%. All economic assumptions include an inflation component of 4.5%.

The net assets in excess of the total actuarial accrued liability is \$56,271,559 at July 1, 1998. The net assets available for benefits at June 30, 1999, totaled \$453,350,152.



### 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, 1999. For the four years ended June 30, 1996, 1997, 1998 and 1999, the Commission's contributions to the System, which were all made in accordance with actuarially determined requirements, were 10.9%, 9.6%, 7.5%, and 3.9% respectively, of annual covered payroll.

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

	TREND INFORMATION (000's)			
	July 1, 1995	July 1, 1996	July 1, 1997	July 1, 1998
Annual Pension Cost (APC)	\$7,467	\$7,189	\$5,337	\$2,972
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, 1995	July 1, 1996	July 1, 1997	July 1, 1998
Actuarial Valuation of Plan Assets	\$236,821	\$264,787	\$311,854 (1)	\$363,632 (1)
Actuarial Accrued Liability	229,235	251,229	285,536	307,360
Funded Ratio	103.3%	105.4%	109.2%	118.3%
Actuarial Value of Assets in Excess of (Unfunded) Actuarial Accrued Liability	7,586	13,558	26,318	56,272
Annual Covered Payroll	68,625	72,668	71,102	75,368
Actuarial Value of Assets in Excess of (Unfunded) Actuarial Accrued Liability as a Percentage of Covered Payroll	11.1%	18.7%	37.0%	74.7%

(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, 442 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, prescription drug, 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 \$1,454,952 and \$1,733,311 for the years ending June 30, 1998 and 1999 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, 1999.

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 28 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, 1999, 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, 1999, was \$48,989,792. The market value of securities on loan as of June 30, 1999, totaled \$49,069,408, of which \$48,245,806 was cash collateral and \$823,602 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, 1999, 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 \$6,077,570 and \$6,408,440 respectively, in 1998 and 1999.

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

Pension costs for certain employees/retirees who elected to remain in the MSRS were \$71,102 in 1998 and \$75,368 in 1999. A total of 15 employees/retirees are covered in the MSRS (vs. 2,499 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, a point of service plan, 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 \$13,508,411 for all group health benefits in fiscal year 1999. 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 1999 totaled \$1,438,192. The Commission did not pay any claims settlements in excess of insurance coverages for fiscal years 1997, 1998, and 1999, nor were any insurance coverages reduced in fiscal year 1999. 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, 1997	\$ 1,472,020	\$ 5,946,037
Incurred Claims, Fiscal Year 1998	5,789,390	2,454,290
Claims Paid, Fiscal Year 1998	(5,607,820)	(2,220,627)
Unpaid Claims, June 30, 1998	1,653,590	6,179,700
Incurred Claims, Fiscal Year 1999	5,578,934	2,339,288
Claims Paid, Fiscal Year 1999	(5,951,412)	(1,438,192)
Unpaid Claims, June 30, 1999	<u>\$ 1,281,112</u>	<u>\$7,080,796</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, a sports center, 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, 1999 follow (\$000's):

	<u>Montgomery County</u>	<u>Prince George's County</u>	
	<u>Recreational and Cultural Facilities</u>	<u>Recreational and Cultural Facilities</u>	<u>Commission Total</u>
Operating Revenues	\$11,128	\$ 5,335	\$16,463
Depreciation	665	991	1,656
Other Operating Expenses	8,696	7,643	16,339
Operating Income (Loss)	1,767	(3,299)	(1,532)
Operating Transfers In (Out)	(535)	5,070	4,535
Net Income (Loss)	1,256	1,785	3,041
Property, Plant, and Equipment Additions	3,960	259	4,219
Net Working Capital	13,872	3,073	16,945
Long-Term Liabilities	13,223	1,735	14,958
Retained Earnings	18,891	2,567	21,458
Total Equity	22,836	28,738	51,574
Total Assets	37,783	31,331	69,114

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 1999:

**(A) Payments and Obligations to Prince George's County** -The Commission paid or is obligated to pay Prince George's County for the following: \$684,803 Zoning Enforcement Unit, \$614,293 property tax collection fees, \$588,740 annual rental charges for office space in the County Administration Building, \$500,000 planning and zoning functions, \$340,500 geographic information systems program, \$250,000



Redevelopment Authority, \$208,535 Cooperative Extension Service, \$200,000 Community College pool operation and maintenance, and \$653,769 for other legislative mandates.

**(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 1999 for annual rental of space in the Kenilworth Executive Office Building.

**(C) Montgomery County** - In fiscal year 1999, the Commission traded the Silver Spring Armory Enterprise facility which was assessed at \$5,051,900 for the parking lot adjacent to the Montgomery Regional Offices which was assessed at \$7,849,400.

## (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, 1999:						
Adjustment to Expenditures						
To Increase -						
Encumbrances -						
June 30, 1998	\$ 1,403,106	\$ 1,858,355	\$ 1,688,198	\$ 5,793,612	\$ 1,716,458	\$12,459,729
To Decrease -						
Encumbrances -						
June 30, 1999	(1,288,579)	(1,336,028)	(1,820,585)	(2,816,665)	(1,065,060)	(8,326,917)
Total Adjustment	114,527	522,327	(132,387)	2,976,947	651,398	4,132,812
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses:						
Budget Basis	303,688	(243,106)	(397,149)	281,267	1,422,613	1,367,313
GAAP Basis	189,161	(765,433)	(264,762)	(2,695,680)	771,215	(2,765,499)
Fund Balance, July 1, 1998						
GAAP Basis	2,806,703	5,415,591	4,680,554	37,948,913	8,320,120	59,171,881
Fund Balance, June 30, 1999						
GAAP Basis	\$ 2,995,864	\$ 4,650,158	\$ 4,415,792	\$35,253,233	\$ 9,091,335	\$56,406,382

## (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, 1999 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
2000	\$ 1,900	\$1,665	\$ 235	\$ 906	\$ 50	\$ 856
2001	853	618	235	912	51	861
2002	854	619	235	908	26	882
2003	854	618	236	150	---	150
2004	700	464	236	150	---	150
2005 and Beyond	<u>2,000</u>	---	<u>2,000</u>	<u>1,052</u>	---	<u>1,052</u>
Total minimum lease payments	7,161	3,984	3,177	<u>\$4,078</u>	<u>\$127</u>	<u>\$3,951</u>
Less: Amount representing interest	(1,505)	(310)	(1,195)			
Net present value of minimum lease payments	<u>\$5,656</u>	<u>\$3,674</u>	<u>\$1,982</u>			

In fiscal year 1999 expenditures in the General Fund included \$869,180 (Montgomery - \$49,080, Prince George's - \$820,100) 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, in all material respects, 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 1999 were \$911,740. The Commission engaged independent accountants to conduct an audit of Federal grants as required by the Single Audit Act of 1996, as revised, and Circular A-133 issued by the Office of Management and Budget.



## (18) COMPENSATED ABSENCES

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

As of June 30, 1999, Commission employees had earned, but not taken, annual leave and compensatory leave which, at their current salary rates, amounted to approximately \$10,935,000 (Montgomery - \$5,079,000; Prince George's - \$5,856,000). 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, 1998:			
Current Portion	\$ 700,000	\$ 836,000	\$ 1,536,000
Remaining Portion	4,031,000	4,677,000	8,708,000
Total	<u>4,731,000</u>	<u>5,513,000</u>	<u>10,244,000</u>
Change in Liability:			
Current Portion -			
Expenditure for FY 1999	(43,000)	(46,000)	(89,000)
Remaining Portion -			
Increase in General Long-Term Obligations Account Group	391,000	389,000	780,000
Total	<u>348,000</u>	<u>343,000</u>	<u>691,000</u>
Liability as of June 30, 1999:			
Current Portion	657,000	790,000	1,447,000
Remaining Portion	4,422,000	5,066,000	9,488,000
Total	<u>\$5,079,000</u>	<u>\$5,856,000</u>	<u>\$10,935,000</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, 1999

	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, 1999	June 30, 1998
<b>ASSETS AND OTHER DEBITS</b>										
Equity in Pooled Cash and Investments	\$ 10,608,357	\$ ---	\$ 6,059,448	\$ 14,911,297	\$ 16,256,696	\$ 7,732,037	\$ ---	\$ ---	\$ 55,567,835	\$ 38,350,468
Receivables - Taxes	1,714,000	---	---	---	---	---	---	---	1,714,000	1,460,000
Receivables - Other	62,268	---	7,670	40,043	39,879	---	---	---	149,860	129,189
Due from Other Funds	---	---	---	---	---	---	---	---	---	2,119,078
Due from Other Governments	989,494	---	3,060,129	---	15,550	---	---	---	4,065,173	4,177,178
Inventories, at Cost	---	---	---	644,060	---	---	---	---	644,060	707,527
Deposits and Other	2,197	---	---	---	60,983	1,750	---	---	64,930	12,003
Total Current Assets	13,376,316	---	9,127,247	15,595,400	16,373,108	7,733,787	---	---	62,205,858	46,955,443
Restricted Assets -	---	---	---	---	---	---	---	---	---	---
Land Held for Transfer	---	---	---	---	---	24,669,646	---	---	24,669,646	25,416,791
Fixed Assets	---	---	---	27,207,830	12,390,577	---	216,339,759	---	255,938,166	240,741,594
Accumulated Depreciation	---	---	---	(5,020,711)	(7,122,085)	---	---	---	(12,142,796)	(10,787,419)
Resources to be Provided in Future Years - Retirement of General Obligation Bonds	---	---	---	---	---	---	---	34,545,000	34,545,000	29,450,000
Retirement of Accrued Liability for Compensated Absences	---	---	---	---	---	---	---	4,422,000	4,422,000	4,031,000
Total Assets and Other Debits	\$ 13,376,316	\$ ---	\$ 9,127,247	\$ 37,782,519	\$ 21,641,600	\$ 32,403,433	\$ 216,339,759	\$ 38,967,000	\$ 369,637,874	\$ 335,807,409
<b>LIABILITIES, EQUITY AND OTHER CREDITS</b>										
<b>Liabilities:</b>										
Current Portion of Revenue Bonds Payable	\$ ---	\$ ---	\$ ---	\$ 245,000	\$ ---	\$ ---	\$ ---	\$ ---	\$ 245,000	\$ 265,000
Current Portion of Revenue Notes Payable	---	---	---	190,000	---	---	---	---	190,000	---
Current Portion of Notes Payable	---	---	---	123,725	1,400,353	---	---	---	1,524,078	958,143
Accounts Payable	1,611,589	---	2,429,826	249,793	196,020	26,364	---	---	4,513,592	3,174,328
Accrued Liabilities	2,371,435	---	---	524,374	3,760,032	1,664	---	---	6,657,505	6,765,072
Due to Other Governments	---	---	---	---	---	3,664	---	---	3,664	---
Due to Other Funds	---	---	---	---	---	---	---	---	---	2,119,078
Deposits and Deferred Revenue	1,747,270	---	---	233,695	---	3,348,507	---	---	5,329,472	4,592,077
Matured Bonds and Interest Payable	---	---	---	156,337	---	---	---	---	156,337	104,795
Total Current Liabilities	5,730,294	---	2,429,826	1,722,924	5,356,405	3,380,199	---	---	18,619,648	17,978,493
General Obligation Bonds Payable	---	---	---	---	---	---	---	34,545,000	34,545,000	29,450,000
Revenue Bonds Payable - Net of Current Portion	---	---	---	3,813,181	---	---	---	---	3,813,181	4,026,118
Revenue Notes Payable - Net of Current Portion	---	---	---	9,410,000	---	---	---	---	9,410,000	3,600,000
Notes Payable - Net of Current Portion	---	---	---	---	2,149,584	---	---	---	2,149,584	1,001,259
Accrued Liability for Compensated Absences	---	---	---	---	---	---	---	4,422,000	4,422,000	4,031,000
Total Liabilities	5,730,294	---	2,429,826	14,946,105	7,505,989	3,380,199	---	38,967,000	72,959,413	60,086,870
<b>Equity and Other Credits:</b>										
Contributed Capital	---	---	---	3,945,522	525,128	---	---	---	4,470,650	5,402,064
Investment in General Fixed Assets	---	---	---	---	---	---	216,339,759	---	216,339,759	204,199,637
Retained Earnings (Deficit) - Reserved for Contingency	---	---	---	---	8,955,893	---	---	---	8,955,893	6,649,313
Unreserved	---	---	---	18,890,892	4,654,590	---	---	---	23,545,482	21,350,571
Fund Balances - Reserved for Encumbrances	2,624,607	---	6,697,421	---	---	---	---	---	9,322,028	4,572,874
Reserved for Land Held for Transfer	---	---	---	---	---	24,669,646	---	---	24,669,646	25,416,791
Unreserved - Designated for Subsequent Years	3,846,363	---	---	---	---	4,353,588	---	---	8,199,951	6,458,446
Undesignated	1,175,052	---	---	---	---	---	---	---	1,175,052	1,670,843
Total Retained Earnings/Fund Balances	7,646,022	---	6,697,421	18,890,892	13,610,483	29,023,234	---	---	75,868,052	66,118,838
Total Equity and Other Credits	7,646,022	---	6,697,421	22,836,414	14,135,611	29,023,234	216,339,759	---	296,678,461	275,720,539
Total Liabilities, Equity and Other Credits	\$ 13,376,316	\$ ---	\$ 9,127,247	\$ 37,782,519	\$ 21,641,600	\$ 32,403,433	\$ 216,339,759	\$ 38,967,000	\$ 369,637,874	\$ 335,807,409



**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, 1999

	Governmental Fund Types			Fiduciary Fund Type	Totals (Memorandum Only) Year Ended	
	General Accounts	Debt Service	Capital Projects	Expendable Trust	June 30, 1999	June 30, 1998
<b>Revenues:</b>						
Property Taxes	\$ 59,013,393	\$ 1,257,015	\$ ---	\$ ---	\$ 60,270,408	\$ 60,270,773
Intergovernmental	499,428	---	5,421,767	---	5,921,195	6,797,726
Charges for Services	2,275,375	---	---	---	2,275,375	2,131,778
Interest	831,558	---	222,881	292,375	1,346,814	1,319,295
Miscellaneous	141,303	---	---	191,374	332,677	201,341
Total Revenues	<u>62,761,057</u>	<u>1,257,015</u>	<u>5,644,648</u>	<u>483,749</u>	<u>70,146,469</u>	<u>70,720,913</u>
<b>Expenditures:</b>						
Current -						
General Government	4,984,274	---	---	---	4,984,274	4,985,152
County Planning and Zoning	13,109,778	---	---	---	13,109,778	12,503,437
Park Operation and Maintenance	42,033,957	---	---	---	42,033,957	39,019,404
Miscellaneous Expendable Trust Funds	---	---	---	426,892	426,892	280,470
Capital Outlay - Land Acquisition and Development	---	---	7,639,025	---	7,639,025	9,261,163
Debt Service -						
Principal Retirement	---	1,905,000	---	---	1,905,000	1,905,000
Interest and Fiscal Charges	---	1,713,820	---	---	1,713,820	1,690,621
Total Expenditures	<u>60,128,009</u>	<u>3,618,820</u>	<u>7,639,025</u>	<u>426,892</u>	<u>71,812,746</u>	<u>69,645,247</u>
Excess of Revenues over (under) Expenditures	<u>2,633,048</u>	<u>(2,361,805)</u>	<u>(1,994,377)</u>	<u>56,857</u>	<u>(1,666,277)</u>	<u>1,075,666</u>
<b>Other Financing Sources (Uses):</b>						
Proceeds of General Obligation Bonds	---	---	7,000,000	---	7,000,000	---
Operating Transfers In	222,881	2,994,201	603,266	694,396	4,514,744	4,273,686
Operating Transfers Out	<u>(3,432,201)</u>	<u>(632,396)</u>	<u>(222,881)</u>	<u>(313,266)</u>	<u>(4,600,744)</u>	<u>(4,359,686)</u>
Total Other Financing Sources (Uses)	<u>(3,209,320)</u>	<u>2,361,805</u>	<u>7,380,385</u>	<u>381,130</u>	<u>6,914,000</u>	<u>(86,000)</u>
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses	<u>(576,272)</u>	<u>---</u>	<u>5,386,008</u>	<u>437,987</u>	<u>5,247,723</u>	<u>989,666</u>
Fund Balances, July 1	<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>
Fund Balances, June 30	<u>\$ 7,646,022</u>	<u>\$ ---</u>	<u>\$ 6,697,421</u>	<u>\$ 29,023,234</u>	<u>\$ 43,366,677</u>	<u>\$ 38,118,954</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, 1999

	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Property Taxes	\$ 58,706,830	\$ 59,013,393	\$ 306,563
Intergovernmental	736,000	499,428	(236,572)
Charges for Services	870,000	1,216,620	346,620
Rentals and Concessions	1,018,030	1,058,755	40,725
Interest	640,500	831,558	191,058
Miscellaneous	120,700	141,303	20,603
Total Revenues	<u>62,092,060</u>	<u>62,761,057</u>	<u>668,997</u>
Expenditures/Encumbrances:			
Current -			
General Government	5,131,540	5,089,601	41,939
County Planning and Zoning	13,162,560	12,889,924	272,636
Park Operation and Maintenance	41,960,430	41,511,630	448,800
Total Expenditures/Encumbrances	<u>60,254,530</u>	<u>59,491,155</u>	<u>763,375</u>
Excess of Revenues over (under) Expenditures/Encumbrances	<u>1,837,530</u>	<u>3,269,902</u>	<u>1,432,372</u>
Other Financing Sources (Uses):			
Operating Transfers In	200,000	222,881	22,881
Operating Transfers Out	(3,675,000)	(3,432,201)	242,799
Total Other Financing Sources (Uses)	<u>(3,475,000)</u>	<u>(3,209,320)</u>	<u>265,680</u>
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses - Budget Basis	<u>\$ (1,637,470)</u>	60,582	<u>\$ 1,698,052</u>
Fund Balances - Budget Basis, July 1		<u>4,960,833</u>	
Fund Balances - Budget Basis, June 30		<u>\$ 5,021,415</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, 1999

	Proprietary Fund Types		Totals (Memorandum Only)	
	Enterprise	Internal Service	Year Ended	
			June 30, 1999	June 30, 1998
Operating Revenues:				
Sales	\$ 1,322,692	\$ ---	\$ 1,322,692	\$ 1,298,188
Charges for Services	7,918,807	15,986,192	23,904,999	22,083,905
Rentals and Concessions	1,886,437	---	1,886,437	1,936,597
Miscellaneous	---	51,550	51,550	78,076
Total Operating Revenues	<u>11,127,936</u>	<u>16,037,742</u>	<u>27,165,678</u>	<u>25,396,766</u>
Operating Expenses:				
Cost of Goods Sold	687,600	---	687,600	782,274
Personal Services	4,330,089	4,135,785	8,465,874	8,372,800
Supplies and Materials	1,129,118	138,222	1,267,340	1,515,800
Other Services and Charges	1,744,085	7,846,221	9,590,306	9,255,577
Administrative Charges	804,980	---	804,980	1,037,703
Depreciation	664,718	1,311,885	1,976,603	2,869,803
Total Operating Expenses	<u>9,360,590</u>	<u>13,432,113</u>	<u>22,792,703</u>	<u>23,833,957</u>
Operating Income (Loss)	<u>1,767,346</u>	<u>2,605,629</u>	<u>4,372,975</u>	<u>1,562,809</u>
Nonoperating Revenues	616,095	745,232	1,361,327	1,128,115
Nonoperating Expenses	<u>(592,043)</u>	<u>(105,648)</u>	<u>(697,691)</u>	<u>(652,648)</u>
Nonoperating Revenues (Expenses), Net	<u>24,052</u>	<u>639,584</u>	<u>663,636</u>	<u>475,467</u>
Income (Loss) Before Operating Transfers	<u>1,791,398</u>	<u>3,245,213</u>	<u>5,036,611</u>	<u>2,038,276</u>
Operating Transfers In	86,000	---	86,000	86,000
Operating Transfers Out	<u>(621,120)</u>	<u>---</u>	<u>(621,120)</u>	<u>---</u>
Total Operating Transfers	<u>(535,120)</u>	<u>---</u>	<u>(535,120)</u>	<u>86,000</u>
Net Income (Loss)	1,256,278	3,245,213	4,501,491	2,124,276
Retained Earnings, July 1	<u>17,634,614</u>	<u>10,365,270</u>	<u>27,999,884</u>	<u>25,875,608</u>
Retained Earnings, June 30	<u>\$ 18,890,892</u>	<u>\$ 13,610,483</u>	<u>\$ 32,501,375</u>	<u>\$ 27,999,884</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, 1999

	Proprietary Fund Types		Totals (Memorandum Only)	
	Enterprise	Internal Service	Year Ended	
			June 30, 1999	June 30, 1998
Cash Flows from Operating Activities:				
Operating Income (Loss)	\$ 1,767,346	\$ 2,605,629	\$ 4,372,975	\$ 1,562,809
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Depreciation	664,718	1,311,885	1,976,603	2,869,803
Changes in Assets and Liabilities:				
(Increase) Decrease in Accounts Receivable	(33,854)	(36,972)	(70,826)	(4,050)
(Increase) Decrease in Due From Other Funds	---	1,452,587	1,452,587	(765,213)
(Increase) Decrease in Due from County Government	---	44,583	44,583	18,295
(Increase) Decrease in Inventories, at Cost	63,467	---	63,467	(88,402)
(Increase) Decrease in Deposits and Other	---	(51,177)	(51,177)	641,831
Increase (Decrease) in Accounts Payable	(99,976)	(64,831)	(164,807)	61,511
Increase (Decrease) in Claims Payable	---	(29,776)	(29,776)	24,528
Increase (Decrease) in Accrued Salaries and Benefits	18,551	13,898	32,449	217,168
Increase (Decrease) in Accrued Leave	11,862	(40,518)	(28,656)	16,959
Increase (Decrease) in Interest Payable	53,202	---	53,202	11,045
Increase (Decrease) in Estimate of Incurred but Unreported Claims	---	(285,838)	(285,838)	(119,632)
Increase (Decrease) in Due to Other Governments	---	---	---	---
Increase (Decrease) in Due to Other Funds	---	(1,452,587)	(1,452,587)	765,213
Increase (Decrease) in Revenue Collected in Advance	(37,668)	---	(37,668)	56,139
Net Cash Provided (Used) by Operating Activities	<u>2,407,648</u>	<u>3,466,883</u>	<u>5,874,531</u>	<u>5,268,004</u>
Cash Flows from Noncapital Financing Activities:				
Operating Transfers In from Other Funds	86,000	---	86,000	86,000
Net Cash Provided (Used) by Noncapital Financing Activities	<u>86,000</u>	<u>---</u>	<u>86,000</u>	<u>86,000</u>
Cash Flows from Capital and Related Financing Activities:				
Acquisition of Fixed Assets	(3,959,897)	(1,270,313)	(5,230,210)	(3,369,456)
Principal Paid on Notes Payable	(118,398)	(967,342)	(1,085,740)	(1,014,269)
Principal Paid on Revenue Bonds	(265,000)	---	(265,000)	(160,000)
Interest Paid	(592,043)	(105,648)	(697,691)	(652,648)
Payment of Refunded Revenue Bonds	---	---	---	(4,305,000)
Write-Off of Revenue Bonds Unamortized Charge	32,063	---	32,063	---
Proceeds from Financing	---	2,800,000	2,800,000	---
Proceeds from Financing - Revenue Bonds - net	---	---	---	4,291,118
Proceeds from Financing - Revenue Notes	6,000,000	---	6,000,000	3,600,000
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>1,096,725</u>	<u>456,697</u>	<u>1,553,422</u>	<u>(1,610,255)</u>
Cash Flows from Investing Activities:				
Interest on Investments	616,095	745,232	1,361,327	1,128,115
Net Cash Provided (Used) by Investing Activities	<u>616,095</u>	<u>745,232</u>	<u>1,361,327</u>	<u>1,128,115</u>
Net Increase (Decrease) in Cash and Cash Equivalents	4,206,468	4,668,812	8,875,280	4,871,864
Cash and Cash Equivalents, July 1	10,704,829	11,587,884	22,292,713	17,420,849
Cash and Cash Equivalents, June 30	<u>\$ 14,911,297</u>	<u>\$ 16,256,696</u>	<u>\$ 31,167,993</u>	<u>\$ 22,292,713</u>



**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, 1999

	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, 1999	June 30, 1998
<b>ASSETS AND OTHER DEBITS</b>										
Equity in Pooled Cash and Investments	\$ 54,827,368	\$ —	\$ 20,275,774	\$ 3,382,974	\$ 16,547,504	\$ 14,248,621	\$ —	\$ —	\$ 109,282,241	\$ 127,551,458
Receivables - Taxes	2,127,000	—	—	—	—	—	—	—	2,127,000	1,845,000
Receivables - Other	159,521	—	900,407	16,130	295	21,683	—	—	1,098,036	1,370,262
Due from Other Governments	617,128	—	6,133,790	—	15,550	—	—	—	6,766,468	2,558,414
Inventories, at Cost	—	—	—	532,213	—	—	—	—	532,213	533,386
Deposits and Other	1,458	—	—	—	60,984	—	—	—	62,442	14,181
Total Current Assets	57,732,475	—	27,309,971	3,931,317	16,624,333	14,270,304	—	—	119,868,400	133,872,701
Advances to Other Funds	—	—	—	—	—	1,734,875	—	—	1,734,875	1,734,875
Restricted Assets -										
Land Held for Transfer	—	—	—	—	—	14,242,759	—	—	14,242,759	14,307,629
Other	—	—	—	—	—	418,291	—	—	418,291	404,995
Fixed Assets	—	—	—	35,729,665	3,468,744	—	301,558,291	—	340,756,700	309,282,610
Accumulated Depreciation	—	—	—	(8,330,443)	(610,319)	—	—	—	(8,940,762)	(8,476,844)
Amount Available in Debt Service Funds	—	—	—	—	—	—	—	—	—	274,780
Resources to be Provided in Future Years -										
Retirement of General Obligation Bonds	—	—	—	—	—	—	—	121,585,000	121,585,000	126,380,220
Retirement of Accrued Liability for Compensated Absences	—	—	—	—	—	—	—	5,066,000	5,066,000	4,677,000
Total Assets and Other Debits	\$ 57,732,475	\$ —	\$ 27,309,971	\$ 31,330,539	\$ 19,482,758	\$ 30,666,229	\$ 301,558,291	\$ 126,651,000	\$ 594,731,263	\$ 582,457,966
<b>LIABILITIES, EQUITY AND OTHER CREDITS</b>										
<b>Liabilities:</b>										
Current Portion of Notes Payable	\$ —	\$ —	\$ —	\$ —	\$ 89,294	\$ —	\$ —	\$ —	\$ 89,294	\$ 90,421
Accounts Payable	2,709,937	—	3,897,611	139,016	58,351	166,550	—	—	6,971,465	5,554,149
Accrued Liabilities	3,264,619	—	—	581,528	6,478,904	55,395	—	—	10,380,446	8,968,426
Due to Other Governments	498,875	—	—	—	—	—	—	—	498,875	—
Deposits and Deferred Revenue	2,498,684	—	19,041	136,982	—	1,309,723	—	—	3,964,430	3,734,999
Total Current Liabilities	8,972,115	—	3,916,652	857,526	6,626,549	1,531,668	—	—	21,904,510	18,347,995
General Obligation Bonds Payable	—	—	—	—	—	—	—	121,585,000	121,585,000	126,655,000
Notes Payable - Net of Current Portion	—	—	—	—	1,892,711	—	—	—	1,892,711	1,982,005
Advances from Other Funds	—	—	—	1,734,875	—	—	—	—	1,734,875	1,734,875
Accrued Liability for Compensated Absences	—	—	—	—	—	—	—	5,066,000	5,066,000	4,677,000
Total Liabilities	8,972,115	—	3,916,652	2,592,401	8,519,260	1,531,668	—	126,651,000	152,183,096	153,396,875
<b>Equity and Other Credits:</b>										
Contributed Capital	—	—	—	26,171,014	—	—	—	—	26,171,014	25,925,038
Investment in General Fixed Assets	—	—	—	—	—	—	301,558,291	—	301,558,291	270,071,018
Retained Earnings (Deficit) -										
Reserved for Contingency	—	—	—	—	8,762,985	—	—	—	8,762,985	6,546,668
Unreserved	—	—	—	2,567,124	2,200,513	—	—	—	4,767,637	2,474,095
Fund Balances -										
Reserved for Encumbrances	5,702,310	—	10,413,362	—	—	—	—	—	16,115,672	33,707,765
Reserved for Land Held for Transfer	—	—	—	—	—	15,977,634	—	—	15,977,634	16,042,504
Reserved for Debt Service	—	—	—	—	—	—	—	—	—	274,780
Unreserved -										
Designated for Subsequent Years	29,616,639	—	12,979,957	—	—	13,156,927	—	—	55,753,523	62,399,563
Undesignated	13,441,411	—	—	—	—	—	—	—	13,441,411	11,619,660
Total Retained Earnings/Fund Balances	48,760,360	—	23,393,319	2,567,124	10,963,498	29,134,561	—	—	114,818,862	133,065,035
Total Equity and Other Credits	48,760,360	—	23,393,319	28,738,138	10,963,498	29,134,561	301,558,291	—	442,548,167	429,061,091
Total Liabilities, Equity and Other Credits	\$ 57,732,475	\$ —	\$ 27,309,971	\$ 31,330,539	\$ 19,482,758	\$ 30,666,229	\$ 301,558,291	\$ 126,651,000	\$ 594,731,263	\$ 582,457,966



# 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, 1999

	Governmental Fund Types			Fiduciary Fund Types	Totals (Memorandum Only) Year Ended	
	General Accounts	Debt Service	Capital Projects	Expendable Trust	June 30, 1999	June 30, 1998
Revenues:						
Property Taxes	\$ 100,231,365	\$ 1,077,375	\$ ---	\$ ---	\$ 101,308,740	\$ 98,538,298
Intergovernmental	896,875	---	9,471,326	22,806	10,391,007	2,130,295
Charges for Services	6,740,090	---	---	4,225,041	10,965,131	10,054,912
Interest	2,992,256	---	2,202,733	637,657	5,832,646	6,458,098
Miscellaneous	298,476	---	2,281,853	834,435	3,414,764	1,684,599
Total Revenues	111,159,062	1,077,375	13,955,912	5,719,939	131,912,288	118,866,202
Expenditures:						
Current -						
General Government	5,946,352	---	---	---	5,946,352	5,609,422
County Planning and Zoning	14,243,529	---	---	---	14,243,529	14,024,336
Park Operation and Maintenance	45,907,274	---	---	---	45,907,274	41,782,331
Recreation Programs	29,191,944	---	---	---	29,191,944	27,750,023
Miscellaneous Expendable Trust Funds	---	---	---	5,026,686	5,026,686	4,605,156
Capital Outlay - Land Acquisition and Development	---	---	36,728,321	---	36,728,321	17,643,444
Debt Service -						
Principal Retirement	---	5,070,000	---	---	5,070,000	5,480,000
Interest and Fiscal Charges	---	6,484,197	---	---	6,484,197	6,372,306
Total Expenditures	95,289,099	11,554,197	36,728,321	5,026,686	148,598,303	123,267,018
Excess of Revenues over (under) Expenditures	15,869,963	(10,476,822)	(22,772,409)	693,253	(16,686,015)	(4,400,816)
Other Financing Sources (Uses):						
Proceeds of Refunding Bonds	---	21,000,000	---	---	21,000,000	28,325,000
Retirement of Debt - Bond Anticipation Notes	---	(21,000,000)	---	---	(21,000,000)	(7,605,178)
Operating Transfers In	2,405,492	10,838,947	3,503,218	636,905	17,384,562	20,023,009
Operating Transfers Out	(20,464,682)	(636,905)	(2,202,733)	(150,259)	(23,454,579)	(24,023,544)
Total Other Financing Sources (Uses)	(18,059,190)	10,202,042	1,300,485	486,646	(6,070,017)	16,719,287
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses	(2,189,227)	(274,780)	(21,471,924)	1,179,899	(22,756,032)	12,318,471
Fund Balances, July 1	50,949,587	274,780	44,865,243	27,954,662	124,044,272	111,725,801
Fund Balances, June 30	\$ 48,760,360	\$ ---	\$ 23,393,319	\$ 29,134,561	\$ 101,288,240	\$ 124,044,272



# 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, 1999

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Revenues:			
Property Taxes	\$ 96,048,000	\$ 100,231,365	\$ 4,183,365
Intergovernmental	896,470	896,875	405
Charges for Services	5,053,980	5,198,906	144,926
Rentals and Concessions	1,869,795	1,541,184	(328,611)
Interest	2,700,000	2,992,256	292,256
Miscellaneous	86,810	298,476	211,666
Total Revenues	<u>106,655,055</u>	<u>111,159,062</u>	<u>4,504,007</u>
Expenditures/Encumbrances:			
Current:			
General Government	6,079,819	6,028,929	50,890
County Planning and Zoning	14,798,779	14,293,339	505,440
Park Operation and Maintenance	48,198,809	42,930,327	5,268,482
Recreation Programs	30,156,253	28,540,546	1,615,707
Total Expenditures/Encumbrances	<u>99,233,660</u>	<u>91,793,141</u>	<u>7,440,519</u>
Excess of Revenues over (under) Expenditures/Encumbrances	<u>7,421,395</u>	<u>19,365,921</u>	<u>11,944,526</u>
Other Financing Sources (Uses):			
Operating Transfers In	1,800,000	2,405,492	605,492
Operating Transfers Out	(17,340,517)	(20,464,682)	(3,124,165)
Total Other Financing Sources (Uses)	<u>(15,540,517)</u>	<u>(18,059,190)</u>	<u>(2,518,673)</u>
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses - Budget Basis	<u>\$ (8,119,122)</u>	1,306,731	<u>\$ 9,425,853</u>
Fund Balances - Budget Basis, July 1		<u>41,751,319</u>	
Fund Balances - Budget Basis, June 30		<u>\$ 43,058,050</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, 1999

	Proprietary Fund Types		Totals (Memorandum Only)	
	Enterprise	Internal Service	Year Ended	
			June 30, 1999	June 30, 1998
Operating Revenues:				
Sales	\$ 1,409,214	\$ ---	\$ 1,409,214	\$ 1,418,861
Charges for Services	2,297,637	16,335,603	18,633,240	16,231,139
Rentals and Concessions	1,627,928	---	1,627,928	1,557,106
Miscellaneous	---	56,250	56,250	89,410
Total Operating Revenues	<u>5,334,779</u>	<u>16,391,853</u>	<u>21,726,632</u>	<u>19,296,516</u>
Operating Expenses:				
Cost of Goods Sold	853,700	---	853,700	940,538
Personal Services	3,562,021	5,516,568	9,078,589	8,254,452
Supplies and Materials	1,011,684	48,295	1,059,979	1,017,460
Other Services and Charges	1,503,862	9,647,391	11,151,253	11,801,813
Administrative Charges	711,929	---	711,929	547,828
Depreciation	990,624	250,658	1,241,282	1,500,909
Total Operating Expenses	<u>8,633,820</u>	<u>15,462,912</u>	<u>24,096,732</u>	<u>24,063,000</u>
Operating Income (Loss)	<u>(3,299,041)</u>	<u>928,941</u>	<u>(2,370,100)</u>	<u>(4,766,484)</u>
Nonoperating Revenues	13,620	715,316	728,936	676,641
Nonoperating Expenses	---	(152,420)	(152,420)	(164,007)
Nonoperating Revenues (Expenses), Net	<u>13,620</u>	<u>562,896</u>	<u>576,516</u>	<u>512,634</u>
Income (Loss) Before Operating Transfers	<u>(3,285,421)</u>	<u>1,491,837</u>	<u>(1,793,584)</u>	<u>(4,253,850)</u>
Operating Transfers In	<u>5,070,017</u>	<u>1,000,000</u>	<u>6,070,017</u>	<u>4,000,535</u>
Total Operating Transfers	<u>5,070,017</u>	<u>1,000,000</u>	<u>6,070,017</u>	<u>4,000,535</u>
Net Income (Loss)	1,784,596	2,491,837	4,276,433	(253,315)
Add Depreciation Charge to Contributed Capital	<u>228,566</u>	<u>4,860</u>	<u>233,426</u>	<u>228,566</u>
Net Increase (Decrease) in Retained Earnings	2,013,162	2,496,697	4,509,859	(24,749)
Retained Earnings (Deficit), July 1	<u>553,962</u>	<u>8,466,801</u>	<u>9,020,763</u>	<u>9,045,512</u>
Retained Earnings (Deficit), June 30	<u>\$ 2,567,124</u>	<u>\$ 10,963,498</u>	<u>\$ 13,530,622</u>	<u>\$ 9,020,763</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, 1999

	Proprietary Fund Types		Totals (Memorandum Only) Year Ended	
	Enterprise	Internal Service	June 30, 1999	June 30, 1998
Cash Flows from Operating Activities:				
Operating Income (Loss)	\$ (3,299,041)	\$ 928,941	\$ (2,370,100)	\$ (4,766,484)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Depreciation	990,624	250,658	1,241,282	1,500,909
Changes in Assets and Liabilities:				
(Increase) Decrease in Accounts Receivable	96,950	135	97,085	(28,862)
(Increase) Decrease in Due from County Government	---	44,584	44,584	18,294
(Increase) Decrease in Inventories, at Cost	1,173	---	1,173	55,937
(Increase) Decrease in Deposits and Other	---	(51,178)	(51,178)	641,831
Increase (Decrease) in Accounts Payable	(39,280)	14,466	(24,814)	(166,396)
Increase (Decrease) in Claims Payable	---	713,882	713,882	424,135
Increase (Decrease) in Accrued Salaries and Benefits	20,379	35,286	55,665	261,713
Increase (Decrease) in Accrued Leave	114,287	(41,404)	72,883	(58,821)
Increase (Decrease) in Estimate of Incurred but Unreported Claims	---	130,350	130,350	86,202
Increase (Decrease) in Revenue Collected in Advance	55,722	---	55,722	(13,351)
Net Cash Provided (Used) by Operating Activities	<u>(2,059,186)</u>	<u>2,025,720</u>	<u>(33,466)</u>	<u>(2,044,893)</u>
Cash Flows from Noncapital Financing Activities:				
Operating Transfers In from Other Funds	5,070,017	1,000,000	6,070,017	4,000,535
Net Cash Provided (Used) by Noncapital Financing Activities	<u>5,070,017</u>	<u>1,000,000</u>	<u>6,070,017</u>	<u>4,000,535</u>
Cash Flows from Capital and Related Financing Activities:				
Acquisition of Fixed Assets	(259,016)	(25,762)	(284,778)	(199,252)
Principal Paid on Notes Payable	---	(90,422)	(90,422)	(211,134)
Interest Paid on Notes Payable	---	(152,420)	(152,420)	(164,007)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(259,016)</u>	<u>(268,604)</u>	<u>(527,620)</u>	<u>(574,393)</u>
Cash Flows from Investing Activities:				
Interest on Investments	13,620	715,316	728,936	676,641
Net Cash Provided (Used) by Investing Activities	<u>13,620</u>	<u>715,316</u>	<u>728,936</u>	<u>676,641</u>
Net Increase (Decrease) in Cash and Cash Equivalents	2,765,435	3,472,432	6,237,867	2,057,890
Cash and Cash Equivalents, July 1	617,539	13,075,072	13,692,611	11,634,721
Cash and Cash Equivalents, June 30	<u>\$ 3,382,974</u>	<u>\$ 16,547,504</u>	<u>\$ 19,930,478</u>	<u>\$ 13,692,611</u>



## **20) - REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)**

### **YEAR 2000 READINESS DISCLOSURE**

#### **(A) Year 2000 Issue**

Public and private enterprises are focused on the Year 2000 issue as it relates to computer systems and electronic equipment. Many computer programs use only the last two digits to refer to a year. On January 1, 2000 (or even sooner for programs with prospective date activity), both 1900 and 2000 would be referred to as "00". Those programs have to be adjusted to recognize the difference between the two years or the programs will fail or create errors. Also, some programs cannot recognize that 2000 is a leap year. Further, the year 2000 issue could affect electronic equipment - such as environmental systems, elevators, and vehicles - containing computer chips that have date recognition features.

#### **(B) Year 2000 Mission**

The Commission's Year 2000 mission is to manage its Year 2000 program in such a way as to ensure that no mission-imperative and mission-critical services failure occurs as a result of a Year 2000 date problem.

#### **(C) Year 2000 Program**

The Commission formally initiated the Year 2000 Program with the establishment of the Year 2000 Subcommittee to the Commission's Automation Steering Committee in 1997 to ensure that all mission-critical systems with a Year 2000 date problem were identified and corrected prior to January 1, 2000. The subcommittee prepares monthly status reports which are presented to the Commissioners at the monthly Commission Meetings. In addition, the Commission participates in the Montgomery County Interagency Technology Policy Coordinating Committee (ITPCC) and the Prince George's County Year 2000 Action Committee.

#### **(D) Systems Compliance**

The Year 2000 Program's systems compliance process involves four principal stages: awareness, assessment, remediation, and testing. During the awareness stage, the Year 2000 subcommittee was established, budget amounts were projected and a project plan was developed for dealing with the Year 2000 issue. During the assessment stage, systems were identified, assigned to project managers, assigned due dates, and budgets were established. Year 2000 issues addressed during the process include internal, external and mechanical issues. Internal issues may arise from a government's own operations and may materially affect its creditworthiness and ability to make timely payment of its obligations. External issues may arise from parties, other than the government, that provide payments/revenues that support the debt service on a government's municipal securities. Mechanical issues may arise if Year 2000 problems disrupt the actual mechanical process used to send payments to a bondholder. The number of systems being addressed as of June 30, 1999 is forty-two. The Year 2000 Subcommittee believes that all major Commission systems have been identified and assessed.

During the remediation stage Commission staff made changes to the systems and equipment. This stage deals primarily with the technical issues of converting existing systems, or switching to compliant systems. During this stage decisions are made on how to make the systems or processes Year 2000 compliant, and the required system changes are made. Each project in the Program is classified in one of four risk categories (from highest risk to lowest): mission-imperative, mission-critical, mission-essential, and mission-enabling. The progress on each project is monitored on an ongoing basis, generally monthly.



A progress report is provided monthly to the Commissioners. The number of projects, and examples of systems in each category as of June 30, 1999, are as follows:

<u>Risk Category</u>	<u>Number</u>	<u>Example of Systems</u>
Mission-imperative	0	
Mission-critical	16	Financial system, Personnel/Payroll system, Development Review system, Police support systems
Mission-essential	25	Vehicle Maintenance Management, Inventory Management Process, Labor Cost Tracking
Mission-enabling	1	Wide Area Network Study

During the test stage the Commission validates and tests the changes made during the conversion process. The development of test data and test scripts, the running of test scripts, and the review of test results are crucial for this stage of the conversion process to be successful. If the testing results show anomalies, Commission staff correct the process and retest. The Commission intends to test all Year 2000 fixes first as stand alone and subsequently with other inter-operating systems.

The Commission has completed an inventory of computer systems and other electronic equipment that may be affected by the year 2000 issue and that are necessary to conduct Commission operations. The Commission has identified the following systems requiring Year 2000 remediation:

Risk Category	Stages					
	Awareness	Assessment	Remediation	Testing	Completion	Total
Imperative	0	0	0	0	0	0
Critical	0	0	10	4	2	16
Essential	0	0	9	8	8	25
Enabling	0	0	1	0	0	1
Total #	0	0	20	12	10	42
Total %	0%	0%	48%	28%	24%	100 %

As of September 1, 1999, the compliance project status is as follows:

Risk Category	Stages					
	Awareness	Assessment	Remediation	Testing	Completion	Total
Total #	0	0	11	10	21	42
Total %	0%	0%	26%	24%	50%	100 %



**(E) Business Continuity Assurance**

In addition to the Commission's system compliance plans, the Year 2000 program includes the compliance assessment of its business partners (e.g., contractors, vendors, customers, and other external stakeholders). The failure of certain business partners and suppliers/customers to function could impact the Commission's ability to deliver critical public services. The Commission has contacted vendors that provide critical business products and services to the Commission to assess the business risk and to plan risk reduction strategies prudently.

**(F) Resource Commitments**

Total estimated cumulative funding information for Year 2000 solutions, including contract amounts for hardware, software and consulting services required specifically to make systems compliant through June 30, 1999 is as follows:

	Expended as of June 30, 1999	Encumbered at June 30, 1999
Total	\$1,738,468	\$638,151

**(G) Contingency Planning**

A critical part of the Commission's Year 2000 program is the development of contingency plans to assure continued operation in the event of critical automated systems failure or unforeseen supply chain interruptions. Contingency plans are to describe the steps to be taken, including the activation of manual or outsourced processes, to ensure the continuity of business processes in the event of a Year 2000-induced system failure. Commission contingency plans are being prepared and tested by the Year 2000 Subcommittee and will be finalized by October 1999.

**(H) Summary**

Although minor problems will undoubtedly remain, the Commission expects to resolve all of its critical Year 2000 problems before January 1, 2000. The Commission does not expect Year 2000 problems to have a material adverse effect on its financial health or its ability to meet its financial obligations in a timely manner. Nevertheless, the Commission has no control over the Year 2000 remediation efforts of external third parties. It is possible, therefore, that even if the Commission were fully Year 2000 compliant, and even if the Commission were to pay all of its obligations on time, the noncompliance of external third parties involved in the transfer of principal and interest payments could adversely affect the timeliness or amount of payments to bondholders. The Commission has dedicated significant resources to the Year 2000 program and anticipates a smooth transition to the new millennium.



---

## ♦ PART II B ♦

### FINANCIAL SECTION

---

Combining Statements and Schedules



A camper prepares to tee off at the Youth Golf Training Center, funded in part by a grant from the United States Golf Association (USGA).

---

## GENERAL FUND

---

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



# THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

EXHIBIT A-1

## Schedule of Assets, Liabilities and Fund Balance - GENERAL FUND

June 30, 1999

	MONTGOMERY COUNTY				PRINCE GEORGE'S COUNTY					TOTALS	
	Adminis- tration Account	Park Account	Totals		Adminis- tration Account	Park Account	Recreation Account	Totals		June 30, 1999	June 30, 1998
			June 30, 1999	June 30, 1998				June 30, 1999	June 30, 1998		
ASSETS											
Equity in Pooled Cash and Investments	\$ 3,935,953	\$ 6,672,404	\$ 10,608,357	\$ 10,054,003	\$ 6,372,983	\$ 37,554,778	\$ 10,899,607	\$ 54,827,368	\$ 57,456,101	\$ 65,435,725	\$ 67,510,104
Receivables - Taxes	495,000	1,219,000	1,714,000	1,460,000	394,000	1,217,000	516,000	2,127,000	1,845,000	3,841,000	3,305,000
Receivables - Other	16,296	45,972	62,268	118,631	9,573	41,764	108,184	159,521	199,327	221,789	317,958
Due From County Governments	307,990	375,801	683,791	686,542	241,117	250,896	107,144	599,157	344,776	1,282,948	1,031,318
Due From Other Governments	26,350	279,353	305,703	344,908	7,473	8,998	1,500	17,971	43,571	323,674	388,479
Due From Other Funds	---	---	---	666,491	---	---	---	---	---	---	666,491
Deposits and Other	2,197	---	2,197	2,197	1,458	---	---	1,458	4,375	3,655	6,572
Total Current Assets	<u>\$ 4,783,786</u>	<u>\$ 8,592,530</u>	<u>\$ 13,376,316</u>	<u>\$ 13,332,772</u>	<u>\$ 7,026,604</u>	<u>\$ 39,073,436</u>	<u>\$ 11,632,435</u>	<u>\$ 57,732,475</u>	<u>\$ 59,893,150</u>	<u>\$ 71,108,791</u>	<u>\$ 73,225,922</u>
LIABILITIES AND FUND BALANCE											
Liabilities:											
Accounts Payable	\$ 571,532	\$ 1,040,057	\$ 1,611,589	\$ 1,434,780	\$ 1,015,539	\$ 1,075,171	\$ 619,227	\$ 2,709,937	\$ 3,771,752	\$ 4,321,526	\$ 5,206,532
Accrued Salaries and Benefits	708,282	1,663,153	2,371,435	2,165,579	686,898	1,444,648	1,133,073	3,264,619	2,833,330	5,636,054	4,998,909
Due to Other Governments	---	---	---	---	498,875	---	---	498,875	---	498,875	---
Deposits and Deferred Revenue	508,108	1,239,162	1,747,270	1,510,119	409,500	1,300,384	788,800	2,498,684	2,338,481	4,245,954	3,848,600
Total Current Liabilities	<u>1,787,922</u>	<u>3,942,372</u>	<u>5,730,294</u>	<u>5,110,478</u>	<u>2,610,812</u>	<u>3,820,203</u>	<u>2,541,100</u>	<u>8,972,115</u>	<u>8,943,563</u>	<u>14,702,409</u>	<u>14,054,041</u>
Fund Balance:											
Reserved for Encumbrances	1,288,579	1,336,028	2,624,607	3,261,461	1,820,585	2,816,665	1,065,060	5,702,310	9,198,268	8,326,917	12,459,729
Unreserved -											
Designated for Subsequent Years	1,247,687	2,598,676	3,846,363	3,289,990	1,534,162	25,726,587	2,355,890	29,616,639	30,131,659	33,463,002	33,421,649
Undesignated	459,598	715,454	1,175,052	1,670,843	1,061,045	6,709,981	5,670,385	13,441,411	11,619,660	14,616,463	13,290,503
Total Fund Balance	<u>2,995,864</u>	<u>4,650,158</u>	<u>7,646,022</u>	<u>8,222,294</u>	<u>4,415,792</u>	<u>35,253,233</u>	<u>9,091,335</u>	<u>48,760,360</u>	<u>50,949,587</u>	<u>56,406,382</u>	<u>59,171,881</u>
Total Liabilities and Fund Balance	<u>\$ 4,783,786</u>	<u>\$ 8,592,530</u>	<u>\$ 13,376,316</u>	<u>\$ 13,332,772</u>	<u>\$ 7,026,604</u>	<u>\$ 39,073,436</u>	<u>\$ 11,632,435</u>	<u>\$ 57,732,475</u>	<u>\$ 59,893,150</u>	<u>\$ 71,108,791</u>	<u>\$ 73,225,922</u>

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, 1999

	MONTGOMERY COUNTY				PRINCE GEORGE'S COUNTY					TOTALS	
	Totals				Totals						
	Year Ended				Year Ended					Year Ended	
	Adminis- tration Account	Park Account	June 30, 1999	June 30, 1998	Adminis- tration Account	Park Account	Recreation Account	June 30, 1999	June 30, 1998	June 30, 1999	June 30, 1998
Revenues:											
Property Taxes	\$ 16,822,802	\$ 42,190,591	\$ 59,013,393	\$ 58,998,504	\$ 18,651,590	\$ 57,166,691	\$ 24,413,084	\$ 100,231,365	\$ 97,487,737	\$ 159,244,758	\$ 156,486,241
Intergovernmental -											
Federal	---	188,789	188,789	327,507	13,631	198,518	6,124	218,273	13,446	407,062	340,953
State	11,933	56,515	68,448	27,488	1,632	---	244,940	246,572	323,333	315,020	350,821
County	219,304	---	219,304	170,057	382,546	---	49,484	432,030	323,259	651,334	493,316
Local	9,000	13,887	22,887	---	---	---	---	---	2,380	22,887	2,380
Charges for Services	919,225	296,169	1,215,394	1,080,066	279,531	164,014	4,755,361	5,198,906	5,106,410	6,414,300	6,186,476
Rentals and Concessions	1,226	1,058,755	1,059,981	1,051,712	---	1,223,515	317,669	1,541,184	1,385,989	2,601,165	2,437,701
Interest	298,333	533,225	831,558	889,382	393,430	2,021,218	577,608	2,992,256	3,823,071	3,823,814	4,712,453
Miscellaneous	1,390	139,913	141,303	73,706	---	149,587	148,889	298,476	321,422	439,779	395,128
Total Revenues	18,283,213	44,477,844	62,761,057	62,618,422	19,722,360	60,923,543	30,513,159	111,159,062	108,787,047	173,920,119	171,405,469
Expenditures:											
General Government	4,984,274	---	4,984,274	4,985,152	5,946,352	---	---	5,946,352	5,609,422	10,930,626	10,594,574
Planning Department	13,109,778	---	13,109,778	12,503,437	14,243,529	---	---	14,243,529	14,024,336	27,353,307	26,527,773
Park Operation and Maintenance	---	42,033,957	42,033,957	39,019,404	---	45,907,274	---	45,907,274	41,782,331	87,941,231	80,801,735
Recreation Programs	---	---	---	---	---	---	29,191,944	29,191,944	27,750,023	29,191,944	27,750,023
Total Expenditures	18,094,052	42,033,957	60,128,009	56,507,993	20,189,881	45,907,274	29,191,944	95,289,099	89,166,112	155,417,108	145,674,105
Excess of Revenues over (under) Expenditures	189,161	2,443,887	2,633,048	6,110,429	(467,521)	15,016,269	1,321,215	15,869,963	19,620,935	18,503,011	25,731,364
Other Financing Sources (Uses):											
Operating Transfers In	---	222,881	222,881	145,778	202,759	2,202,733	---	2,405,492	2,009,231	2,628,373	2,155,009
Operating Transfers Out	---	(3,432,201)	(3,432,201)	(3,175,581)	---	(19,914,682)	(550,000)	(20,464,682)	(21,416,016)	(23,896,883)	(24,591,597)
Total Other Financing Sources (Uses)	---	(3,209,320)	(3,209,320)	(3,029,803)	202,759	(17,711,949)	(550,000)	(18,059,190)	(19,406,785)	(21,268,510)	(22,436,588)
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses	189,161	(765,433)	(576,272)	3,080,626	(264,762)	(2,695,680)	771,215	(2,189,227)	214,150	(2,765,499)	3,294,776
Fund Balance, July 1	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
Fund Balance, June 30	\$ 2,995,864	\$ 4,650,158	\$ 7,646,022	\$ 8,222,294	\$ 4,415,792	\$ 35,253,233	\$ 9,091,335	\$ 48,760,360	\$ 50,949,587	\$ 56,406,382	\$ 59,171,881

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



# THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

EXHIBIT A-3

MONTGOMERY COUNTY

GENERAL FUND

Comparative Schedule of Revenues, Expenditures/Encumbrances, and  
Changes in Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual - ADMINISTRATION ACCOUNT  
For the Fiscal Years Ended June 30, 1999 and 1998

	1999		Variance	1998
	Budget	Actual	Favorable (Unfavorable)	Actual
Revenues:				
Property Taxes	\$ 16,734,190	\$ 16,822,802	\$ 88,612	\$ 16,826,041
Intergovernmental -				
State	76,302	11,933	(64,369)	24,000
County	225,698	219,304	(6,394)	170,057
Other	9,000	9,000	---	---
Charges for Services	650,000	920,451	270,451	818,456
Interest	240,000	298,333	58,333	295,251
Miscellaneous	---	1,390	1,390	7,001
Total Revenues	<u>17,935,190</u>	<u>18,283,213</u>	<u>348,023</u>	<u>18,140,806</u>
Expenditures/Encumbrances:				
Commissioners' Office	928,190	895,226	32,964	878,730
Central Administrative Services -				
Department of Human Resources and Management	1,352,800	1,352,648	152	1,317,377
Department of Finance	1,767,750	1,765,804	1,946	1,695,110
Legal Department	625,700	623,653	2,047	584,181
Support Services	421,500	423,388	(1,888)	553,890
Merit System Board	35,600	28,882	6,718	29,029
Total Central Administrative Services	<u>4,203,350</u>	<u>4,194,375</u>	<u>8,975</u>	<u>4,179,587</u>
Planning Department -				
Park and Planning Director's Office	178,660	193,489	(14,829)	172,818
Management Services	540,630	528,614	12,016	551,991
Strategic Planning	109,500	45,727	63,773	---
Community Based Planning	3,054,330	2,957,995	96,335	2,898,666
Countywide Planning	2,889,220	2,859,173	30,047	3,016,493
Development Review	1,799,070	1,770,354	28,716	1,432,855
Research and Technology	2,987,240	3,218,553	(231,313)	3,117,726
Support Services	1,292,910	1,271,898	21,012	1,076,517
Grants	311,000	240,237	70,763	194,057
Total Planning Department	<u>13,162,560</u>	<u>13,086,040</u>	<u>76,520</u>	<u>12,461,123</u>
Non-Departmental	---	(196,116)	196,116	(19,354)
Total Expenditures/Encumbrances	<u>18,294,100</u>	<u>17,979,525</u>	<u>314,575</u>	<u>17,500,086</u>
Excess of Revenues over (under) Expenditures/Encumbrances	\$ <u>(358,910)</u>	303,688	\$ <u>662,598</u>	640,720

Fund Balance - Budget Basis, July 1  
Fund Balance - Budget Basis, June 30

1,403,597  
\$ 1,707,285  
1,247,687 connects to F100  
459,598

762,877  
\$ 1,403,597

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 - PARK ACCOUNT  
For the Fiscal Years Ended June 30, 1999 and 1998

	1999		Variance Favorable (Unfavorable)	1998
	Budget	Actual		Actual
Revenues:				
Property Taxes	\$ 41,972,640	\$ 42,190,591	\$ 217,951	\$ 42,172,463
Intergovernmental -				
Federal	200,987	188,789	(12,198)	327,507
State	224,013	70,402	(153,611)	3,488
Charges for Services	220,000	296,169	76,169	262,873
Rentals and Concessions	1,018,030	1,058,755	40,725	1,050,449
Interest	400,500	533,225	132,725	594,131
Miscellaneous	120,700	139,913	19,213	66,705
Total Revenues	<u>44,156,870</u>	<u>44,477,844</u>	<u>320,974</u>	<u>44,477,616</u>
Expenditures/Encumbrances:				
Park and Planning Director's Office	64,410	33,600	30,810	72,156
Management Services	248,240	212,310	35,930	240,345
Countywide Planning	760,340	783,370	(23,030)	100,995
Research and Technology	946,750	1,029,093	(82,343)	812,651
Director of Parks	968,470	1,028,159	(59,689)	1,000,023
Park Planning, and Development	1,495,410	1,513,958	(18,548)	1,407,460
Park Police	8,270,910	8,329,787	(58,877)	7,800,112
Natural Resources	3,228,010	3,284,628	(56,618)	3,766,375
Central Maintenance	7,159,900	7,007,174	152,726	6,972,325
Northern Region	5,337,160	5,198,995	138,165	5,090,899
Southern Region	7,861,350	7,579,030	282,320	7,342,513
Support Services	4,365,950	4,504,928	(138,978)	4,200,435
Grants	425,000	259,191	165,809	330,995
Property Management	828,530	747,407	81,123	687,941
Total Expenditures/Encumbrances	<u>41,960,430</u>	<u>41,511,630</u>	<u>448,800</u>	<u>39,825,225</u>
Excess of Revenues over (under) Expenditures/Encumbrances	<u>2,196,440</u>	<u>2,966,214</u>	<u>769,774</u>	<u>4,652,391</u>
Other Financing Sources (Uses):				
Operating Transfers In (Out) -				
Capital Projects Funds - Interest	200,000	222,881	22,881	145,778
Debt Service - Park Fund	(3,299,000)	(2,994,201)	304,799	(2,949,581)
Capital Projects Funds - Development	(290,000)	(290,000)	---	(140,000)
Expendable Trust Fund	---	(62,000)	(62,000)	---
Enterprise Fund	(86,000)	(86,000)	---	(86,000)
Total Other Financing Sources (Uses)	<u>(3,475,000)</u>	<u>(3,209,320)</u>	<u>265,680</u>	<u>(3,029,803)</u>
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses	<u>\$ (1,278,560)</u>	<u>(243,106)</u>	<u>\$ 1,035,454</u>	<u>1,622,588</u>
Fund Balance - Budget Basis, July 1		3,557,236		1,934,648
Fund Balance - Budget Basis, June 30		<u>\$ 3,314,130</u>		<u>\$ 3,557,236</u>

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

2,598,676 comm. to FY00  
715,454



# 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, 1999 and 1998

	1999		Variance	1998
	Budget	Actual	Favorable (Unfavorable)	Actual
Revenues:				
Property Taxes	\$ 17,925,000	\$ 18,651,590	\$ 726,590	\$ 18,152,088
Intergovernmental -				
Federal	13,631	13,631	—	8,009
State	1,632	1,632	—	30,158
County	382,141	382,546	405	323,259
Charges for Services	220,000	279,531	59,531	398,758
Interest	450,000	393,430	(56,570)	538,581
Miscellaneous	—	—	—	24,259
Total Revenues	<u>18,992,404</u>	<u>19,722,360</u>	<u>729,956</u>	<u>19,475,112</u>
Expenditures/Encumbrances:				
Commissioners' Office	1,661,469	1,619,554	41,915	1,618,583
Central Administrative Services -				
Department of Human Resources and Management	1,352,800	1,352,648	152	1,317,377
Department of Finance	1,767,750	1,765,804	1,946	1,695,109
Legal Department	625,700	623,653	2,047	584,181
Support Services	636,500	638,388	(1,888)	416,755
Merit System Board	35,600	28,882	6,718	29,029
Total Central Administrative Services	<u>4,418,350</u>	<u>4,409,375</u>	<u>8,975</u>	<u>4,042,451</u>
Planning Department	14,798,779	14,494,789	303,990	13,810,889
Non-Departmental	—	(201,450)	201,450	(306)
Total Expenditures/Encumbrances	<u>20,878,598</u>	<u>20,322,268</u>	<u>556,330</u>	<u>19,471,617</u>
Excess of Revenues over (under) Expenditures/Encumbrances	<u>(1,886,194)</u>	<u>(599,908)</u>	<u>1,286,286</u>	<u>3,495</u>
Other Financing Sources (Uses):				
Operating Transfers In (Out) -				
Trust Fund - Expendable Trust (Public Contributions)	—	202,759	202,759	—
Total Other Financing Sources (Uses)	<u>—</u>	<u>202,759</u>	<u>202,759</u>	<u>—</u>
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses	<u>\$ (1,886,194)</u>	<u>(397,149)</u>	<u>\$ 1,489,045</u>	<u>3,495</u>
Fund Balance - Budget Basis, July 1		2,992,356		2,988,861
Fund Balance - Budget Basis, June 30		<u>\$ 2,595,207</u>		<u>\$ 2,992,356</u>

1,524,162 (2000)  
1,061,045

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



# THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

PRINCE GEORGE'S COUNTY

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, 1999 and 1998

	1999			1998
	Budget	Actual	Variance Favorable (Unfavorable)	Actual
Revenues:				
Property Taxes	\$ 54,632,000	\$ 57,166,691	\$ 2,534,691	\$ 55,568,729
Intergovernmental -				
Federal	198,518	198,518	—	5,526
Charges for Services	181,000	164,014	(16,986)	114,922
Rentals and Concessions	1,567,225	1,223,515	(343,710)	1,054,925
Interest	1,800,000	2,021,218	221,218	2,629,481
Miscellaneous	53,960	149,587	95,627	179,072
Total Revenues	<u>58,432,703</u>	<u>60,923,543</u>	<u>2,490,840</u>	<u>59,552,655</u>
Expenditures/Encumbrances:				
Director's Office	2,375,265	1,953,894	421,371	2,361,571
Park Police	9,551,725	8,914,175	637,550	8,868,909
Support Services	5,320,918	5,512,434	(191,516)	4,597,324
Child Care/Special Projects	37,750	38,137	(387)	35,375
Park Permits	170,702	128,396	42,306	178,027
Sports/Athletic/Outreach Program	1,293,340	96,825	1,196,515	547,117
Facility Operations -				
Associate Director	331,308	270,434	60,874	310,748
Design and Engineering	3,016,873	2,926,631	90,242	2,602,970
Maintenance and Development	12,513,622	11,481,803	1,031,819	12,119,064
Property Management	50,000	—	50,000	1,220,573
Total Facility Operations	<u>15,911,803</u>	<u>14,678,868</u>	<u>1,232,935</u>	<u>16,253,355</u>
Area Operations -				
Northern Area	3,759,826	3,517,203	242,623	3,581,951
Central Area	3,412,488	3,098,853	313,635	3,232,463
Southern Area	2,824,914	2,807,789	17,125	2,896,476
Arts and Cultural Heritage	1,171,150	988,884	182,266	—
Natural and Historical Resources	1,643,487	1,377,239	266,248	1,106,732
Total Area Operations	<u>12,811,865</u>	<u>11,789,968</u>	<u>1,021,897</u>	<u>10,817,622</u>
Non-Departmental	725,441	(182,370)	907,811	618,631
Total Expenditures/Encumbrances	<u>48,198,809</u>	<u>42,930,327</u>	<u>5,268,482</u>	<u>44,277,931</u>
Excess of Revenues over (under) Expenditures/Encumbrances	<u>10,233,894</u>	<u>17,993,216</u>	<u>7,759,322</u>	<u>15,274,724</u>
Other Financing Sources (Uses):				
Operating Transfers In (Out) -				
Capital Projects Funds - Interest	1,800,000	2,202,733	402,733	2,009,231
Debt Service - Park Fund	(11,676,000)	(10,838,947)	837,053	(11,955,000)
Risk Management	—	(1,000,000)	(1,000,000)	(1,200,000)
Advance Land Acquisition	(87,500)	(87,500)	—	(220,000)
Enterprise Fund	(2,330,017)	(4,520,017)	(2,190,000)	(2,200,535)
Capital Projects Funds - Interest	(1,800,000)	(2,021,218)	(221,218)	(2,629,481)
Capital Projects Funds - Development	(1,447,000)	(1,447,000)	—	(2,611,000)
Total Other Financing Sources (Uses)	<u>(15,540,517)</u>	<u>(17,711,949)</u>	<u>(2,171,432)</u>	<u>(18,806,785)</u>
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses	<u>\$ (5,306,623)</u>	<u>281,267</u>	<u>\$ 5,587,890</u>	<u>(3,532,061)</u>
Fund Balance - Budget Basis, July 1		<u>32,155,301</u>		<u>35,687,362</u>
Fund Balance - Budget Basis, June 30		<u>\$ 32,436,568</u>		<u>\$ 32,155,301</u>

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



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

PRINCE GEORGE'S COUNTY

EXHIBIT A-3

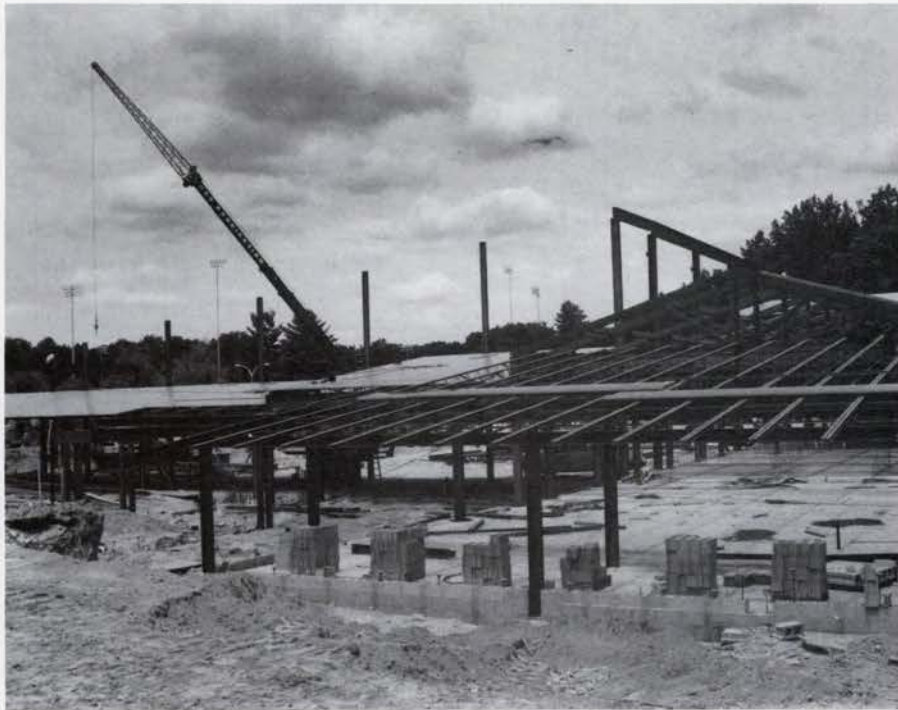
GENERAL FUND

Comparative Schedule of Revenues, Expenditures/Encumbrances, and  
Changes in Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual - RECREATION ACCOUNT  
For the Fiscal Years Ended June 30, 1999 and 1998

	1999		Variance Favorable (Unfavorable)	1998
	Budget	Actual		Actual
Revenues:				
Property Taxes	\$ 23,491,000	\$ 24,413,084	\$ 922,084	\$ 23,766,920
Intergovernmental -				
Federal	6,124	6,124	---	7,920
State	244,940	244,940	---	285,166
County	49,484	49,484	---	2,380
Charges for Services	4,652,980	4,755,361	102,381	4,592,730
Rentals and Concessions	302,570	317,669	15,099	331,064
Interest	450,000	577,608	127,608	655,009
Miscellaneous	32,850	148,889	116,039	118,091
Total Revenues	<u>29,229,948</u>	<u>30,513,159</u>	<u>1,283,211</u>	<u>29,759,280</u>
Expenditures/Encumbrances:				
Director's Office	209,328	208,873	455	136,556
Support Services	2,687,049	2,707,626	(20,577)	---
Total Director's Office	<u>2,896,377</u>	<u>2,916,499</u>	<u>(20,122)</u>	<u>136,556</u>
Facility Operations:				
Natural and Historical Resources	2,540,871	2,449,803	91,068	2,356,869
Sports/Athletic/Outreach Program	2,455,258	2,397,025	58,233	2,401,241
Aquatics	3,115,716	2,921,424	194,292	2,779,890
Total Facility Operations	<u>8,111,845</u>	<u>7,768,252</u>	<u>343,593</u>	<u>7,538,000</u>
Area Operations:				
Deputy Director	341,857	284,687	57,170	319,640
Child Care	1,703,301	1,313,633	389,668	1,856,533
Northern Area	5,046,834	4,838,692	208,142	4,992,280
Central Area	3,665,116	3,665,226	(110)	3,529,684
Southern Area	3,837,727	3,433,767	403,960	3,461,475
Special Populations	1,287,954	1,218,719	69,235	1,297,229
Arts and Cultural Heritage	2,380,893	2,334,593	46,300	2,432,604
Grants	300,548	300,548	---	293,086
Total Area Operations	<u>18,564,230</u>	<u>17,389,865</u>	<u>1,174,365</u>	<u>18,182,531</u>
Non-Departmental	583,801	465,930	117,871	12,948
Total Operating Expenditures/Encumbrances	<u>30,156,253</u>	<u>28,540,546</u>	<u>1,615,707</u>	<u>28,084,572</u>
Excess of Revenues over (under) Expenditures/Encumbrances	<u>(926,305)</u>	<u>1,972,613</u>	<u>2,898,918</u>	<u>1,674,708</u>
Other Financing Sources (Uses):				
Operating Transfers In (Out) -				
Enterprise	---	(550,000)	(550,000)	---
Risk Management	---	---	---	(600,000)
Total Other Financing Sources (Uses)	<u>---</u>	<u>(550,000)</u>	<u>(550,000)</u>	<u>(600,000)</u>
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses	<u>\$ (926,305)</u>	<u>1,422,613</u>	<u>\$ 2,348,918</u>	<u>1,074,708</u>
Fund Balance - Budget Basis, July 1		6,603,662		5,528,954
Fund Balance - Budget Basis, June 30		<u>\$ 8,026,275</u>		<u>\$ 6,603,662</u>

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





Construction proceeds on the Cabin John Ice Rink in Potomac.

---

## DEBT SERVICE FUNDS

---

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

---

### *Park Debt Service Funds*

---

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

---

### *Advance Land Acquisition Debt Service Funds*

---

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



# THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

EXHIBIT B-1

## Combining Balance Sheet - DEBT SERVICE FUNDS

June 30, 1999

### ASSETS

	MONTGOMERY COUNTY				PRINCE GEORGE'S COUNTY				TOTALS	
	Park	Advance Land Acquisition	Totals June 30, 1999	Totals June 30, 1998	Park	Advance Land Acquisition	Totals June 30, 1999	Totals June 30, 1998	June 30, 1999	June 30, 1998
Equity in Pooled Cash and Investments	\$ ---	\$ ---	\$ ---	\$ 1,660	\$ ---	\$ ---	\$ ---	\$ 274,780	\$ ---	\$ 276,440
Total Current Assets	\$ ---	\$ ---	\$ ---	\$ 1,660	\$ ---	\$ ---	\$ ---	\$ 274,780	\$ ---	\$ 276,440

### LIABILITIES AND FUND BALANCES

<b>Liabilities:</b>										
Deposits	\$ ---	\$ ---	\$ ---	\$ ---	\$ ---	\$ ---	\$ ---	\$ ---	\$ ---	\$ ---
Accounts Payable	---	---	---	1,660	---	---	---	---	---	1,660
Total Current Liabilities	---	---	---	1,660	---	---	---	---	---	1,660
<b>Fund Balances:</b>										
Reserved for Debt Service	---	---	---	---	---	---	---	274,780	---	274,780
Total Fund Balances	---	---	---	---	---	---	---	274,780	---	274,780
Total Liabilities and Fund Balances	\$ ---	\$ ---	\$ ---	\$ 1,660	\$ ---	\$ ---	\$ ---	\$ 274,780	\$ ---	\$ 276,440

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

# THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

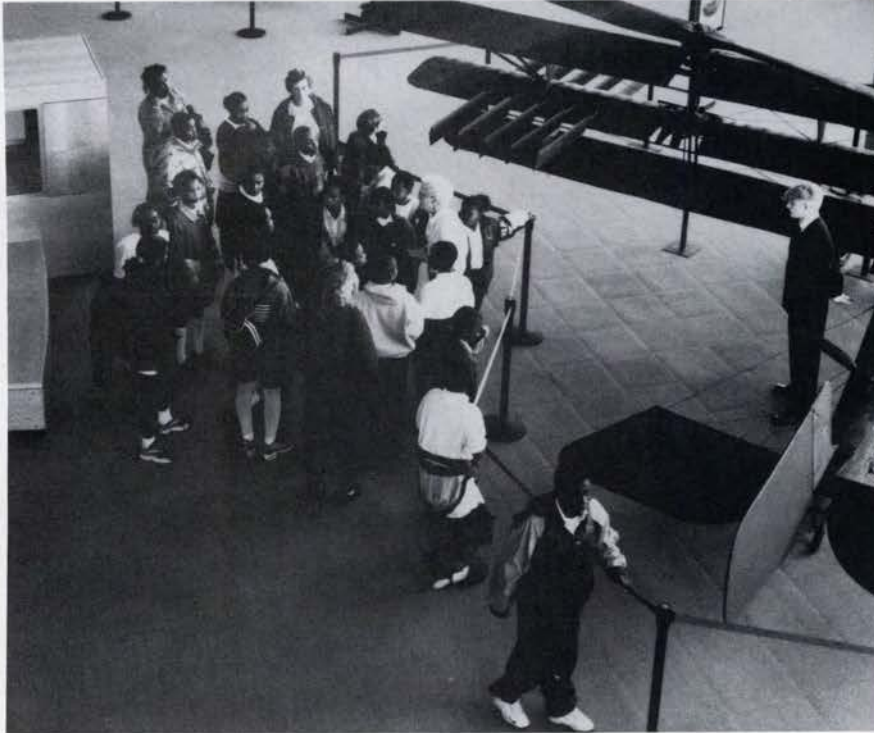
EXHIBIT B-2

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - DEBT SERVICE FUNDS  
For the Fiscal Year Ended June 30, 1999

	MONTGOMERY COUNTY				PRINCE GEORGE'S COUNTY				TOTALS	
			Totals				Totals			
			Year Ended				Year Ended			
	Park	Advance Land Acquisition	June 30, 1999	June 30, 1998	Park	Advance Land Acquisition	June 30, 1999	June 30, 1998	June 30, 1999	June 30, 1998
Revenues:										
Property Taxes	\$ ---	\$ 1,257,015	\$ 1,257,015	\$ 1,272,269	\$ ---	\$ 1,077,375	\$ 1,077,375	\$ 1,050,561	\$ 2,334,390	\$ 2,322,830
Total Revenues	---	1,257,015	1,257,015	1,272,269	---	1,077,375	1,077,375	1,050,561	2,334,390	2,322,830
Expenditures:										
Principal Retirement	1,600,000	305,000	1,905,000	1,905,000	4,835,000	235,000	5,070,000	5,480,000	6,975,000	7,385,000
Interest	1,387,690	316,521	1,704,211	1,676,695	6,085,396	196,356	6,281,752	6,294,373	7,985,963	7,971,068
Fiscal Charges	6,511	3,098	9,609	13,926	193,331	9,114	202,445	77,933	212,054	91,859
Total Expenditures	2,994,201	624,619	3,618,820	3,595,621	11,113,727	440,470	11,554,197	11,852,306	15,173,017	15,447,927
Excess of Revenues over (under) Expenditures	(2,994,201)	632,396	(2,361,805)	(2,323,352)	(11,113,727)	636,905	(10,476,822)	(10,801,745)	(12,838,627)	(13,125,097)
Other Financing Sources (Uses):										
Proceeds of Refunding Bonds	---	---	---	---	21,000,000	---	21,000,000	7,325,000	21,000,000	7,325,000
Retirement of Debt - Bond Anticipation Notes	---	---	---	---	(21,000,000)	---	(21,000,000)	(7,605,178)	(21,000,000)	(7,605,178)
Operating Transfers In (Out) -										
Park Funds	2,994,201	---	2,994,201	2,949,581	10,838,947	---	10,838,947	11,955,000	13,833,148	14,904,581
Expendable Trust Funds	---	(632,396)	(632,396)	(626,229)	---	(636,905)	(636,905)	(598,297)	(1,269,301)	(1,224,526)
Total Other Financing Sources (Uses)	2,994,201	(632,396)	2,361,805	2,323,352	10,838,947	(636,905)	10,202,042	11,076,525	12,563,847	13,399,877
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses	---	---	---	---	(274,780)	---	(274,780)	274,780	(274,780)	274,780
Fund Balances, July 1	---	---	---	---	274,780	---	274,780	---	274,780	---
Fund Balances, June 30	\$ ---	\$ ---	\$ ---	\$ ---	\$ ---	\$ ---	\$ ---	\$ 274,780	\$ ---	\$ 274,780

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





Students learn about historic aircraft as they tour the popular College Park Aviation Museum.

---

## CAPITAL PROJECTS FUNDS

---

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

# THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

EXHIBIT C-1

## Combining Balance Sheet - CAPITAL PROJECTS FUNDS

June 30, 1999

	MONTGOMERY COUNTY		PRINCE GEORGE'S COUNTY		TOTALS	
	Totals		Totals			
	June 30, 1999	June 30, 1998	June 30, 1999	June 30, 1998	June 30, 1999	June 30, 1998
<b>ASSETS</b>						
Equity in Pooled Cash and Investments	\$ 6,059,448	\$ ---	\$ 20,275,774	\$ 43,098,223	\$ 26,335,222	\$ 43,098,223
Accounts Receivable	7,670	---	900,407	1,048,966	908,077	1,048,966
Due from County Government	1,487,683	732,965	---	501,674	1,487,683	1,234,639
Due from Other Governments	1,572,446	2,352,630	6,133,790	1,607,767	7,706,236	3,960,397
Total Current Assets	<u>\$ 9,127,247</u>	<u>\$ 3,085,595</u>	<u>\$ 27,309,971</u>	<u>\$ 46,256,630</u>	<u>\$ 36,437,218</u>	<u>\$ 49,342,225</u>
<b>LIABILITIES AND FUND BALANCES</b>						
<b>Liabilities:</b>						
Accounts Payable	\$ 1,843,158	\$ 616,781	\$ 1,191,325	\$ 350,858	\$ 3,034,483	\$ 967,639
Contract Retainages	586,668	490,910	2,706,286	1,040,529	3,292,954	1,531,439
Due To Other Funds	---	666,491	---	---	---	666,491
Deposits	---	---	19,041	---	19,041	---
Total Current Liabilities	<u>2,429,826</u>	<u>1,774,182</u>	<u>3,916,652</u>	<u>1,391,387</u>	<u>6,346,478</u>	<u>3,165,569</u>
<b>Fund Balances:</b>						
Reserved for Encumbrances	6,697,421	1,311,413	10,413,362	24,509,497	17,110,783	25,820,910
Unreserved -						
Designated for Projects	---	---	12,979,957	20,355,746	12,979,957	20,355,746
Total Fund Balances	<u>6,697,421</u>	<u>1,311,413</u>	<u>23,393,319</u>	<u>44,865,243</u>	<u>30,090,740</u>	<u>46,176,656</u>
Total Liabilities and Fund Balances	<u>\$ 9,127,247</u>	<u>\$ 3,085,595</u>	<u>\$ 27,309,971</u>	<u>\$ 46,256,630</u>	<u>\$ 36,437,218</u>	<u>\$ 49,342,225</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, 1999

	MONTGOMERY COUNTY		PRINCE GEORGE'S COUNTY		TOTALS	
	Totals		Totals		Year Ended	
	Year Ended		Year Ended		Year Ended	
	June 30, 1999	June 30, 1998	June 30, 1999	June 30, 1998	June 30, 1999	June 30, 1998
Revenues:						
Intergovernmental -						
Federal	\$ —	\$ —	\$ 422,107	\$ 370,470	\$ 422,107	\$ 370,470
State	1,303,561	2,387,341	9,049,219	1,092,379	10,352,780	3,479,720
County	4,118,206	3,710,161	—	—	4,118,206	3,710,161
Local	—	175,172	—	—	—	175,172
Interest	222,881	145,778	2,202,733	2,009,231	2,425,614	2,155,009
Sale of Land	—	—	156,185	234,117	156,185	234,117
Miscellaneous	—	1,200	2,125,668	313,659	2,125,668	314,859
Total Revenues	<u>5,644,648</u>	<u>6,419,652</u>	<u>13,955,912</u>	<u>4,019,856</u>	<u>19,600,560</u>	<u>10,439,508</u>
Expenditures:						
Park Acquisition	688,170	1,364,879	5,780,788	2,395,796	6,468,958	3,760,675
Park Development	6,950,855	7,896,284	30,947,533	15,247,648	37,898,388	23,143,932
Total Expenditures	<u>7,639,025</u>	<u>9,261,163</u>	<u>36,728,321</u>	<u>17,643,444</u>	<u>44,367,346</u>	<u>26,904,607</u>
Excess of Revenues Over (under) Expenditures	<u>(1,994,377)</u>	<u>(2,841,511)</u>	<u>(22,772,409)</u>	<u>(13,623,588)</u>	<u>(24,766,786)</u>	<u>(16,465,099)</u>
Other Financing Sources (Uses):						
Proceeds of General Obligation Bonds	7,000,000	—	—	21,000,000	7,000,000	21,000,000
Operating Transfers In (Out) -						
General Fund - Park Account, Operating Interest	—	—	2,021,218	2,629,481	2,021,218	2,629,481
General Fund - Park Account, Development	290,000	140,000	1,447,000	2,611,000	1,737,000	2,751,000
Expendable Trust Funds	313,266	412,098	35,000	—	348,266	412,098
General Fund - Park Account, Interest	(222,881)	(145,778)	(2,202,733)	(2,009,231)	(2,425,614)	(2,155,009)
Total Other Financing Sources (Uses)	<u>7,380,385</u>	<u>406,320</u>	<u>1,300,485</u>	<u>24,231,250</u>	<u>8,680,870</u>	<u>24,637,570</u>
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses	<u>5,386,008</u>	<u>(2,435,191)</u>	<u>(21,471,924)</u>	<u>10,607,662</u>	<u>(16,085,916)</u>	<u>8,172,471</u>
Fund Balances, July 1	<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>
Fund Balances, June 30	<u>\$ 6,697,421</u>	<u>\$ 1,311,413</u>	<u>\$ 23,393,319</u>	<u>\$ 44,865,243</u>	<u>\$ 30,090,740</u>	<u>\$ 46,176,656</u>

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



Boat rentals and naturalists' tours of Little Seneca Lake are sources of revenue at Black Hill Regional Park.

---

## ENTERPRISE FUNDS

---

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



THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

EXHIBIT D-1

Combining Balance Sheet - ENTERPRISE FUNDS  
June 30, 1999

	MONTGOMERY COUNTY		PRINCE GEORGE'S COUNTY		TOTALS	
	Recreational and Cultural Facilities		Recreational and Cultural Facilities			
	Totals		Totals			
	June 30, 1999	June 30, 1998	June 30, 1999	June 30, 1998	June 30, 1999	June 30, 1998
<b>Assets</b>						
Current Assets:						
Equity in Pooled Cash and Investments	\$ 14,911,297	\$ 10,704,829	\$ 3,382,974	\$ 617,539	\$ 18,294,271	\$ 11,322,368
Accounts Receivable	40,043	6,189	16,130	113,080	56,173	119,269
Inventories, at Cost	644,060	707,527	532,213	533,386	1,176,273	1,240,913
Total Current Assets	<u>15,595,400</u>	<u>11,418,545</u>	<u>3,931,317</u>	<u>1,264,005</u>	<u>19,526,717</u>	<u>12,682,550</u>
Fixed Assets, at Cost:						
Land	7,791,328	8,632,328	5,684,643	5,684,643	13,475,971	14,316,971
Buildings	7,885,468	8,893,909	19,825,666	19,596,264	27,711,134	28,490,173
Improvements Other Than Buildings	1,647,715	1,571,684	7,630,612	7,193,975	9,278,327	8,765,659
Machinery and Equipment	3,523,423	3,313,608	2,588,744	2,542,714	6,112,167	5,856,322
Construction in Progress	6,359,896	2,889,437	---	---	6,359,896	2,889,437
	27,207,830	25,300,966	35,729,665	35,017,596	62,937,495	60,318,562
Less - Accumulated Depreciation	(5,020,711)	(4,856,491)	(8,330,443)	(7,366,168)	(13,351,154)	(12,222,659)
Net Fixed Assets	<u>22,187,119</u>	<u>20,444,475</u>	<u>27,399,222</u>	<u>27,651,428</u>	<u>49,586,341</u>	<u>48,095,903</u>
Total Assets	<u>\$ 37,782,519</u>	<u>\$ 31,863,020</u>	<u>\$ 31,330,539</u>	<u>\$ 28,915,433</u>	<u>\$ 69,113,058</u>	<u>\$ 60,778,453</u>
<b>Liabilities and Equity</b>						
Current Liabilities:						
Current Portion of Revenue Bonds Payable	\$ 245,000	\$ 265,000	\$ ---	\$ ---	\$ 245,000	\$ 265,000
Current Portion of Revenue Notes Payable	190,000	---	---	---	190,000	---
Current Portion of Notes Payable	123,725	118,398	---	---	123,725	118,398
Accounts Payable	249,793	349,769	139,016	178,296	388,809	528,065
Accrued Salaries and Benefits	189,939	171,388	175,825	155,446	365,764	326,834
Accrued Leave	334,435	322,573	405,703	291,416	740,138	613,989
Interest Payable	156,337	103,135	---	---	156,337	103,135
Revenue Collected in Advance	233,695	271,363	136,982	81,260	370,677	352,623
Total Current Liabilities	1,722,924	1,601,626	857,526	706,418	2,580,450	2,308,044
Revenue Bonds Payable - Net of Current Portion	3,813,181	4,026,118	---	---	3,813,181	4,026,118
Revenue Notes Payable - Net of Current Portion	9,410,000	3,600,000	---	---	9,410,000	3,600,000
Notes Payable - Net of Current Portion	---	123,726	---	---	---	123,726
Advanced from Advance Land Acquisition Fund	---	---	1,734,875	1,734,875	1,734,875	1,734,875
Total Liabilities	<u>14,946,105</u>	<u>9,351,470</u>	<u>2,592,401</u>	<u>2,441,293</u>	<u>17,538,506</u>	<u>11,792,763</u>
Equity:						
Contributed Capital	3,945,522	4,876,936	26,171,014	25,920,178	30,116,536	30,797,114
Retained Earnings (Deficit)	18,890,892	17,634,614	2,567,124	553,962	21,458,016	18,188,576
Total Equity	<u>22,836,414</u>	<u>22,511,550</u>	<u>28,738,138</u>	<u>26,474,140</u>	<u>51,574,552</u>	<u>48,985,690</u>
Total Liabilities and Equity	<u>\$ 37,782,519</u>	<u>\$ 31,863,020</u>	<u>\$ 31,330,539</u>	<u>\$ 28,915,433</u>	<u>\$ 69,113,058</u>	<u>\$ 60,778,453</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, 1999

	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, 1999	June 30, 1998	June 30, 1999	June 30, 1998	June 30, 1999	June 30, 1998
Operating Revenues:						
Sales	\$ 1,322,692	\$ 1,298,188	\$ 1,409,214	\$ 1,418,861	\$ 2,731,906	\$ 2,717,049
Charges for Services	7,918,807	8,040,221	2,297,637	2,296,235	10,216,444	10,336,456
Rentals and Concessions	1,886,437	1,936,597	1,627,928	1,557,106	3,514,365	3,493,703
Total Operating Revenues	11,127,936	11,275,006	5,334,779	5,272,202	16,462,715	16,547,208
Operating Expenses:						
Cost of Goods Sold	687,600	782,274	853,700	940,538	1,541,300	1,722,812
Personal Services	4,330,089	4,483,507	3,562,021	3,338,506	7,892,110	7,822,013
Supplies and Materials	1,129,118	1,248,430	1,011,684	947,372	2,140,802	2,195,802
Communications	97,894	86,967	241,172	236,647	339,066	323,614
Utilities	457,289	492,677	272,757	278,012	730,046	770,689
Maintenance	217,943	177,112	364,799	341,416	582,742	518,528
Contractual Services	758,452	858,409	295,940	365,490	1,054,392	1,223,899
Other Services and Charges	212,507	211,717	329,194	291,213	541,701	502,930
Administrative Charges	804,980	1,037,703	711,929	547,828	1,516,909	1,585,531
Depreciation	664,718	1,534,613	990,624	1,256,252	1,655,342	2,790,865
Total Operating Expenses	9,360,590	10,913,409	8,633,820	8,543,274	17,994,410	19,456,683
Operating Income (Loss)	1,767,346	361,597	(3,299,041)	(3,271,072)	(1,531,695)	(2,909,475)
Nonoperating Revenues (Expenses) -						
Interest Income	616,095	551,194	13,620	43,034	629,715	594,228
Interest Expense	(592,043)	(566,329)	---	---	(592,043)	(566,329)
Total Nonoperating Revenues (Expenses)	24,052	(15,135)	13,620	43,034	37,672	27,899
Income (Loss) Before Operating Transfers	1,791,398	346,462	(3,285,421)	(3,228,038)	(1,494,023)	(2,881,576)
Operating Transfers In (Out) -						
General Fund - Park Account	86,000	86,000	4,520,017	2,200,535	4,606,017	2,286,535
General Fund - Recreation	---	---	550,000	---	550,000	---
General Fixed Assets Account Group	(621,120)	---	---	---	(621,120)	---
Net Operating Transfers	(535,120)	86,000	5,070,017	2,200,535	4,534,897	2,286,535
Net Income (Loss)	1,256,278	432,462	1,784,596	(1,027,503)	3,040,874	(595,041)
Add Depreciation Charge to Contributed Capital	---	---	228,566	228,566	228,566	228,566
Net Increase (Decrease) In Retained Earnings	1,256,278	432,462	2,013,162	(798,937)	3,269,440	(366,475)
Retained Earnings (Deficit), July 1	17,634,614	17,202,152	553,962	1,352,899	18,188,576	18,555,051
Retained Earnings (Deficit), June 30	\$ 18,890,892	\$ 17,634,614	\$ 2,567,124	\$ 553,962	\$ 21,458,016	\$ 18,188,576

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, 1999

	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, 1999	June 30, 1998	June 30, 1999	June 30, 1998	June 30, 1999	June 30, 1998
Cash Flows from Operating Activities:						
Operating Income (Loss)	\$ 1,767,346	\$ 361,597	\$ (3,299,041)	\$ (3,271,072)	\$ (1,531,695)	\$ (2,909,475)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:						
Depreciation	664,718	1,534,613	990,624	1,256,252	1,655,342	2,790,865
Changes in Assets and Liabilities:						
(Increase) Decrease in Accounts Receivable	(33,854)	(3,620)	96,950	(28,432)	63,096	(32,052)
(Increase) Decrease in Inventories, at Cost	63,467	(88,402)	1,173	55,937	64,640	(32,465)
Increase (Decrease) in Accounts Payable	(99,976)	143,814	(39,280)	40,302	(139,256)	184,116
Increase (Decrease) in Accrued Salaries and Benefits	18,551	96,596	20,379	93,679	38,930	190,275
Increase (Decrease) in Accrued Leave	11,862	27,120	114,287	(53,671)	126,149	(26,551)
Increase (Decrease) in Interest Payable	53,202	11,045	—	—	53,202	11,045
Increase (Decrease) in Revenue Collected in Advance	(37,668)	56,139	55,722	(13,351)	18,054	42,788
Net Cash Provided (Used) by Operating Activities	<u>2,407,648</u>	<u>2,138,902</u>	<u>(2,059,186)</u>	<u>(1,920,356)</u>	<u>348,462</u>	<u>218,546</u>
Cash Flows from Noncapital Financing Activities:						
Operating Transfers In from Other Funds	86,000	86,000	5,070,017	2,200,535	5,156,017	2,286,535
Net Cash Provided (Used) by Noncapital Financing Activities	<u>86,000</u>	<u>86,000</u>	<u>5,070,017</u>	<u>2,200,535</u>	<u>5,156,017</u>	<u>2,286,535</u>
Cash Flows from Capital and Related Financing Activities:						
Acquisition of Fixed Assets	(3,959,897)	(1,815,760)	(259,016)	(199,252)	(4,218,913)	(2,015,012)
Principal Paid on Notes Payable	(118,398)	(210,685)	—	—	(118,398)	(210,685)
Principal Paid on Revenue Bonds	(265,000)	(160,000)	—	—	(265,000)	(160,000)
Interest Paid	(592,043)	(566,329)	—	—	(592,043)	(566,329)
Payment of Refunded Revenue Bonds	—	(4,305,000)	—	—	—	(4,305,000)
Write-Off of Revenue Bonds Unamortized Charge	32,063	—	—	—	32,063	—
Proceeds from Financing - Revenue Bonds - net	—	4,291,118	—	—	—	4,291,118
Proceeds from Financing - Revenue Notes	6,000,000	3,600,000	—	—	6,000,000	3,600,000
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>1,096,725</u>	<u>833,344</u>	<u>(259,016)</u>	<u>(199,252)</u>	<u>837,709</u>	<u>634,092</u>
Cash Flows from Investing Activities:						
Interest on Restricted Investments	191,798	91,646	—	—	191,798	91,646
Interest on Investments	424,297	459,548	13,620	43,034	437,917	502,582
Net Cash Provided (Used) by Investing Activities	<u>616,095</u>	<u>551,194</u>	<u>13,620</u>	<u>43,034</u>	<u>629,715</u>	<u>594,228</u>
Net Increase (Decrease) in Cash and Cash Equivalents	4,206,468	3,609,440	2,765,435	123,961	6,971,903	3,733,401
Cash and Cash Equivalents, July 1	10,704,829	7,095,389	617,539	493,578	11,322,368	7,588,967
Cash and Cash Equivalents, June 30	<u>\$ 14,911,297</u>	<u>\$ 10,704,829</u>	<u>\$ 3,382,974</u>	<u>\$ 617,539</u>	<u>\$ 18,294,271</u>	<u>\$ 11,322,368</u>

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



Rich in history, the Surratt House Museum attracts thousands of visitors each year as a stop on the John Wilkes Booth Escape Route tour.

---

## INTERNAL SERVICE FUNDS

---

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

---

### *Capital Equipment Funds*

---

The Montgomery County Capital Equipment Fund is 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 used to account for the cost of operating the Executive Office Building and was used to account for the renovation costs of that building which was acquired in February of 1992.

---

### *Employee Benefits Funds*

---

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

---

### *Risk Management Funds*

---

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



# THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

EXHIBIT E-1

## Combining Balance Sheet - INTERNAL SERVICE FUNDS

June 30, 1999

	MONTGOMERY COUNTY					PRINCE GEORGE'S COUNTY					TOTALS	
	TOTALS					TOTALS					June 30, 1999	June 30, 1998
	Capital Equipment	Employee Benefits	Risk Management	June 30, 1999	June 30, 1998	Capital Equipment	Employee Benefits	Risk Management	June 30, 1999	June 30, 1998		
ASSETS												
Current Assets:												
Equity in Pooled Cash and Investments	\$ 1,087,917	\$ 9,617,135	\$ 5,551,644	\$ 16,256,696	\$ 11,587,884	\$ 23,422	\$ 9,217,929	\$ 7,306,153	\$ 16,547,504	\$ 13,075,072	\$ 32,804,200	\$ 24,662,956
Accounts Receivable	39,584	---	295	39,879	2,907	---	---	295	295	430	40,174	3,337
Due from Other Funds	---	---	---	---	1,452,587	---	---	---	---	---	---	1,452,587
Due from County Government	---	---	15,550	15,550	60,133	---	---	15,550	15,550	60,134	31,100	120,267
Deposits and Other	---	49,320	11,663	60,983	9,806	---	49,321	11,663	60,984	9,806	121,967	19,612
Total Current Assets	1,127,501	9,666,455	5,579,152	16,373,108	13,113,317	23,422	9,267,250	7,333,661	16,624,333	13,145,442	32,997,441	26,258,759
Fixed Assets, at Cost:												
Land	---	---	---	---	---	748,497	---	---	748,497	748,497	748,497	748,497
Buildings	102,469	---	---	102,469	102,469	2,649,865	---	---	2,649,865	2,676,191	2,752,334	2,778,660
Machinery and Equipment	12,244,052	---	44,056	12,288,108	11,138,522	26,326	---	44,056	70,382	769,308	12,358,490	11,907,830
Less-Accumulated Depreciation	(7,102,179)	---	(19,906)	(7,122,085)	(5,930,928)	(590,413)	---	(19,906)	(610,319)	(1,110,676)	(7,732,404)	(7,041,604)
Net Fixed Assets	5,244,342	---	24,150	5,268,492	5,310,063	2,834,275	---	24,150	2,858,425	3,083,320	8,126,917	8,393,383
Total Assets	\$ 6,371,843	\$ 9,666,455	\$ 5,603,302	\$ 21,641,600	\$ 18,423,380	\$ 2,857,697	\$ 9,267,250	\$ 7,357,811	\$ 19,482,758	\$ 16,228,762	\$ 41,124,358	\$ 34,652,142
LIABILITIES AND EQUITY												
Current Liabilities:												
Current Portion of Notes Payable	\$ 1,400,353	\$ ---	\$ ---	\$ 1,400,353	\$ 839,745	\$ 89,294	\$ ---	\$ ---	\$ 89,294	\$ 90,421	\$ 1,489,647	\$ 930,166
Accounts Payable	145,941	44,904	5,175	196,020	260,851	4,835	44,904	8,612	58,351	43,885	254,371	304,736
Claims Payable	---	---	1,411,752	1,411,752	1,441,528	---	---	2,958,054	2,958,054	2,244,172	4,369,806	3,685,700
Accrued Salaries and Benefits	---	143,102	9,768	152,870	138,972	5,620	208,805	9,769	224,194	188,908	377,064	327,880
Accrued Leave	---	657,000	22,017	679,017	719,535	8,929	790,000	22,018	820,947	862,351	1,499,964	1,581,886
Estimate of Incurred but Unreported Claims	---	640,556	875,837	1,516,393	1,802,231	---	640,556	1,835,153	2,475,709	2,345,359	3,992,102	4,147,590
Due to Other Funds	---	---	---	---	1,452,587	---	---	---	---	---	---	1,452,587
Total Current Liabilities	1,546,294	1,485,562	2,324,549	5,356,405	6,655,449	108,678	1,684,265	4,833,606	6,626,549	5,775,096	11,982,954	12,430,545
Notes Payable - Net of Current Portion	2,149,584	---	---	2,149,584	877,533	1,892,711	---	---	1,892,711	1,982,005	4,042,295	2,859,538
Total Liabilities	3,695,878	1,485,562	2,324,549	7,505,989	7,532,982	2,001,389	1,684,265	4,833,606	8,519,260	7,757,101	16,025,249	15,290,083
Equity:												
Contributed Capital	525,128	---	---	525,128	525,128	---	---	---	---	4,860	525,128	529,988
Retained Earnings - Reserved for Contingency	---	8,180,893	775,000	8,955,893	6,649,313	---	7,582,985	1,180,000	8,762,985	6,546,668	17,718,878	13,195,981
Unreserved	2,150,837	---	2,503,753	4,654,590	3,715,957	856,308	---	1,344,205	2,200,513	1,920,133	6,855,103	5,636,090
Total Retained Earnings	2,150,837	8,180,893	3,278,753	13,610,483	10,365,270	856,308	7,582,985	2,524,205	10,963,498	8,466,801	24,573,981	18,832,071
Total Equity	2,675,965	8,180,893	3,278,753	14,135,611	10,890,398	856,308	7,582,985	2,524,205	10,963,498	8,471,661	25,099,109	19,362,059
Total Liabilities and Equity	\$ 6,371,843	\$ 9,666,455	\$ 5,603,302	\$ 21,641,600	\$ 18,423,380	\$ 2,857,697	\$ 9,267,250	\$ 7,357,811	\$ 19,482,758	\$ 16,228,762	\$ 41,124,358	\$ 34,652,142

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, 1999

	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			
				June 30, 1999	June 30, 1998				June 30, 1999	June 30, 1998		
Operating Revenues:												
Charges for Services	\$ 2,290,914	\$ 12,746,278	\$ 949,000	\$ 15,986,192	\$ 14,043,684	\$ 718,171	\$ 13,900,432	\$ 1,717,000	\$ 16,335,603	\$ 13,934,904	\$ 32,321,795	\$ 27,978,588
Claim Recoveries	---	---	51,550	51,550	78,076	---	---	56,250	56,250	89,410	107,800	167,486
Total Operating Revenues	2,290,914	12,746,278	1,000,550	16,037,742	14,121,760	718,171	13,900,432	1,773,250	16,391,853	14,024,314	32,429,595	28,146,074
Operating Expenses:												
Personal Services	---	3,924,402	211,383	4,135,785	3,889,293	105,208	5,199,322	212,038	5,516,568	4,915,946	9,652,353	8,805,239
Supplies and Materials	127,575	120	10,527	138,222	267,370	37,528	120	10,647	48,295	70,088	186,517	337,458
Contractual Services - Montgomery County Self												
Insurance Fund, Net	---	---	670,670	670,670	463,527	---	---	2,176,703	2,176,703	2,489,641	2,847,373	2,953,168
Other	---	10,910	---	10,910	7,173	---	10,911	---	10,911	7,173	21,821	14,346
Claims Incurred	---	3,141,332	---	3,141,332	2,998,671	---	3,141,332	---	3,141,332	3,004,244	6,282,664	6,002,915
Insurance	---	3,705,339	5,114	3,710,453	3,672,489	---	3,705,339	15,442	3,720,781	3,708,456	7,431,234	7,380,945
Other Services and Charges	22,191	65,939	224,726	312,856	286,835	324,771	65,938	206,955	597,664	1,079,521	910,520	1,366,356
Depreciation	1,307,381	---	4,504	1,311,885	1,335,190	246,154	---	4,504	250,658	244,657	1,562,543	1,579,847
Total Operating Expenses	1,457,147	10,848,042	1,126,924	13,432,113	12,920,548	713,661	12,122,962	2,626,289	15,462,912	15,519,726	28,895,025	28,440,274
Operating Income (Loss)	833,767	1,898,236	(126,374)	2,605,629	1,201,212	4,510	1,777,470	(853,039)	928,941	(1,495,412)	3,534,570	(294,200)
Nonoperating Revenues (Expenses) -												
Interest Income	45,425	410,344	289,463	745,232	576,921	7,660	389,847	317,809	715,316	633,607	1,460,548	1,210,528
Interest Expense	(105,648)	---	---	(105,648)	(86,319)	(152,420)	---	---	(152,420)	(164,007)	(258,068)	(250,326)
Total Nonoperating Revenues (Expenses)	(60,223)	410,344	289,463	639,584	490,602	(144,760)	389,847	317,809	562,896	469,600	1,202,480	960,202
Income (Loss) Before Operating Transfers	773,544	2,308,580	163,089	3,245,213	1,691,814	(140,250)	2,167,317	(535,230)	1,491,837	(1,025,812)	4,737,050	666,002
Operating Transfers In (Out) -												
Park Fund	---	---	---	---	---	---	---	1,000,000	1,000,000	1,200,000	1,000,000	1,200,000
Recreation Fund	---	---	---	---	---	---	---	---	---	600,000	---	600,000
Interfund Transfers In(Out)	---	---	---	---	---	(54,216)	---	54,216	---	---	---	---
Net Operating Transfers	---	---	---	---	---	(54,216)	---	1,054,216	1,000,000	1,800,000	1,000,000	1,800,000
Net Income (Loss)	773,544	2,308,580	163,089	3,245,213	1,691,814	(194,466)	2,167,317	518,986	2,491,837	774,188	5,737,050	2,466,002
Add Depreciation Charge to Contributed Capital	---	---	---	---	---	4,860	---	---	4,860	---	4,860	---
Net Increase (Decrease) In Retained Earnings	773,544	2,308,580	163,089	3,245,213	---	(189,606)	2,167,317	518,986	2,496,697	774,188	5,741,910	---
Retained Earnings, July 1	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
Retained Earnings, June 30	\$ 2,150,837	\$ 8,180,893	\$ 3,278,753	\$ 13,610,483	\$ 10,365,270	\$ 856,308	\$ 7,582,985	\$ 2,524,205	\$ 10,963,498	\$ 8,466,801	\$ 24,573,981	\$ 18,832,071

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, 1999

	MONTGOMERY COUNTY					PRINCE GEORGE'S COUNTY					TOTALS	
	Capital Equipment	Employee Benefits	Risk Management	TOTALS Year Ended		Capital Equipment	Employee Benefits	Risk Management	TOTALS Year Ended		TOTALS Year Ended	
				June 30, 1999	June 30, 1998				June 30, 1999	June 30, 1998	June 30, 1999	June 30, 1998
Cash Flows from Operating Activities:												
Operating Income (Loss)	\$ 833,767	\$ 1,898,236	\$ (126,374)	\$ 2,605,629	\$ 1,201,212	\$ 4,510	\$ 1,777,470	\$ (853,039)	\$ 928,941	\$ (1,495,412)	\$ 3,534,570	\$ (294,200)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:												
Depreciation	1,307,381	---	4,504	1,311,885	1,335,190	246,154	---	4,504	250,658	244,657	1,562,543	1,579,847
Changes in Assets and Liabilities:												
(Increase) Decrease in Accounts Receivable	(37,107)	---	135	(36,972)	(430)	---	---	135	135	(430)	(36,837)	(860)
(Increase) Decrease in Due From Other Funds	---	---	1,452,587	1,452,587	(765,213)	---	---	---	---	---	1,452,587	(765,213)
(Increase) Decrease in Due from County Government	---	---	44,583	44,583	18,295	---	---	44,584	44,584	18,294	89,167	36,589
(Increase) Decrease in Deposits and Other	---	(49,320)	(1,857)	(51,177)	641,831	---	(49,321)	(1,857)	(51,178)	641,831	(102,355)	1,283,662
Increase (Decrease) in Accounts Payable	(91,421)	22,878	3,712	(64,831)	(82,303)	(15,703)	22,878	7,291	14,466	(206,698)	(50,365)	(289,001)
Increase (Decrease) in Claims Payable	---	---	(29,776)	(29,776)	24,528	---	---	713,882	713,882	424,135	684,106	448,663
Increase (Decrease) in Accrued Salaries and Benefits	---	13,929	(31)	13,898	120,572	321	34,996	(31)	35,286	168,034	49,184	288,606
Increase (Decrease) in Accrued Leave	---	(43,000)	2,482	(40,518)	(10,161)	2,113	(46,000)	2,483	(41,404)	(5,150)	(81,922)	(15,311)
Increase (Decrease) in Estimate of Incurred but Unreported Claims	---	(186,239)	(99,599)	(285,838)	(119,632)	---	(186,239)	316,589	130,350	86,202	(155,488)	(33,430)
Increase (Decrease) in Due to Other Funds	(1,452,587)	---	---	(1,452,587)	765,213	---	---	---	---	---	(1,452,587)	765,213
Net Cash Provided (Used) by Operating Activities	560,033	1,656,484	1,250,366	3,466,883	3,129,102	237,395	1,553,784	234,541	2,025,720	(124,537)	5,492,603	3,004,565
Cash Flows from Noncapital Financing Activities:												
Operating Transfers In (Out) to Other Funds	---	---	---	---	---	(54,216)	---	1,054,216	1,000,000	1,800,000	1,000,000	1,800,000
Net Cash Provided (Used) by Noncapital Financing Activities	---	---	---	---	---	(54,216)	---	1,054,216	1,000,000	1,800,000	1,000,000	1,800,000
Cash Flows from Capital and Related Financing Activities:												
Acquisition of Fixed Assets	(1,244,551)	---	(25,762)	(1,270,313)	(1,553,696)	---	---	(25,762)	(25,762)	---	(1,296,075)	(1,553,696)
Principal Paid on Notes Payable	(967,342)	---	---	(967,342)	(803,584)	(90,422)	---	---	(90,422)	(211,134)	(1,057,764)	(1,014,718)
Interest Paid on Notes Payable	(105,648)	---	---	(105,648)	(86,319)	(152,420)	---	---	(152,420)	(164,007)	(258,068)	(250,326)
Proceeds from Financing	2,800,000	---	---	2,800,000	---	---	---	---	---	---	2,800,000	---
Net Cash Provided (Used) by Capital and Related Financing Activities	482,459	---	(25,762)	456,697	(2,443,599)	(242,842)	---	(25,762)	(268,604)	(375,141)	188,093	(2,818,740)
Cash Flows from Investing Activities:												
Interest on Investments	45,425	410,344	289,463	745,232	576,921	7,660	389,847	317,809	715,316	633,607	1,460,548	1,210,528
Net Cash Provided (Used) by Investing Activities	45,425	410,344	289,463	745,232	576,921	7,660	389,847	317,809	715,316	633,607	1,460,548	1,210,528
Net Increase (Decrease) in Cash and Cash Equivalents	1,087,917	2,066,828	1,514,067	4,668,812	1,262,424	(52,003)	1,943,631	1,580,804	3,472,432	1,933,929	8,141,244	3,196,353
Cash and Cash Equivalents, July 1	---	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
Cash and Cash Equivalents, June 30	\$ 1,087,917	\$ 9,617,135	\$ 5,551,644	\$ 16,256,696	\$ 11,587,884	\$ 23,422	\$ 9,217,929	\$ 7,306,153	\$ 16,547,504	\$ 13,075,072	\$ 32,804,200	\$ 24,662,956

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



An accessible pier provides fishing opportunities for all at Black Hill Regional Park.

---

## FIDUCIARY FUNDS

---

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

---

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

---

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.

---

### *Agency Fund*

---

The Agency Fund is used to account for the State retirement funds of participating Commission employees and retirees.

---

### *Expendable Trust Funds*

---

The Expendable Trust Funds are used to account for funds whose principal and interest must be expended in accordance with their designated purposes. The Expendable Trust Funds are also used to account for the Employees' Deferred Compensation Fund.



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

EXHIBIT F-1

Combining Balance Sheet - ALL FIDUCIARY FUND TYPES

June 30, 1999

	EXPENDABLE TRUST FUNDS									PENSION TRUST FUND	AGENCY FUND	TOTALS	
	Montgomery County			Prince George's County					Employees' Deferred Compensation Fund	Employees' Retirement Fund	State Retirement	June 30, 1999	June 30, 1998
	Advance Land Acquisition	Other	June 30, 1999	Advance Land Acquisition	Public Contributions	Recreation Activities	Historic Sites	June 30, 1999					
ASSETS													
Equity in Pooled Cash and Investments	\$ 3,740,903	\$ 3,991,134	\$ 7,732,037	\$ 6,183,040	\$ 4,761,397	\$ 2,983,776	\$ 320,408	\$ 14,248,621	\$ ---	\$ ---	\$ 2,887,659	\$ 24,868,317	\$ 21,885,099
Cash and Marketable Securities	---	---	---	---	---	---	---	---	37,301,634	547,492,789	---	584,794,423	534,340,078
Accounts Receivable	---	---	---	---	12,882	8,801	---	21,683	---	2,059,690	---	2,081,373	2,259,445
Due to County Government	---	---	---	---	---	---	---	---	---	---	---	---	492
Deposits and Other	---	1,750	1,750	---	---	---	---	---	---	140,386	---	142,136	41,367
Total Current Assets	3,740,903	3,992,884	7,733,787	6,183,040	4,774,279	2,992,577	320,408	14,270,304	37,301,634	549,692,865	2,887,659	611,886,249	558,526,481
Land Advanced to Enterprise Fund	---	---	---	1,734,875	---	---	---	1,734,875	---	---	---	1,734,875	1,734,875
Restricted Assets -													
Land Held for Transfer	24,669,646	---	24,669,646	14,242,759	---	---	---	14,242,759	---	---	---	38,912,405	39,724,420
Other	---	---	---	---	418,291	---	---	418,291	---	---	---	418,291	404,995
Total Assets	\$ 28,410,549	\$ 3,992,884	\$ 32,403,433	\$ 22,160,674	\$ 5,192,570	\$ 2,992,577	\$ 320,408	\$ 30,666,229	\$ 37,301,634	\$ 549,692,865	\$ 2,887,659	\$ 652,951,820	\$ 600,390,771
LIABILITIES AND FUND BALANCES													
Liabilities:													
Accounts Payable	\$ ---	\$ 26,364	\$ 26,364	\$ ---	\$ 16,288	\$ 149,579	\$ 683	\$ 166,550	\$ ---	\$ 96,342,713	\$ 2,887,659	\$ 99,423,286	\$ 112,247,694
Accrued Liabilities	---	1,664	1,664	---	5,289	48,721	1,385	55,395	---	---	---	57,059	50,710
Due to County Government	---	3,664	3,664	---	---	---	---	---	---	---	---	3,664	---
Deposits and Deferred Revenue	---	3,348,507	3,348,507	---	1,301,723	---	8,000	1,309,723	---	---	---	4,658,230	4,125,853
Total Current Liabilities	---	3,380,199	3,380,199	---	1,323,300	198,300	10,068	1,531,668	---	96,342,713	2,887,659	104,142,239	116,424,257
Fund Balances:													
Reserved for Land Held for Transfer	24,669,646	---	24,669,646	15,977,634	---	---	---	15,977,634	---	---	---	40,647,280	41,459,295
Unreserved -													
Designated for Pension Benefits	---	---	---	---	---	---	---	---	---	453,350,152	---	453,350,152	427,426,605
Designated for Trust Activities	3,740,903	612,685	4,353,588	6,183,040	3,869,270	2,794,277	310,340	13,156,927	37,301,634	---	---	54,812,149	15,080,614
Total Fund Balances	28,410,549	612,685	29,023,234	22,160,674	3,869,270	2,794,277	310,340	29,134,561	37,301,634	453,350,152	---	548,809,581	483,966,514
Total Liabilities and Fund Balances	\$ 28,410,549	\$ 3,992,884	\$ 32,403,433	\$ 22,160,674	\$ 5,192,570	\$ 2,992,577	\$ 320,408	\$ 30,666,229	\$ 37,301,634	\$ 549,692,865	\$ 2,887,659	\$ 652,951,820	\$ 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, 1999

EXHIBIT F-2

	Montgomery County			Prince George's County					Employees/ Deferred Compensation Plan	TOTALS Year Ended	
	Advance Land Acquisition	Other	June 30, 1999	Advance Land Acquisition	Public Contributions	Recreation Activities	Historic Sites	June 30, 1999		June 30, 1999	June 30, 1998
Revenues:											
Intergovernmental -											
County	\$ ---	\$ ---	\$ ---	\$ ---	\$ ---	\$ 2,750	\$ ---	\$ 2,750	\$ ---	\$ 2,750	\$ 600
Other	---	---	---	---	---	20,056	---	20,056	---	20,056	4,428
Charges for Services	---	---	---	---	---	291,195	---	291,195	---	291,195	33,216
Recreation Activities	---	---	---	---	---	3,933,846	---	3,933,846	---	3,933,846	3,529,297
Interest	105,303	187,072	292,375	255,336	249,656	118,893	13,772	637,657	---	930,032	909,931
Investment Earnings	---	---	---	---	---	---	---	---	3,844,706	3,844,706	---
Contributions	---	---	---	---	590,936	---	134,193	725,129	4,414,008	5,139,137	610,280
Miscellaneous	---	191,374	191,374	---	---	109,306	---	109,306	---	300,680	331,556
Total Revenues	105,303	378,446	483,749	255,336	840,592	4,476,046	147,965	5,719,939	8,258,714	14,462,402	5,419,308
Expenditures:											
Current -											
Cultural and Recreational	---	---	---	---	---	4,581,757	---	4,581,757	---	4,581,757	4,090,194
Miscellaneous Expendable Trust Activities	---	426,892	426,892	68,359	275,539	---	101,031	444,929	981,117	1,852,938	795,432
Total Expenditures	---	426,892	426,892	68,359	275,539	4,581,757	101,031	5,026,686	981,117	6,434,695	4,885,626
Excess of Revenues over (under) Expenditures	105,303	(48,446)	56,857	186,977	565,053	(105,711)	46,934	693,253	7,277,597	8,027,707	533,682
Other Financing Sources (Uses):											
Operating Transfers In (Out) -											
General Fund - Park Account	---	62,000	62,000	87,500	(202,759)	---	---	(115,259)	---	(53,259)	220,000
Debt Service Fund - Advance Land Acquisition	632,396	---	632,396	636,905	---	---	---	636,905	---	1,269,301	1,224,526
Capital Projects Fund	---	(313,266)	(313,266)	---	(35,000)	---	---	(35,000)	---	(348,266)	(412,098)
Total Other Financing Sources (Uses)	632,396	(251,266)	381,130	724,405	(237,759)	---	---	486,646	---	867,776	1,032,428
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses	737,699	(299,712)	437,987	911,382	327,294	(105,711)	46,934	1,179,899	7,277,597	8,895,483	1,566,110
Fund Balances, July 1	27,672,850	912,397	28,585,247	21,249,292	3,541,976	2,899,988	263,406	27,954,662	30,024,037	86,563,946	84,997,836
Fund Balances, June 30	\$ 28,410,549	\$ 612,685	\$ 29,023,234	\$ 22,160,674	\$ 3,869,270	\$ 2,794,277	\$ 310,340	\$ 29,134,561	\$ 37,301,634	\$ 95,459,429	\$ 86,563,946

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



# THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

EXHIBIT F-3

Combining Statement of Changes in Assets and Liabilities - AGENCY FUND

For the Fiscal Year Ended June 30, 1999

	STATE RETIREMENT FUND			
	July 1, 1998	Additions	Deductions	June 30, 1999
<b>ASSETS</b>				
Cash and Marketable Securities	\$ 2,853,264	\$ 227,007	\$ 192,612	\$ 2,887,659
Total Current Assets	<u>\$ 2,853,264</u>	<u>\$ 227,007</u>	<u>\$ 192,612</u>	<u>\$ 2,887,659</u>
<b>LIABILITIES</b>				
Accounts Payable	\$ 2,853,264	\$ 227,007	\$ 192,612	\$ 2,887,659
Total Current Liabilities	<u>\$ 2,853,264</u>	<u>\$ 227,007</u>	<u>\$ 192,612</u>	<u>\$ 2,887,659</u>

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



The Chesapeake Carousel at R. M. Watkins Regional Park delights riders of all ages.

## GENERAL ACCOUNT GROUPS

---

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

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



# THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

EXHIBIT G-1

## Schedule of General Fixed Assets - By Sources

June 30, 1999

	Montgomery County	Prince George's County	TOTAL
<b>General Fixed Assets:</b>			
Land	\$ 119,000,762	\$ 91,720,068	\$ 210,720,830
Buildings and Improvements	81,015,618	146,402,580	227,418,198
Machinery and Equipment	8,152,383	22,309,171	30,461,554
Construction in Progress	8,170,996	41,126,472	49,297,468
Total General Fixed Assets	<u>\$ 216,339,759</u>	<u>\$ 301,558,291</u>	<u>\$ 517,898,050</u>
<b>Investment in General Fixed Assets From:</b>			
Capital Project Funds -			
General Obligation Bonds	\$ 88,501,657	\$ 139,579,896	\$ 228,081,553
Intergovernmental	51,541,715	92,913,343	144,455,058
General Fund Revenues	13,053,145	41,782,420	54,835,565
Contributions	63,243,242	27,282,632	90,525,874
Total Investments in General Fixed Assets	<u>\$ 216,339,759</u>	<u>\$ 301,558,291</u>	<u>\$ 517,898,050</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, 1999

### COMMISSION TOTAL

Function and Activity	Total	Land	Buildings and Improvements	Machinery and Equipment
General Government	\$ 482,394	\$ ---	\$ 83,744	\$ 398,650
Planning and Zoning	6,610,702	52,138	1,908,170	4,650,394
Parks	461,507,486	210,668,692	225,426,284	25,412,510
Total General Fixed Assets				
Allocated to Functions	468,600,582	<u>\$ 210,720,830</u>	<u>\$ 227,418,198</u>	<u>\$ 30,461,554</u>
Construction in Progress	49,297,468			
Total General Fixed Assets	<u>\$ 517,898,050</u>			

### MONTGOMERY COUNTY

General Government	\$ 260,572	\$ ---	\$ 42,885	\$ 217,687
Planning and Zoning	3,406,368	52,138	1,901,988	1,452,242
Parks	204,501,823	118,948,624	79,070,745	6,482,454
Total General Fixed Assets				
Allocated to Functions	208,168,763	<u>\$ 119,000,762</u>	<u>\$ 81,015,618</u>	<u>\$ 8,152,383</u>
Construction in Progress	8,170,996			
Total General Fixed Assets	<u>\$ 216,339,759</u>			

### PRINCE GEORGE'S COUNTY

General Government	\$ 221,822	\$ ---	\$ 40,859	\$ 180,963
Planning and Zoning	3,204,334	---	6,182	3,198,152
Parks	257,005,663	91,720,068	146,355,539	18,930,056
Total General Fixed Assets				
Allocated to Functions	260,431,819	<u>\$ 91,720,068</u>	<u>\$ 146,402,580</u>	<u>\$ 22,309,171</u>
Construction in Progress	41,126,472			
Total General Fixed Assets	<u>\$ 301,558,291</u>			

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



THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

EXHIBIT G-3

Schedule of Changes in General Fixed Assets -  
By Function and Activity  
For the Fiscal Year Ended June 30, 1999

COMMISSION TOTAL

Function and Activity	General Fixed Assets July 1, 1998	Additions	Deductions	Transfers	General Fixed Assets June 30, 1999
General Government	\$ 475,540	\$ 26,551	\$ 19,697	\$ ---	\$ 482,394
Planning and Zoning	5,890,398	737,844	17,540	---	6,610,702
Parks	430,347,005	33,087,146	2,547,785	621,120	461,507,486
Construction in Progress	37,557,712	26,399,613	14,659,857	---	49,297,468
Total General Fixed Assets	<u>\$ 474,270,655</u>	<u>\$ 60,251,154</u>	<u>\$ 17,244,879</u>	<u>\$ 621,120</u>	<u>\$ 517,898,050</u>

MONTGOMERY COUNTY

General Government	\$ 257,547	\$ 3,025	\$ ---	\$ ---	\$ 260,572
Planning and Zoning	3,269,990	153,918	17,540	---	3,406,368
Parks	188,837,654	15,806,637	763,588	621,120	204,501,823
Construction in Progress	11,834,446	2,952,080	6,615,530	---	8,170,996
Total General Fixed Assets	<u>\$ 204,199,637</u>	<u>\$ 18,915,660</u>	<u>\$ 7,396,658</u>	<u>\$ 621,120</u>	<u>\$ 216,339,759</u>

PRINCE GEORGE'S COUNTY

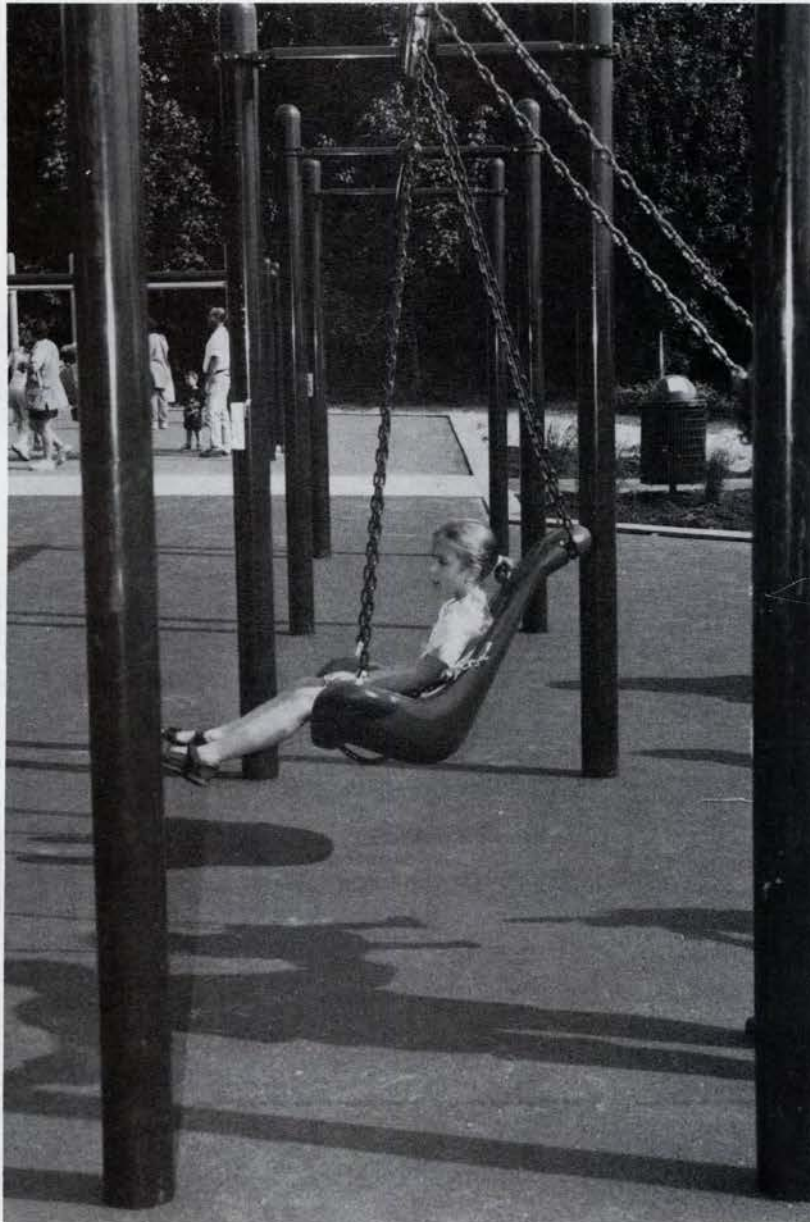
General Government	\$ 217,993	\$ 23,526	\$ 19,697	\$ ---	\$ 221,822
Planning and Zoning	2,620,408	583,926	---	---	3,204,334
Parks	241,509,351	17,280,509	1,784,197	---	257,005,663
Construction in Progress	25,723,266	23,447,533	8,044,327	---	41,126,472
Total General Fixed Assets	<u>\$ 270,071,018</u>	<u>\$ 41,335,494</u>	<u>\$ 9,848,221</u>	<u>\$ ---</u>	<u>\$ 301,558,291</u>

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

---

♦ PART III ♦  
STATISTICAL SECTION

---



Hadley's Playground in Potomac, a public/private partnership, offers specially-designed facilities for children with disabilities to play together with their friends and family.



# 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			
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
1999	4,984,274	13,109,778	42,033,957	9,360,590	7,639,025	3,618,820	80,746,444

### PRINCE GEORGE'S COUNTY

Fiscal Year	General Government	Culture-Recreation			Park Acquisition And Development	Debt Service	Total
		Planning And Zoning	Park Operations	Recreation			
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
1999	5,946,352	14,243,529	45,907,274	37,825,764	36,728,321	11,554,197	152,205,437

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	
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	60,270,773	6,797,726	9,120,287	1,586,354	4,361,403	82,136,543	—	
1999	60,270,408	5,921,195	9,134,201	1,670,534	4,410,413	81,406,751	7,000,000	

### PRINCE GEORGE'S COUNTY

Fiscal Year	Property Taxes	Inter-Governmental	Charges for Services	Interest Earnings	Other	Total	General Obligation Bonds Sold	
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)
1999	101,308,740	10,368,201	7,496,543	5,208,609	7,158,655	131,540,748	21,000,000	(2)

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
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
1999	60,547,511	59,484,336	98	786,072	60,270,408	100

### 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
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
1999	101,339,962	100,037,283	99	1,271,457	101,308,740	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	
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
1999	27,906,080	71,480,738	31,664,627	75,239,284	42.09

## 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	
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
1999	14,630,433	36,423,659	17,525,979	39,319,204	44.57

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
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
1999	0.0610	0.1330	0.0200	0.0040	0.2180	2.2350	2.4530

#### PRINCE GEORGE'S COUNTY

Fiscal Year	Administration	Park Operations	Recreation	Advance Land Acquisition	Total	Countywide Property Taxes Within County	Total
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
1999	0.1103	0.3534	0.1401	0.0062	0.6100	2.7360	3.3460

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

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

# THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

TABLE T-6

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

## MONTGOMERY COUNTY

Year	Population	Assessed Value (1)	Net Bonded Debt (2)	Ratio of Net Bonded Debt to Assessed Value	Net Bonded Debt Per Capita
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
1999	846,000	27,701,359	28,985	0.10	34.26

## PRINCE GEORGE'S COUNTY

Year	Population	Assessed Value (1) (4)	Net Bonded Debt (2)	Ratio of Net Bonded Debt to Assessed Value	Net Bonded Debt Per Capita
1990	729,268	\$ 10,814,800	\$ 62,310 (3)	0.58	\$ 85.44
1991	736,525	11,655,534	59,640 (3)	0.51	80.97
1992	744,083	12,631,750	78,470 (3)	0.62	105.46
1993	752,830	13,869,994	89,320	0.64	118.65
1994	764,053	14,250,000	84,700	0.59	110.86
1995	764,053	14,606,000	80,530	0.55	105.40
1996	767,413	14,978,000	78,460	0.52	102.24
1997	773,810	15,385,000	107,095	0.70	138.40
1998	790,335	15,839,475	122,815	0.78	155.40
1999	776,424	16,274,756	117,980	0.72	151.95

- 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, 1999

Park Acquisition and Development Bonds  
Guaranteed by Montgomery County

Assessed Valuation - Metropolitan District for fiscal year ending June 30, 1999 .....	\$ 27,701,359,000
Annual Revenue from 9 cents mandatory park tax levied for each \$100 of assessed valuation .....	\$ 24,931,223
Legal Debt Margin -	
Revenue available from 9 cents mandatory park tax over next thirty years .....	\$ 747,936,690
Debt service over next thirty years on \$28,985,000 bonds and notes issued and outstanding at June 30, 1999 .....	\$ 40,702,000
Amount of tax available for debt service on future bonds .....	\$ 707,234,690

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

Assessed Valuation - Metropolitan District for fiscal year ending June 30, 1999 .....	\$ 16,274,756,000
Annual Revenue from 10 cents mandatory park tax levied for each \$100 of assessed valuation .....	\$ 16,274,756
Legal Debt Margin -	
Revenue available from 10 cents mandatory park tax over next thirty years .....	\$ 488,242,680
Debt service over next thirty years on \$117,980,000 bonds and notes issued and outstanding at June 30, 1999 .....	\$ 164,131,000
Amount of tax available for debt service on future bonds .....	\$ 324,111,680

# THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

TABLE T-8

## Computation of Direct and Overlapping Debt

June 30, 1999

	MONTGOMERY COUNTY	PRINCE GEORGE'S COUNTY	TOTAL DEBT OUTSTANDING
Direct Debt Outstanding	\$ 51,876,843	\$ 123,567,005	\$ 175,443,848
Overlapping Debt			
Montgomery County Debt	1,247,513,054 (1)	---	1,247,513,054
Prince George's County Debt	---	601,085,055 (1)	601,085,055
Washington Suburban Sanitary Commission Debt	1,142,162,681	644,500,000	1,786,662,681
Montgomery County Revenue Authority Debt	45,463,214	---	45,463,214
Prince George's County Industrial Authority Lease Revenue Bonds	---	55,195,825	55,195,825
Montgomery County Housing Opportunities Commission	648,064,334	---	648,064,334
Prince George's County State of Maryland Participation Loans	---	8,016,207	8,016,207
Total Overlapping Debt	3,083,203,283	1,308,797,087	4,392,000,370
Total Direct and Overlapping Debt	3,135,080,126	1,432,364,092	4,567,444,218
Less Self-Supporting Debt			
M-NCPPC - Revenue Bonds	4,058,181	---	4,058,181
M-NCPPC - Revenue Notes	9,600,000	---	9,600,000
M-NCPPC - Notes Payable	3,673,662	1,982,005	5,655,667
Montgomery County Debt	75,900,000	---	75,900,000
Prince George's County Debt	---	174,349,532	174,349,532
Washington Suburban Sanitary Commission Debt	1,142,162,681	626,600,000	1,768,762,681
Montgomery County Revenue Authority Debt	45,463,214	---	45,463,214
Prince George's County Industrial Authority Lease Revenue Bonds	---	8,410,000	8,410,000
Montgomery County Housing Opportunities Commission	635,164,334	---	635,164,334
Prince George's County State of Maryland Participation Loans	---	8,016,207	8,016,207
Total Self-Supporting Debt	1,916,022,072	819,357,744	2,735,379,816
Net Direct and Overlapping Debt	\$ 1,219,058,054	\$ 613,006,348	\$ 1,832,064,402

Note: (1) Overlapping debt does not include the debt of towns, cities and villages aggregating \$34,241,994 in Montgomery County and n. a. 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>
1990	757,027	\$ 32,678	442,215	2.5 %	100,259
1991	765,000	33,311	442,971	3.2	103,732
1992	773,000	34,217	454,378	3.7	107,140
1993	785,000	35,408	450,597	3.5	110,037
1994	798,000	36,917	462,202	2.9	113,429
1995	810,000	38,354	463,112	2.9	117,082
1996	819,000	39,936	474,872	2.6	120,291
1997	828,000	41,539	469,277	2.6	122,505
1998	837,000	43,350	467,000	2.3 (3)	125,035
1999	846,000	44,750	478,600	2.0 (3)	127,918

### 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>
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	25,194	463,690	4.6	122,831
1998	790,335	*	454,528	4.3 (3)	125,637
1999	776,424	*	444,014	3.8 (3)	129,793

#### 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 as of July
- \* 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

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>	<u>Total General Expenditures</u>	<u>Ratio of Debt Service to General Expenditures</u>
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
1999	1,905,000	1,704,211	3,609,211	80,746,444	4.47

## PRINCE GEORGE'S COUNTY

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>	<u>Total General Expenditures</u>	<u>Ratio of Debt Service to General Expenditures</u>
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
1999	5,070,000	6,281,752	11,351,752	152,205,437	7.46

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
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	8,376	69,295
1999	15,130	787	287	*	71,481

## 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
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	3,873	36,104
1999	2,582	291	286	*	36,424

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, 1999

### MONTGOMERY COUNTY

<u>Taxpayer</u>	<u>Total Assessment</u>	<u>Percentage of Total Assessed Valuation</u>	<u>Real Property</u>	<u>Other Property</u>
Potomac Electric Power Company	\$ 996,240,780	3.15 %	\$ 23,625,540	\$ 972,615,240
Bell Atlantic	656,382,670	2.07	24,114,980	632,267,690
Washington Gas Light Company	172,029,460	0.54	6,540,830	165,488,630
International Business Machines	91,778,710	0.29	16,649,680	75,129,030
May Department Stores	80,543,280	0.25	27,444,780	53,098,500
Montgomery Mall	78,371,130	0.25	78,371,130	---
Bryant F. Foulger, Trustee	56,683,540	0.18	56,683,540	---
Albert & R. Abramson, et. al.	51,945,040	0.16	51,945,040	---
Wheaton Plaza Regional Shopping Center	46,182,510	0.15	46,182,510	---
Marbeth Partnership	45,274,990	0.14	45,274,990	---
Total	\$ 2,275,432,110	7.19 %	\$ 376,833,020	\$ 1,898,599,090
Total Assessable Base	\$ 31,664,626,551	100.00 %		

### PRINCE GEORGE'S COUNTY

<u>Taxpayer</u>	<u>Total Assessment</u>	<u>Percentage of Total Assessed Valuation</u>	<u>Real Property</u>	<u>Other Property</u>
Potomac Electric Power Company	\$ 977,977,140	5.58 %	\$ 13,539,770	\$ 964,437,370
Bell Atlantic Maryland	386,429,690	2.20	---	386,429,690
Washington Gas Light Company	151,633,140	0.87	1,713,380	149,919,760
JKC Stadium	99,401,933	0.57	70,783,263	28,618,670
Baltimore Gas & Electric Company	85,922,030	0.49	1,470,530	84,451,500
Panda-Brandywine LTD Partnership	77,217,230	0.44	2,230,880	74,986,350
Giant Foods, Incorporated	49,036,720	0.28	---	49,036,720
Secretary of HUD	42,500,530	0.24	42,500,530	---
Secretary of Veterans Affairs	41,415,720	0.24	41,415,720	---
Jones Communication of MD, Inc.	37,133,200	0.21	1,484,230	35,648,970
Total	\$ 1,948,667,333	11.12 %	\$ 175,138,303	\$ 1,773,529,030
Total Assessable Base	\$ 17,525,978,395	100.00 %		

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



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

TABLE T-13

**SCHEDULE OF INSURANCE IN FORCE  
AS OF JUNE 30, 1999**

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				\$10,000,000 combined single limit of Bodily Injury and Property Damage	
o Public Official Liability					
o Police Professional Liability					
o Automobile Physical Damage				Comprehensive and Collision \$1,000 deductible each loss	
o Excess Liability				\$10,000,000 combined single limit \$2,000,000 deductible each loss	\$ 32,900
Insured in Conjunction with Montgomery County Self Insurance Fund:					
o Exhibition Floater Travelers Indemnity Co.	TJCM225T952693	07/01/98	07/01/99	\$250,000 all risk on display \$20,000, (blanket aggregate); \$10,000 any one item, \$250 deductible; \$25,000 any one conveyance	\$ 850
				Actual cash value, broad form coverage per scheduled listing with \$5,000 S.I.R. per occurrence	
o All Risk Real and Personal Property Contractor's Equipment and Difference in Conditions and EDP	TJCM225T952693	07/01/98	06/30/99	\$100,000,000 loss limit \$250,000 S.I.R. per occurrence 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	\$ 47,190
Boiler and Machinery Travelers Indemnity Co.					
Insurance purchased directly by the Commission:					
o Airport Liability including Products, Hangar Keeper's and Nonowned Aircraft Associated Aviation Underwriters	ALI 604866	01/18/99	01/18/2000	\$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	01/18/99	01/18/2000	\$2,000,000 per occurrence; in motion deductible - \$500 Not in motion deductible - \$100	\$ 3,500
o Additional Premium Endorsement extending coverage to apply to Airshow Associated Aviation Underwriters	46603997	09/12/98	09/13/99	\$10,000,000 per occurrence	\$ 2,500
o Fine Arts Floater (Duvall Tool Collection) Hartford	42 MS AP2002	05/25/99	05/25/2000	\$50,000; \$250 deductible	\$ 1,246
o Public Employees Blanket Bond Peerless Insurance	018 82 34 61	07/01/98	07/01/99	\$100,000	\$ 3,710
o Public Official Bond (Secretary-Treasurer) Fidelity and Deposit Company	596 14 77-8	07/01/98	07/01/99	\$200,000	\$ 2,160
o Public Official Bond (Executive Director) Fidelity and Deposit Company	3066 59 36	08/14/98	08/14/99	\$50,000	\$ 175
o Depositors Forgery Bond Fidelity and Deposit Company	948 10 95-1	07/01/98	07/01/99	\$50,000	\$ 1,325
o Travel Accident	ABL648849	07/01/98	07/01/99	\$50,000 Prin. Sum; \$500,000 per accident	\$ 350
o Maryland Baseball Limited Partnership (Bowie Stadium) St. Paul Insurance Company	CK00801578	03/15/99	03/15/2000	\$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	\$ 79,609
o GAI Inland Marine College Park Aviation Museum	CIM04050501	11/05/98	11/05/99	\$300,000 Berliner Helicopter \$ 68,000 Wilbur Wright Robot \$ 5,000 Unscheduled Items \$310,000 1917 Curtis Jenny Plane  \$12,000,000 Excess Liability	\$ 2,491
Miscellaneous Bonds purchased directly by the Commission					
o License and Permit Bond Peerless Insurance Company	018-89-66-77	03/31/99	03/31/2000	\$5,000 Driveway Entrance 6724 Needwood Rd., Rockville	\$ 100
Peerless Insurance Company	018-89-66-79	04/08/99	04/08/2000	\$12,500 Driveway Entrance Acceleration & Deceleration for 6724 Needwood Rd., Rockville	\$ 125
					\$ 207,481

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

Table T-14

SUPPLEMENTAL ENTERPRISE INFORMATION

Condensed Schedule of Revenues and Expenses  
For the Fiscal Year Ended June 30, 1999

Recreational Facilities

MONTGOMERY COUNTY

	Conference Centers	Golf Courses	Ice Rinks	Indoor Tennis	Park Facilities	Totals
Operating Revenues	\$ 327,358	\$ 6,989,681	\$ 1,396,410	\$ 1,079,305	\$ 1,335,182	\$ 11,127,936
Operating Expenses Before Depreciation	485,696	5,049,381	1,645,155	556,237	959,403	8,695,872
Operating Income (Loss) Before Depreciation	(158,338)	1,940,300	(248,745)	523,068	375,779	2,432,064
Depreciation	36,546	384,472	112,417	56,388	74,895	664,718
Operating Income (Loss)	(194,884)	1,555,828	(361,162)	466,680	300,884	1,767,346
Nonoperating Revenues (Expenses)	---	(122,510)	(57,788)	118,067	86,283	24,052
Operating Transfers In (Out)	(545,120)	---	10,000	---	---	(535,120)
Net Income (Loss)	\$ (740,004)	\$ 1,433,318	\$ (408,950)	\$ 584,747	\$ 387,167	\$ 1,256,278

PRINCE GEORGE'S COUNTY

	Airport	Equestrian Center/ Multipurpose Arena	Golf Courses	Ice Rinks	Regional Parks	Trap and Skeet Center	Sports Plex	Bladensburg Marina	Totals
Operating Revenues	\$ 218,549	\$ 911,855	\$ 2,378,134	\$ 481,000	\$ 302,182	\$ 1,043,059	\$ ---	\$ ---	\$ 5,334,779
Operating Expenses Before Depreciation	546,448	2,488,765	2,228,320	599,179	483,554	1,126,870	---	170,060	7,643,196
Operating Income (Loss) Before Depreciation	(327,899)	(1,576,910)	149,814	(118,179)	(181,372)	(83,811)	---	(170,060)	(2,308,417)
Depreciation	108,370	569,342	115,246	88,445	32,305	7,469	---	69,447	990,624
Operating Income (Loss)	(436,269)	(2,146,252)	34,568	(206,624)	(213,677)	(91,280)	---	(239,507)	(3,299,041)
Nonoperating Revenues (Expenses)	---	---	---	---	1,552	---	---	12,068	13,620
Operating Transfers In (Out)	486,334	1,490,359	150,000	229,476	280,664	198,084	1,990,000	245,100	5,070,017
Net Income (Loss)	\$ 50,065	\$ (655,893)	\$ 184,568	\$ 22,852	\$ 68,539	\$ 106,804	\$ 1,990,000	\$ 17,661	\$ 1,784,596



**Cover:**

The Brookside Gardens Visitors Center in Wheaton provides elegant meeting space in a picturesque setting for more than 200 people, classrooms for its extensive education program, a horticultural library, and a gift shop run by some of Brookside Gardens' hundreds of volunteers. The Center was made possible in large part by a substantial bequest from the late Elizabeth Turner of Silver Spring.

**Page 18:**

The Youth Golf Training Center offers lessons, camps and professional instruction for children . . . Senior citizens enjoy water aerobics at Fairland Aquatics Center . . . A visitor strolls past the reflecting pond at Brookside Gardens in Wheaton . . . Sports programs offered through the Commission and the Prince George's Boys and Girls Clubs serve hundreds of thousands of young people each year . . . Wedding guests enjoy Woodlawn Manor House in Sandy Spring . . . Antique equipment is shared by generations at the Agricultural History Farm Park . . . The miniature train at Wheaton Regional Park provides a fun ride for all ages . . . A new state-of-the-art Park Police Mobile Command Post ensures a strong law enforcement presence at special events throughout the bi-county area . . . Wildlife abounds at Brookside Gardens . . . A young visitors picks the perfect pumpkin during Harvest Festival . . . The tennis bubble at Fairland Regional Park offers year-round court time.

**Photo credits:**

Steve Abramowitz (Prince George's County): pages 5, 71, 82, 89, and 97.

Francine Bethea (Montgomery County): cover, pages 27, 79, 85, 93, and 101.

## ACKNOWLEDGMENTS

The following individuals contributed to the preparation of this Comprehensive Annual Financial Report

Helen Baldwin  
Patricia Colihan Barney

Chip Bennett

Vivian A. Calkins-McGettigan

Ali Daroodi

Andrea Davey

Paula S. Dawson

Mary Ellen Douglas

Larry S. Ibanez

Marion G. Joyce

Leticia S. Manlapaz

Regina C. Meck

Keith R. Phillip

Carol C. Schaper

Kathleen B. Tsai

Virgilio P. Vehemente

Barbara A. Walsh

Mary L. Williford



---

THE MARYLAND-NATIONAL CAPITAL  
PARK AND PLANNING COMMISSION

---



8787 Georgia Avenue  
Silver Spring, Maryland 20910

14741 Governor Oden Bowie Drive  
Upper Marlboro, Maryland 20772

---