
THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION



COMPREHENSIVE ANNUAL FINANCIAL REPORT
For The Fiscal Year Ended June 30,
1989



COMPREHENSIVE ANNUAL FINANCIAL REPORT
of
THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION
For the Fiscal Year Ended June 30, 1989

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• PART I •
INTRODUCTORY SECTION





THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION
6609 Riggs Road • Hyattsville, Maryland 20782

September 29, 1989

Commissioners:

The Comprehensive Annual Financial Report of The Maryland-National Capital Park and Planning Commission for the fiscal year ended June 30, 1989, 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, are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operation 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 a description of 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 1984 and U.S. Office of Management and Budget Circular A-128, Audits of State and local Governments. Information related to this single audit, including the schedule of Federal financial assistance, findings and recommendations, and auditors' reports on the internal control structure and compliance with applicable laws and regulations, which are contained in a separate report, is available from the Office of the Secretary-Treasurer.

The Reporting Entity and Its Services

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

This Report includes all Funds and Account Groups of the Commission. Exhibits 1 to 5 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 and Prince George's County, respectively, are set forth in the Notes to Financial Statements.

Exhibits 1 to 5 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 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 & Co. 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

Montgomery and Prince George's Counties are contiguous to Washington, D.C., one of the top growth areas in the country. The economic condition and outlook of the Commission is positive. The Montgomery and Prince George's unemployment rates were 2.8% and 3.3% respectively which compare favorably to the 4.3% State-wide and 5.5% national unemployment rates. The assessed value of all taxable real property increased by 10.44% in Montgomery County and by 10.48% in Prince George's County in fiscal year 1989. Planning and zoning activity in the Commission's Planning Departments indicates that this economic boom will continue. Since property taxes constitute over 92% of Commission General Fund revenues, fund balances of \$544,000 continue to be available in the General Fund on the Commission's budget basis of accounting, and reserves totalling \$4,449,956 have been established in fiscal year 1990, the outlook for the future is very positive.

The Commission's excellent financial position, and continued emphasis on administrative and financial management and 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 1989. 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, 1989, provided no instances of material weaknesses in the internal control structure or significant violations of applicable laws and regulations.

Budgeting Controls. In addition, 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 and Debt Service Fund 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 operational audits throughout the Commission's offices and facilities. During the fiscal year ended June 30, 1989, a total of 123 audits were performed.

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

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

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

The Montgomery County Administration and Park Accounts had favorable actual to budget revenue and expenditure variances totalling \$1,246,000 which, together with July 1, 1988, undesignated fund balances, resulted in budget basis fund balances at June 30, 1989, totalling \$2,002,000. Of this amount, \$248,000 is unreserved and undesignated as of June 30, 1989.

The Commission's fiscal year 1990 budget was adopted with reserve funds of \$949,956 and \$3,500,000 in Montgomery and Prince George's Counties respectively. These amounts may be used to offset any unanticipated expenditures in fiscal year 1990 and/or to fund fiscal year 1991 operations.

The Prince George's County Administration, Park, and Recreation Accounts had favorable actual to budget revenue and expenditure variances totalling \$5,345,000 which, together with July 1, 1988, undesignated fund balances, resulted in budget basis fund balances at June 30, 1989, totalling \$7,103,000. Of this amount, \$296,000 is unreserved and undesignated as of June 30, 1989.

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

	Actual FY 1989	Actual FY 1988	Increase (Decrease)	
			Amount	Percent
<u>MONTGOMERY COUNTY</u>				
Revenue Source -				
Property Taxes	\$39,967	\$35,023	\$4,944	14.1
Intergovernmental	69	89	(20)	(22.5)
Charges for Services, etc.	1,160	1,101	59	5.4
Interest Earnings	1,067	852	215	25.2
Other	60	48	12	25.0
County Total	<u>\$42,323</u>	<u>\$37,113</u>	<u>\$5,210</u>	<u>14.0</u>
Expenditure Classification -				
Personal Services	\$29,784	\$26,607	\$3,177	11.9
Supplies, Materials, Other Services and Charges	8,954	8,144	810	9.9
Capital Outlay	352	272	80	29.4
County Total	<u>\$39,090</u>	<u>\$35,023</u>	<u>\$4,067</u>	<u>11.6</u>

	Actual FY 1989	Actual FY 1988	Increase (Decrease)	
			Amount	Percent
<u>PRINCE GEORGE'S COUNTY</u>				
Revenue Source -				
Property Taxes	\$54,927	\$46,753	\$8,174	17.5
Intergovernmental	648	571	77	13.5
Charges for Services, etc.	3,886	3,167	719	22.7
Interest Earnings	1,666	1,156	510	44.1
Other	206	49	157	320.4
County Total	<u>\$61,333</u>	<u>\$51,696</u>	<u>\$9,637</u>	<u>18.6</u>
Expenditure Classification -				
Personal Services	\$36,034	\$32,485	\$3,549	10.9
Supplies, Materials, Other Services and Charges	13,611	12,101	1,510	12.5
Capital Outlay	3,240	2,450	744	29.8
County Total	<u>\$52,885</u>	<u>\$47,082</u>	<u>\$5,803</u>	<u>12.3</u>

The property tax revenue increase in Montgomery County resulted from growth in the assessable base and by an increase in the applicable tax rates of one cent (4.3%) from 23 cents per \$100 of assessed valuation to 24 cents. The increase in Prince George's property tax revenue resulted from growth in the assessable base and an increase of 3.55 cents (7.1%) in the applicable tax rates from 49.64 cents per \$100 of assessed valuation to 53.19 cents. Interest earnings increased \$725,000 from \$2,008,000 to \$2,733,000. Pooled cash and investments in the General Fund decreased \$2,175,000 (17.0%) from June 30, 1988 to June 30, 1989. However, the rate of return on investments increased from 7.8% in 1988, to 9.2% in 1989. The earnings on investments exceeded the budget, which was based on a 7% rate of return, by \$1,062,000 (63.6%) due to the favorable rate of return and favorable revenue and expenditure variances of \$6,590,000. Charges for services reflect increases of \$118,000 in planning, zoning, and subdivision application fees, \$170,000 from rentals and concessions and \$537,000 in recreation program revenues.

The expenditure increases of 11.6% in Montgomery County and 12.3% in Prince George's County from 1988 to 1989 were primarily the result of personal services cost increases. The Commission's personnel evaluation system provides for an annual increase of 3% in base pay for fully acceptable performance and cash awards of 3% for very good and 6% for exceptional performance. The increases in personal services expenditures resulted from the annual performance increment, a 3.0% July 1988 cost-of-living adjustment, the implementation of a new single pay and classification system, and the addition of new positions. New positions totalling 4.6 workyears in the Montgomery County Departments and 44.7 workyears in the Prince George's County Departments were added in fiscal 1989. Salary lapse of approximately \$1,064,000 in Montgomery County and \$2,235,000 in Prince George's County was generated as a result of vacant positions throughout the year.

The changes in other expenditure classifications were not significant except for capital outlay for Prince George's County. Emphasis continued to be placed on the major maintenance of facilities.

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

The Commission's outstanding bond and note issues totalling \$67,515,000 and the related debt service requirements to maturity are set forth in Note 9 of the Notes to Financial Statements.

The Commission's bonds and notes constitute unconditional general obligations guaranteed by the County for which issued. Debt service expenditures for the fiscal year totalled \$9,606,000 (Montgomery - \$4,204,000, Prince George's - \$5,402,000).

The Commission's Metropolitan District (Park) tax includes a mandatory tax for debt service for park acquisition and development bonds/notes of nine cents in Montgomery County and ten cents in Prince George's County. Outstanding park acquisition and development bonds/notes totalled \$63,490,000 at June 30, 1989 and the related debt service expenditures were \$8,890,000 for fiscal year 1989. Debt service payments for these bonds/notes approximated 3.7 cents of the mandatory debt service tax proceeds for Montgomery County and 5.4 cents for Prince George's County. The remainder of the proceeds of the mandatory taxes was used for park operation and maintenance expenditure in the respective Counties.

The Commission's outstanding bonds continue to have the same favorable ratings which they have carried for the past several years. These ratings are as follows.

	<u>Moody's Investors Service, Inc.</u>	<u>Standard & Poor's Corporation</u>
Montgomery County	Aaa	AAA
Prince George's County	Aa	AA

The Commission sold \$10,000,000 of Tax Anticipation Certificates of Indebtedness on July 6, 1988, at an effective interest rate of 5.55 %. An Official Statement was prepared in connection with this sale. The Issue was rated SP-1+, the highest possible rating, by Standard & Poor's Corporation. The Notes were redeemed on June 15, 1989.

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

Proceeds of general obligation bond issues are accounted for in Capital Projects Funds until the projects are completed. Completed projects and construction in progress at year end are capitalized in the General Fixed Assets Account Group. During 1989, projects totalling \$13,062,000 were completed.

Montgomery County authorized projects totalling \$15,617,000 in 1989 and \$7,628,000 in 1988. A total of \$5,558,000 of these projects are for local park acquisition and development, which are to be funded by the Commission. The remaining projects are primarily for non-local parks which are to be funded by bonds to be sold by Montgomery County government.

Prince George's County authorized projects totalling \$32,720,000 in 1989 and \$10,499,000 in 1988. A major effort to enhance available public recreational facilities initiated in 1986 continues.

Financial activity for 1989 and 1988 is summarized as follows (\$000's).

	<u>Montgomery County</u>		<u>Prince George's County</u>	
	<u>1989</u>	<u>1988</u>	<u>1989</u>	<u>1988</u>
Proceeds of Note Sale	\$ —	\$7,000	\$ —	\$18,000
Intergovernmental Revenues -				
Maryland Program Open Space	740	1,415	902	1,578
County Bonds	6,454	4,643	105	—
Federal	5	—	—	87
Total	<u>7,199</u>	<u>13,058</u>	<u>1,007</u>	<u>19,665</u>
Other Revenues and Transfers In -				
General Fund	434	442	1,590	758
Enterprise Fund	547	310	—	—
Other	58	122	—	794
Total	<u>1,039</u>	<u>874</u>	<u>1,590</u>	<u>1,552</u>
Expenditures -				
Acquisition	103	90	1,462	1,009
Development	11,037	8,751	8,227	7,851
Total	<u>11,140</u>	<u>8,841</u>	<u>9,689</u>	<u>8,860</u>
Authorized and Funded Projects	<u>5,675</u>	<u>8,574</u>	<u>10,243</u>	<u>16,025</u>
Undesignated Fund Balance	—	6	—	14
Working Capital	<u>5,676</u>	<u>8,580</u>	<u>10,243</u>	<u>16,039</u>

Self-Supporting Recreational and Cultural Facilities
Enterprise Funds (Exhibits D-1, 2 and 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, a marina, ice rinks, golf courses, enclosed tennis courts, swimming pools, conference centers, an equestrian center, and certain regional park facilities. A landfill operation (Sandy Hill), which is being used to develop a park site and is not presently a recreational facility, is also accounted for in the Enterprise Fund. The Bladensburg Marina, which is a part of a major sedimentation control project, and the Sandy Hill Landfill are recorded in individual accounts. The other facilities are reported on a combined basis, by County.

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 Commission's goal was exceeded by \$419,000 in Montgomery County. The Prince George's Enterprise Fund fell short of the goal by \$958,000.

Summary comparative results of the financial operations of the Enterprise Funds, excluding the Prince George's County Sandy Hill Landfill and Bladensburg Marina, for fiscal years 1989 and 1988 follow (\$000's).

	Montgomery County		Prince George's County	
	1989	1988	1989	1988
Operating Revenues	\$5,206	\$4,754	\$ 3,777	\$ 3,137
Operating Expenses				
Excluding Depreciation	4,066	3,773	5,602	4,278
Operating Income (Loss)				
Excluding Depreciation	1,140	981	(1,825)	(1,141)
Depreciation	270	199	490	466
Operating Income (Loss)	<u>\$ 870</u>	<u>\$ 782</u>	<u>\$(2,315)</u>	<u>\$(1,607)</u>

The Montgomery County golf courses continue to follow the trend of growth in revenue. However, operating cost increases resulted in a lower operating income. Conference center facilities, although showing increased revenues, are not yet fully-sustaining. Losses that are incurred will be offset by a subsidy from the Parks Department's operating budget. Ice rink revenues rose by 16% with a 26% increase in operating income over the previous year. The regional parks operating income increased 319%. Overall, revenues were up 10% and operating income was up 11%.

Comparative key data are as follows.

Facility	Revenues		Operating Income (Loss) Excluding Depreciation	
	FY 1989	FY 1988	FY 1989	FY 1988
Conference Centers	\$ 264,000	\$ 249,741	\$ (122,543)	\$(143,675)
Golf Courses	2,824,709	2,689,220	542,175	624,388
Ice Rinks	1,127,803	973,723	319,632	261,839
Regional Parks	734,886	577,887	312,427	106,446
Indoor Tennis	254,127	263,333	88,345	132,198
TOTAL	<u>\$5,205,525</u>	<u>\$4,753,904</u>	<u>\$1,140,036</u>	<u>\$ 981,196</u>

The total revenue of Prince George's County enterprise facilities rose by 14.7%. Substantial increases in the cost of personal services, supplies and materials, communications and contractual services more than offset this gain. The College Park Airport operations improved. The Golf Course revenues increase resulted primarily from assuming the operation of the Enterprise Golf Course snack bar. Increased expenses reflect the construction of a driving range which did not open until the Spring of 1989. All other facilities experienced an increased operating loss. Although some facilities are intended to be only partially supported by user fees and charges, the goal is for the Enterprise Division to be compositely self-sustaining. The losses at these facilities were subsidized by a transfer of \$1,626,400 from the Sandy Hill Landfill.

Comparative key data are as follows.

Facility	Revenues		Operating Income (Loss) Excluding Depreciation	
	FY 1989	FY 1988	FY 1989	FY 1988
Airport	\$ 331,211	\$ 357,290	\$ (102,704)	\$ (207,555)
Aquatics	646,341	659,645	(659,463)	(460,127)
Equestrian Center	442,865	285,001	(854,983)	(502,852)
Golf Courses	1,240,068	1,068,126	4,165	89,082
Ice Rinks	527,733	449,913	(73,558)	(22,201)
Regional Parks	593,880	299,121	(138,318)	37,056
TOTAL	<u>\$3,777,098</u>	<u>\$3,137,096</u>	<u>\$ (1,824,861)</u>	<u>\$ (1,140,709)</u>

**Capital Equipment, Risk Management, Information Systems, and Executive
Offices Property Management - Internal Service Funds (Exhibits E-1,2 and 3)**

Internal Service Funds are used by the Commission to account for the Commission's group insurance and risk management programs, the Finance Department's Data Processing Division, which includes the Commission's central computer, the Executive Office Building at Parkway in Prince George's County, and for the financing of capital equipment purchases. Internal Service Funds are used to account for the financing of those goods or services which are provided centrally by the Central Administrative Services departments to other departments on a cost reimbursement basis.

The Capital Equipment Fund permits spreading the cost of capital outlay to the operating Funds over a six-year period. Equipment purchases exceeding \$1,000 and having a useful life of at least six years are generally financed. There was no new financing in FY 1989.

Risk management net costs increased from \$859,000 in 1988 to \$1,935,000 in 1989 (Montgomery up \$821,000, Prince George's up \$255,000). 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. Group insurance costs increased 19% from \$4,779,000 in 1988 to \$5,699,000 in 1989 due to claims increases resulting from inflation in patient care costs.

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

Fiduciary activities include the Employees' Retirement System Pension Trust Fund, the Employees' Deferred Compensation Agency Fund and a number of Expendable Trust Funds.

Pension Trust Fund investments resulted in an overall gain of 15.1%. The September 1988 Actuarial Valuation as of July 1, 1988, recommended an employer contribution rate of 11.9% of covered payroll, the same as the prior year's evaluation. The Commission contributed 14% of covered payroll to the Fund in both fiscal years 1988 and 1989. As of June 30, 1989, the market value of Pension Trust Fund Assets was \$130,508,530 which exceeded the Commission's pension benefit obligation by \$5,808,500 as of June 30, 1989.

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 \$5,213,000 during FY 1989.

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 \$247,843,700 at June 30, 1989.

Other Information

Independent Audit. State statutes require an annual audit by independent certified public accountants. The accounting firm of Arthur Andersen & Co. 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 Federal Single Audit Act of 1984 and related OMB circular A-128. The auditors' report on the general purpose financial statements, and 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 is available from the Secretary-Treasurer upon request. We are pleased to report that the auditors' reports are without qualification, the highest possible outcome of the annual audit.

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, 1988. This was the sixteenth consecutive year that the Commission has received this prestigious award. 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 appropriated budget for fiscal year 1989. In order to qualify for the Distinguished Budget Presentation Award, the Commission's budget document was judged to be proficient in several categories including policy documentation, financial planning and organization.

Acknowledgments

The preparation of the Comprehensive Annual Financial Report on a timely basis was made possible by the dedicated service of the entire staff of the Finance Department. Each member of the Department has my sincere appreciation for the contributions made in the preparation of this Report. A special thanks is expressed to John M. Heater, Accounting Manager, and the Accounting Division Staff.

I would also like to thank and compliment the Commissioners for their interest and support in planning and conducting the financial operations of the Commission in a responsible and progressive manner.

Respectfully submitted,



A. Edward Navarre
Secretary-Treasurer

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Maryland-National Capital Park
and Planning Commission

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 1988

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 (CAFR's) achieve the highest standards in government accounting and financial reporting.



President

Executive Director

COMMISSION BACKGROUND AND ORGANIZATION

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

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

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

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

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

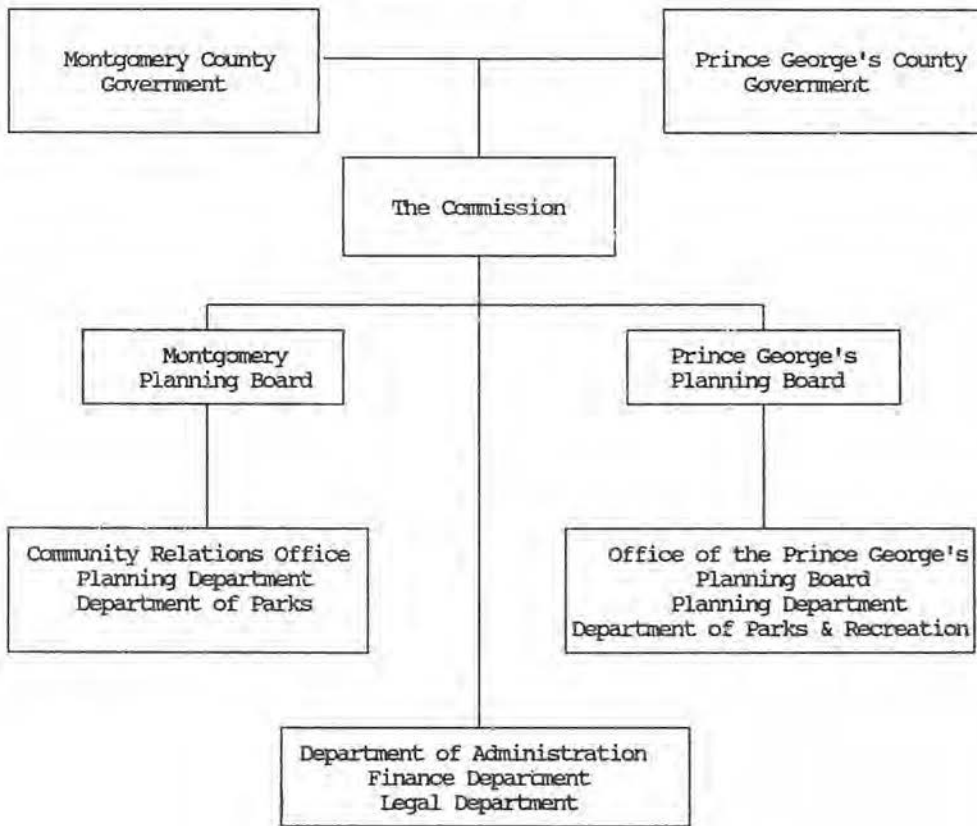
The full Commission coordinates and acts on matters of interest to both Counties. Two regional offices are maintained, one in each County. The Commission meets once each month regularly, the site of the meetings alternating between the two regional offices. The members of the Commission from each County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

The Commission administers a park system which currently contains over 43,500 acres. It is composed of stream-valley parks, large regional parks, neighborhood parks and park-school recreational areas. Its staff consists of over 2,000 employees - planners, park and recreation administrators, park police and administrative staff. In addition, it employs in its numerous park and recreation programs up to 800 seasonal workers in the summer months.

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

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

ORGANIZATION CHART



PROGRAM HIGHLIGHTS

PRINCE GEORGE'S COUNTY

PARKS AND RECREATION DEPARTMENT: The Maryland-National Capital Park and Planning Commission, Department of Parks and Recreation, has long been recognized both regionally and nationally as a leader for its innovative park design and development applications, as well as its outstanding leisure service programs.

This year the Department continued the Commission's ambitious design and development program. Among the projects completed were: three community parks (Glenridge, Colmar Manor, Seat Pleasant), six building complexes (Darnall's Chance, Surratt's Visitor Center, Edmonston Recreation Center, the Harmony Hall Regional Center Concert Hall, and additions to Berwyn Heights and Good Luck Community Centers). Groundbreaking ceremonies began the construction of the Prince George's Equestrian Center Complex, retrofit lakes at Foxhill and Cosca Regional Parks, and the lighted fields at two parks (New Carrollton and Hollywood). In addition, significant improvements were made to the Columbia Park/Kentland Community Center. The Conceptual Development Plan for Sandy Hill Landfill/Community Park was completed. Work began on Phase I of site improvements at the College Park Airport. Work was also started on modifications to the Airport due to the Metro Green Line Construction. Design work continued on Fairland Regional Park pools and outdoor tennis courts, Sligo Creek Stream Valley Park Hiker/Biker Trail, and the Fairmount Heights, Cedar Heights, and Rollins Avenue Neighborhood Parks. Initial design plans also began on the expansion of the Seat Pleasant Activities Center.

In response to the increased demand for services, the Enterprise Division enhanced its operations in many areas. Aquatics facilities continued to implement program changes and facility improvements designed to attract a wider base of users. The Glenn Brenner Pro-Celebrity Golf Tournament, held at Paint Branch Golf Course, generated \$10,000 to benefit the Children's Inn. The Enterprise Golf Course made major improvements to the mechanics barn and a new well was installed to water fairways and accommodate the driving range which opened in August 1988. The clubhouse snack bar became self-operating in July 1988, generating \$147,300 in gross annual revenues. Major renovations were made at Tucker Road Ice Rink and the Cosca Tennis Bubble. The Prince George's Equestrian Center continued to offer a wide spectrum of "main events" throughout the year including the Fourth Annual Capital Classic Horse Show which drew over 250 horses from 17 states, the County Fair which attracted over 50,000 people, the Second Annual Blue Bayou Music Festival, and the Maryland Training Trials. The "Fairhill at Marlborough" Race Day was attended by over 12,000 people and will be repeated annually providing two permanent days of racing a year. Funding was approved to construct a 3,000 seat indoor equestrian and multi-purpose arena at the Center.

Special programs continued to receive emphasis. The award-winning Prince George's County Employees' Child Care Center completed its first year in Upper Marlboro. A second location was approved and is being cooperatively planned with the Prince George's County Public School System. The Summer Food Service Program, offered in cooperation with the Department of Social Services, served 37,000 meals. This year's Sixth Annual Safety Management Conference, sponsored in cooperation with the Montgomery County Department of Parks, attracted nearly 300 delegates from 15 states and the District of Columbia. In an effort to improve youngsters' "safety awareness," a number of "safety fairs" were conducted at playgrounds throughout the County. Through an agreement with the Department of Aging, leisure activities were offered for senior citizens at six centers. A grant from the State Department of Education helped 68 schools remain open after regular school hours and on weekends to provide young people with a safe, supervised setting for recreational activities. The Midnight Basketball League continued to gain in popularity with programs at Glenarden Community Center and the Langley Park Boys and Girls Club.

Community festivals and special events attracted thousands. Among the most popular were the Third Annual Festival of Nations, the Montpelier Spring Festival, Watkins

"Kinderfest," the Hispanic Festival, "Madri Gras," The Marlboro Day Festival, Volunteer Appreciation Night, Annual County Employees' Recognition Day, June Day at Old Maryland Farm (with its sheep shearing and country music), Patuxent River Discovery Day (with its boat tours), and the Old Time Halloween Party at Old Maryland Farm (with its haunted train ride, puppet show and bonfire). The Second annual "Winter Festival of Lights" was held at Watkins Regional Park attracting over 50,000 spectators to view the festive display of over 60,000 lights strung in celebration of the holiday season. The Department also provided support for two significant County projects: the County Employee Fitness Day and "Worldfest '89."

This year amateur competitive sport activities continued to grow providing the basis for a comprehensive program. Activities at various levels of competition were offered for adults and youths through franchise leagues and the Prince George's County Boys and Girls Club. Special facilities, including the Fairland Athletic Complex and the Sugar Ray Leonard Boxing Center, provided state-of-the-art facilities for the development of pre-olympic athletes. Additionally, the new Fairland tennis bubble and fitness wing facilitated a variety of expanded fitness, tennis, and racquetball activities. The Sports Division hosted several major events including the USSSA Slow Pitch State Championships, the Metropolitan Youth Football Super Bowl, the Maryland State Games Gymnastics Meet, the Eastern Division Silver Gloves Youth Boxing Championships, the ASA National Softball Qualifying Tournament, and the Eastern Area Youth Regional Gymnastics Meet.

Special programs and events continued to attract thousands of visitors to interpretive facilities throughout the County. The Chesapeake Bay Critical Area Driving Tour connecting Patuxent River Park and Merkle Wildlife Sanctuary was open to the public for the first full year in 1989. This unique, cooperative project of M-NCPPC and the Maryland Department of Natural Resources features a four-mile long self-guided drive highlighted by a 1000-foot long timber bridge, observation towers, and educational displays. The project won the American Society of Landscape Architects top award presented by the Maryland Recreation and Parks Association in 1989. Four crews of the Maryland Conservation Corps (approximately 45 teenagers), supervised by M-NCPPC, worked for the summer on erosion control and conservation projects on the Patuxent, Potomac and Anacostia Rivers, and at Chalk Point. The Department also began an exciting new program by offering boat tours on the Potomac River near Fort Washington and on the Anacostia River near Bladensburg.

By providing cooperative, administrative and technical support to over 130 community arts organizations and organizing award-winning community programs, the Arts Division offered a well-rounded, diversified recreation and cultural program for all County residents. Among the new and expanded programs were three Public Playhouse series: "Mid-week Matinees," "Saturday's Finest" and "Dance at the Playhouse," and the Division premiered "The Death of the Bishop of Brindisi." Other programs included "Photosensitive: A Juried Photography Exhibition," "Women and Landscape," a one-day conference, Teleshows II (three programs which presented 40 performances), and "Mid-day Melodies." Special programs at Montpelier Cultural Arts Center included "Soundscape," the National Capital Area Composer's Consortium Concert Series at Montpelier, and the Chamber Dance Series. Additional programs included the Sixth Annual Choreographers' Showcase, the Third Annual Celebration of Black History Month '89, and Worldfest '89. The construction of the John Addison Concert Hall (210 seats) at Harmony Hall Regional Center was completed and Premiere Season will debut in September 1989.

The History Division continued to pursue funding to preserve, restore and conduct research on the 24 significant historic sites opened to the public this year, and due to the popularity of the Surratt House, a Visitor's Center was added. Restoration work continues on Riversdale and Marietta mansions. A book entitled "Records and Recollections: Black History in Prince George's County" was printed this year. Booklets on the Surratt House and College Park Airport are being prepared. Interpretive programs continued to expand significantly due to greater public awareness. Among the most significant were the "Womens History" and "Black History Month" programs.

The Special Populations Division continued to focus on meeting the very diverse leisure needs of County residents with disabilities. This year, special emphasis was placed on updating a survey of departmental facilities to distinguish their "physical" accessibility. The Division also continued to extend its communications with hearing-impaired residents by providing sign language interpreters for a multitude of programs such as tumble tots, horseback riding classes, theatrical productions, ethnic festivals, job fairs, computer courses, workshops, dog obedience, quilting, and historical tours.

The Park Police Division completed a major reorganization by creating three separate functions: Special Operations, Support Operations and Patrol Operations. The Division continued to be instrumental in the County's fight against drugs. In addition to assisting the County's police and sheriffs departments, the Division created a special squad that proactively addresses complaints of illegal drug use and sales as well as assisting uniform personnel in complaints from citizens about other illegal activities in the parks.

PLANNING DEPARTMENT: The area master planning and associated comprehensive rezoning program continued as a priority within the Department. In the northern part of the County, the Langley, Park-College Park-Greenbelt and the Subregion I (Beltsville, West Laurel, South Laurel and Montpelier) Comprehensive Plans were adopted by the Planning Board. County Council approval of both plans is expected in Fall 1989. In the central part of the County, the Bowie-Collington-Mitchellville Preliminary Plan and the Largo-Lottsford Preliminary Plan have been drafted. Work has proceeded to develop plan amendments for the Landover (Model Neighborhood Area) and Glenn Dale planning areas. In the southern and southeastern parts of the County, considerable progress was made on the Subregions V and VI Comprehensive Plans.

The Area Planning Division also completed a Suitland Road Corridor study and provided significant input in the review and revision of the master plan and comprehensive rezoning procedures. Support to the Historic Preservation Commission continued, including evaluation of historic properties and update of the Historic Sites and Districts Plan, preparation of National Register nominations for individual properties and for the Mount Rainier Historic District, a review of Historic Area Work Permits, products and projects with the Historic American Buildings Survey, a Victorian Pattern Book House Study, a Sears House survey, an Illustrated Guide to Historic Sites booklet, and an educational slide/tape show on historic preservation. A prototype study of Rural Historic Landscape and Scenic Roads developed methods of evaluating and protecting these special areas.

The Development Review Division processed a total of 1,194 preliminary and final subdivision plans, site plans, cluster designs, concept plans and comprehensive and specific design plans. This represents an overall increase of 26% in the number of plans processed, compared to FY 1988. Land development activity in FY 1989 produced a 79% increase in record plats processed and a 63% increase in comprehensive and specific design plans processed. Preliminary plan activity rose 9%, and conceptual and detailed site plan volume dropped 11%. The Division continued design services to municipalities and to the Enhancement of Design Standards project, which included technical support in the refinement and delivery of the Task Force's Landscape Manual to the County Council. This product received an Outstanding Achievement Award in June 1989 from the National Capital Area Chapter of the American Planning Association.

The Information and Permit Review Division processed 16,175 permit applications, of which 13,784 were building permits, representing a 6% increase over last year. Other activities included various services to the public provided by the Information Counter and by staff assigning street names and property addresses, the acceptance and initial processing of 218 applications for rezoning, special exception, departure from parking and sign design standards, modification of various nonconforming uses, and review of 30 new and 25 resubmitted requests for special permission to build on land served solely by private right-of-way.

The Zoning Division reviewed over 150 zoning and special exception applications and 110 other applications, including those for parking and sign design standard departures. Sixteen of the Zoning applications were comprehensive design zones, covering a wide range of development proposals that encompass over 4,000 acres. In addition, the Division released reports on the first application proposing an amendment to the recently adopted Chesapeake Bay Critical Area Overlay Zone and a major proposal to modify the existing Official Plan for the Marilton Residential Planned Community.

The newly created Transportation and Public Facilities Planning Division completed the following studies and plans: Trip Generation Study, Monorail/Lightrail Feasibility Study, and Preliminary Draft of the Public Safety Master Plan.

The Division also published the Surplus Land and Building Report, and prepared a Transit District Overlay Plan, which covers 71 acres adjacent to the New Carrollton Metro Station. The Plan contains guidelines for transportation facilities, urban design, parking, pedestrian circulation, and stormwater management within the Transit District Overlay Zone. This project received the Meritorious Achievement Award from the National Capital Area Chapter of the American Planning Association.

The Division completed proposed legislative changes to Subdivision Regulations concerning the test of adequate public facilities. "Guidelines" for the analysis of development impact on police and fire and rescue facilities were revised. Efforts continue in the areas of providing input into area master plans, reviewing development proposals to assure adequate public facilities and rights-of-way, maintaining the Public Land and Facilities Inventory, developing a computer-assisted traffic forecasting system, and cooperating with the County Executive's Budget and Management Office in compiling and publishing the Annual Capital Improvement Program.

The Natural Resources Division received an Outstanding Achievement Award from the National Capital Area Chapter of the American Planning Association for its efforts in developing the Prince George's County Woodland Conservation and Tree Preservation Program. Other reports completed include the Tanttallon Square - I Storm Drainage Study, a Habitat Protection Plan for the Indian Queen Bald Eagle Nest Site, and four Environmental Impact Reports for the proposed sand and gravel mining operations.

Work continued on the Comprehensive Watershed Plans for Oxon Run and Charles Branch watersheds to address flooding and water quality problems. Water quality parameters within the Anacostia River and Western Branch watersheds were monitored as part of a long-term effort to evaluate the effect of stormwater runoff. The Division also coordinated the review of fifty-one (51) Conservation Plans in the Chesapeake Bay Area, and evaluated the environmental impact of numerous land use proposals, with special emphasis on tree preservation and protection of streamside buffer zones.

The Information Management Division continued its participation in an interagency effort to develop an Automated Mapping/Geographic Information System for Prince George's and Montgomery Counties. A quarterly reporting of dwelling unit completions, by Planning Area and Policy Analysis Zone, for use by planning staff and other County agencies was implemented. Annual estimates of dwelling units, households and population in each Planning Area and Policy Analysis Zone for the period 1981 to 1989 were updated and published. A revised edition of the County Statistical Reference was prepared. The 1989 State of the County's Economy report was published.

MONTGOMERY COUNTY

PARKS DEPARTMENT: The Department of Parks serves the Montgomery County residents as the primary provider of open space for recreational opportunities. Throughout our 26,500 acres of park land, diverse recreational activities are available in a comprehensive system featuring stream valley and conservation parks, regional and special parks, and local and community parks located in proximity to the County's population centers.

During FY 1989, the Department of Parks added a total of over 263 acres to the park system, which included Avenel, a 20.6-acre local park consisting of athletic fields, tennis courts, a multi-use court, play equipment and parking areas. An additional 14 acres is expected to be added to this park in the near future under a lease arrangement with the Washington Suburban Sanitary Commission.

Through the subdivision review process, acreage was received by dedication at three stream valley parks (Great Seneca Extension, Mill Creek, and Rock Creek Unit 15). Land was also received at Rock Creek Regional Park. Additional land was purchased through negotiation at five stream valley parks (Cabin Branch, Great Seneca Extension, Hawlings River, Magruder Branch and Rock Creek Unit 15) and at Little Bennett Regional and Fairland Recreational Parks. Other park openings included Phase I at Centerway, Opal A. Daniels Neighborhood Park in Takoma Park, Cherrywood Local Park in Olney, Glenfield Local Park in Glenmont, Aberdeen Local Park in Darnestown, Clear Spring Local Park in Germantown, Wheaton Veteran's Park (Phase I) in Wheaton, Moyer Road Local Park in Damascus and Leland Neighborhood Park in Chevy Chase. In addition, the Waverly/Schuylkill Road Hiker-Biker Trail Connector was completed between Garrett Park and the Rock Creek Trail.

Major renovations were made at several regional parks. At Cabin John, five picnic shelters were replaced, and improvements were made at Locust Grove Nature Center. The preliminary site plans for renovating the Maintenance Facility were finalized and Action Playland (Phase II) construction was completed. Ice rink renovation at Wheaton Regional Park is scheduled for completion shortly and Brookside Nature Center was renovated for handicapped access. During FY 1989, the design for the Little Bennett Golf Course was approved by the Commission. Additional renovations were completed in the following local parks: Bradley, Ferrwood, Glen Echo Heights Neighborhood Park, Maplewood-Alta Visa, Woodside Urban Park, Sangamore, Westmoreland Hills, and Northwest Branch Park. Improvements were made to several hiker-biker trails. Portions of the Rock Creek and Sligo Creek trails were resurfaced. The feasibility study for extension of the Sligo Creek trail began this year. One new trail, including a parallel equestrian path was approved for development in the Magruder Branch Stream Valley.

The 14th Annual Lollipop Concert, an event for handicapped children, took place at Cabin John Regional Park, as well as the Action Playland Dedication and Summer Twilight Concerts. Located at Wheaton Regional Park, Brookside Gardens began its 20th anniversary in 1989. Pontoon interpretive nature tours on Little Seneca Lake were initiated at Black Hill Regional Park. In addition, the Montgomery County Department of Recreation, in conjunction with the Commission and Del. Jean Roesser, hosted the new "Summer Stage in the Parks" program for children. Under the "Arts in the Parks" program, the Public Art Coordinator worked closely with a local sculptor to acquire "The Juggler" sculpture which was installed at Woodside Urban Park.

In coordination with the Montgomery County Department of Recreation, the Park Police conducted a Summer Drug Education Program for youths who attended County Community Recreation Center Summer Day. The Park Police also helped implement the County's "English For Speakers of Other Languages" program (E.S.O.L.).

A new program was added to aid in the management of the gypsy moth, the aquatic weed, hydrilla, and other insects, diseases and weeds found in the parks. An archaeology program was implemented in FY 1989 to locate and study historic and prehistoric artifacts and sites within the parks. There was an expansion of the off-site interpretive programs in Region III. These programs are given at local and stream valley parks, some schools, and other locations by special request.

As part of the Department of Parks' public awareness program, the Community Relations Office wrote and produced a 12-minute video entitled "Yours for Life--Montgomery County Parks." The video provides the viewer with a better understanding of the park system's origins, its organization and its offering of recreational activities.

The Department of Parks helped implement the Montgomery County Human Relations Camp program, an interracial, intercultural exchange for community youth. Ten student interns were employed this Summer at the Department of Parks who spent the summer gaining valuable experience in their respective fields of study. It was the Department's first official internship program.

The Department of Parks updated and published 50,000 copies of its new "Guide to Montgomery County Parks." Because Montgomery County has a significant Spanish-speaking population, the Department of Parks published its first version of the Guide in Spanish. With the assistance of the County's Commission on Multi-Cultural and Ethnic Affairs, distribution locations were identified to assure that 3000 copies of the Guide reached the Hispanic communities.

PLANNING DEPARTMENT: The Planning Department's primary efforts this year were twofold: the Comprehensive Growth Policy Study (OGPS) and a quickened pace in the preparation of master plans, in addition to the shorter - range regulatory program and other ongoing programmatic elements.

The departmental work program continues to be divided into three components: General Planning, Community Planning, and Regulatory Planning.

General Planning focuses on overall coordination, support, and functional systems that must be managed at a County-wide level. This past year, emphasis was on the overall balance of land use and transportation. The Comprehensive Growth Policy Study, a follow-up to last year's General Plan Assessment, analyzed the long-term consequences of different growth scenarios, still within the "wedges and corridors" concept.

The primary purpose of the OGPS was to provide guidance for master plans on how land use relates to transportation capacity and how to manage the costs of growth. A brief summary of the conclusions and Volumes 2-4 (Alternative Scenarios, Global Factors, and Appendices) were released in August 1988. Volume 1, the detailed conclusions, which will be released in the Fall 1989, indicates that the county must limit the number of cars on the road through alternatives to single occupant commuting. Alternatives include introduction of new travel networks (e.g., trolley, vans, and trails) and clustering of land uses along these networks in urban centers. The County must also provide incentives to use the alternatives and concentrate development in locations with easy access to them. In regard to growth management tools, the Study recommends increased State and regional cooperation and agreements among jurisdictions.

The study utilized a computer simulation model that predicts traffic volumes and congestion. The model, which is also used to calculate Annual Growth Policy staging ceilings and evaluate the land use/transportation balance in master plans, was refined this year by the Transportation Division to include public transportation, car pools, walking, and bicycling. The Transportation Division also added to its data inventory of speeds and delays on County roads and compiled and refined data on traffic volumes to assess further the County's transportation problems.

The Division also completed a study on trip generation rates, used by the Development Review Division to predict the traffic that new construction will generate, worked on the Georgetown Branch master plan amendment and the Corridor Cities Transit Easement Study, and acted as liaison with the State Highway Administration on project planning studies. Staff continues to explore with the development community ways to mitigate the traffic impacts of new construction.

The Research Division produced the Department's FY 1990 Annual Growth Policy, prepared data and analysis for the County Council's "loophole" legislation, and finished its Housing/Job Base Update Study. The Division also worked with the State and the County to prepare for the 1990 census, and participated in an inter-agency computer mapping study.

The Environmental Division continued its work on the Patuxent River Watershed Study, concerning protection of water supply reservoirs, and conducted an extensive study for the Germantown Master Plan on the protection of Little Seneca Creek. The study included water quality, environment factors, and the identification and protection of wetlands. The Division also participated in development of a tree preservation program with Development Review and Urban Design divisions.

The second departmental component, Community Planning, is composed of those studies and plans that deal with comprehensive planning problems at the "community" scale. The two Community Planning Divisions concentrated their efforts on updating master plans and preparing amendments at an accelerated pace.

Two master plans, Germantown and Kensington-Wheaton, were completed. Germantown, an 11,000-acre planned community, recommends a transit-serviceable "corridor city." Kensington-Wheaton, an innovative plan for an established area, proposes a "green corridor policy," an adopt-a-park program, and a handicapped demonstration program. The Bethesda-Chevy Chase Master Plan, Silver Spring Sector Plan, and Georgetown Branch Master Plan Amendment (unusual because it examines the potential for a trolley line and recreational trail between the Silver Spring and Bethesda business districts) were all carried through to final draft stage. Preliminary drafts of the Shady Grove Study Area amendment to the Gaithersburg Vicinity Master Plan and Eastern Montgomery County Master Plan were prepared. Clarksburg and Vicinity Master Plan, and Wheaton Sector Plan updates were begun and issues papers released. The Corridor City Transit Easement Study is moving toward completion. Other plan amendments, such as those dealing with the Kay tract in the Four Corners area and the April/Stewart Lane area in White Oak, are in various stages of completion.

The third component, the Regulatory Planning program, implements master plans through legal procedures that restrict the use of private property while ensuring that private property owners are given proper due process of law. Zoning, subdivision, and site plan review are the dominant and continuous activities.

The Development Review Division is responsible for staff work leading to Planning Board decisions on subdivision approvals and recommendations to the Council and to the Board of Appeals on zoning map and text amendments, and special exceptions. Other areas of responsibility include the assigning of street names and numbers, providing information to the public on master plans, zoning maps, and other documents, and selling publications.

During FY 1989, substantive amendments to industrial zones and to the special exception process for nonresidential uses in residential zones were originated by this division in collaboration with other staff and were enacted into law. Similar projects concerning standards for housing for the elderly and preservation of trees during the development process resulted in text amendments that await Council action. The Division also devoted considerable time and effort to the legislation addressing gaps in adequate public facilities review and procedures for its implementation.

The Urban Design Division concentrated significant efforts on providing design services for master plans produced by the Community Planning Divisions. These included designs for the Silver Spring Sector Plan update, neighborhood studies for the Gaithersburg Master Plan - Shady Grove West Study Area, analysis of potential impacts of a trolley line for the Georgetown Branch Master Plan, designs for the Wheaton CBD Sector Plan, and design concepts for the Bethesda-Chevy Chase Master Plan. Regulatory projects included review of major optional method CBD applications and site plan proposals throughout the county, including redevelopment plans in Friendship Heights, Silver Spring, and Bethesda. Development of guidelines and special studies for tree preservation and sidewalks in neighborhoods were also completed. Historic preservation planning concentrated on the classification of historic resources throughout the County and on assessment of historic sites for master plans being updated.

The Planning Department continued to provide information and assistance to the public, other agencies, the real estate and development industry, and other public and private interests, through the Zoning Records and Publications Section, Research Information Systems, and the Community Relations and Information Office.

CENTRAL ADMINISTRATIVE SERVICES

DEPARTMENT OF ADMINISTRATION: During FY 1989, the Department of Administration underwent a reorganization to improve the effectiveness and efficiency of its operations. The organizational units include the Personnel Office, the Administrative Management Office, and the Budget Management Office.

This year, the Personnel Office completed for review a new Classification Manual as part of the implementation of the new classification system based on the Quantitative Evaluation System. The Personnel Office conducted intensive supervisory training on Performance Evaluations to improve understanding and consistency of application. An outstanding successful minority job fair was conducted reaching thousands of job seekers, and providing opportunity to visit with private and public sector employers. The indemnity health program was enhanced by the addition of a preferred provider option and a cost containment plan was implemented through the managed care/prenotification process.

The Administrative/Management Office was formed as a result of the reorganization. Program highlights include the initiation of a total review of Administrative Practices and the Merit System Rules and Regulations, the installation of hardware and training software for automation of the department, expanded mid-management supervisory training and development of a cross references for resolutions and subject-index for Commission and other administrative meetings.

During FY 1989, the Budget Management Office provided Commission Departments with comprehensive budgetary data, coordinated and published the award-winning Proposed Budget of the Commission, and assisted in the defense of the Proposed Budget before governing bodies and monitored budget adjustments. Five-year projections of revenues and expenditures and personnel vacancy reports were prepared. Quarterly reviews of revenues and expenditures were performed in conjunction with the Finance Department and fund balance projections and budget variance reports were prepared.

DEPARTMENT OF FINANCE: The Department is responsible for providing the Commission with effective financial policies and programs and with timely financial information. Finance assists the operating departments in developing and conducting programs with fiscal impact and provides controls over expenditures. Emphasis is placed upon revenue and expenditure reporting and financial projections as well as the development of cost-saving plans. Activities include overseeing the Commission's procurement and risk management programs, negotiating and managing the Commission's debt issues, improving the Commission's automated information systems and conducting internal audits of the Commission's revenue-producing facilities. The organizational units of the Department are the Office of the Secretary-Treasurer, Internal Audit, Accounting, Payroll, Disbursements, Cash Management, Central Purchasing, and the Data Center.

The Office of the Secretary-Treasurer issued \$10,000,000 of Tax Anticipation Notes to finance Commission operations prior to receipt of the current year's property taxes. The notes were rated SP-1+ by Standard and Poor's, and sold at an effective rate of 5.55%. The Secretary-Treasurer was also responsible for monitoring compliance with the Commission's resolution to refrain from doing business with firms doing business with or in South Africa. During FY 1989, the Department concentrated on the implementation of ONLINE FAMIS, the new general ledger and automated accounts payable system. Each Finance Division participated in the FAMIS implementation and the project was managed by this office.

The Audit Division's major emphasis was on conducting audits of the Commission's revenue producing facilities. The Division completed 99 financial revenue/program audits and several special audits.

The Accounting Division focused its efforts on the implementation of the new financial system. Major accomplishments included revising the chart of accounts, automating the accounts payable process, designing forms and adapting to the new system.

The Cash Management Division invested Commission funds resulting in \$5,211,854 of interest income. The Division changed the method of recording Commission receipts and investment transactions from a manual process to on-line data entry to achieve processing efficiencies and provide current cash balance information.

The Purchasing Division issued a new Minority, Female and Disabled Vendor Directory, and provided on-line access to the Directory which assisted in the Commission's attaining 16.42% of all procurement from MFD firms. In addition, the Commission's vendor directory was updated to accommodate the automated payment process.

The Data Center continued to serve as the hub of a Commission-wide network consisting of three minicomputers. These computers are connected by high-speed communication lines and over 200 on-line work stations access the network from locations throughout the Commission. Existing systems include General Ledger/Accounts Payable, Budget Preparation, Personnel/Payroll, Park Police, Plant Inventory, Vehicle Fleet Management, Capital Improvement Projects, and Electronic Mail. Major efforts included the testing of ONLINE FAMIS software and the development of interfaces between other systems and ONLINE FAMIS.

The Commission received the Government Finance Officers Association's Certificate of Achievement for Excellence in Reporting for its Comprehensive Annual Financial Report for the year ended June 30, 1988. The Certificate represents the highest professional recognition a governmental agency can receive in financial reporting. In addition, several staff members were honored by a resolution of appreciation from the Commission for their efforts in meeting the complex demands placed on them for processing payroll.

LEGAL DEPARTMENT: The General Counsel and five Associate General Counsels, assisted by Law Clerks and administrative staff, comprise the Legal Department, which is responsible for all legal matters affecting the Commission.

The Department represents the Commission in all civil proceedings to which the Commission is a party or retains and supervises necessary outside counsel. It assists in negotiating, drafting and reviewing contracts, deeds, and real estate transactions, and renders written and oral legal opinions to the Commission and to staff. The Legal Department prepares and reviews State and local legislative matters and maintains liaison with members of the Maryland General Assembly and with other governmental bodies. The Department attorneys represent the Commission before the Merit System Board, Park Police Trial Boards, and other administrative bodies. The Department provides legal counsel to the Retirement Board of Trustees and other committees of the Commission. The Department also has three satellite offices, two in Prince George's County and one in Montgomery County, that handle the day-to-day legal functions in their respective Counties, advising staff on legal issues and sitting with the respective Planning Boards during their regular meetings.

EMPLOYEES' RETIREMENT SYSTEM: The M-NCPPC Employees' Retirement System through its diversified and prudent investment program, has continued to grow. During FY 1989, the Fund's assets increased by more than \$20 million to a fair market value in excess of \$130 million. Amendments to the benefits structure were proposed during the year, and subsequently adopted, enhancing the formula to provide more generous cost-of-living adjustments to retirees and other beneficiaries. An asset allocation study was completed by the Investment Sub-Committee and the Board of Trustees, which is expected to result in further diversification of investment and continued expansion of the Fund.

♦ PART IIA ♦
FINANCIAL SECTION

General Purpose Financial Statements



ARTHUR ANDERSEN & Co.

1666 K STREET, N.W.
WASHINGTON, D.C. 20006
(202) 862-3100

September 29, 1989

Report of Independent Public Accountants

To the Maryland-National Capital Park
and Planning Commission:

We have audited the accompanying general purpose financial statements of the MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION (listed as Exhibits 1 through 5 in the Table of Contents of this Comprehensive Annual Financial Report), and the combining and individual fund financial statements (listed as Exhibits A-1 through G-3 in the Table of Contents) as of June 30, 1989, and for the year then ended. These financial statements are the responsibility of the Commission's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. 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, and combining and individual fund 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, 1989, and the results of its operations and the changes in financial position of its proprietary fund types and similar trust funds for the year then ended in conformity with generally accepted accounting principles.

Arthur Andersen & Co.

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

Combined Balance Sheet - ALL FUND TYPES AND ACCOUNT GROUPS
June 30, 1989

EXHIBIT 1

ASSETS

	Governmental Fund Types			Proprietary Fund Types		Fiduciary Fund Types	Account Groups		Totals (Memorandum Only)	
	General	Debt Service	Capital Projects	Enterprise	Internal Service	Trust and Agency Funds	General Fixed Assets	General Long-Term Obligations	June 30,	June 30,
									1989	1988
Cash and Investments	\$ 10,639,700	\$ 804,278	\$ 12,420,478	\$ 3,423,625	\$ 897,713	\$ 153,011,430	\$ ---	\$ ---	\$ 181,197,232	\$ 168,956,518
Receivables - Taxes	2,197,525	---	---	---	---	---	---	---	2,197,525	1,377,325
Receivables - Other	533,127	---	42,697	316,171	81,224	622,466	---	---	1,915,685	2,858,350
Due from Other Funds	3,861,468	---	---	---	---	108,445	---	---	3,969,913	3,620,797
Due from Other Governments	390,610	---	3,141,388	405,005	2,496,506	---	---	---	8,433,389	6,287,642
Inventories, at Cost	63,150	---	---	724,923	---	---	---	---	788,073	898,671
Deposits and Other	11,183	---	250,000	14,675	1,016,660	---	---	---	1,292,518	965,016
Total Current Assets	17,716,791	804,278	17,854,363	4,864,479	4,491,903	154,042,311	---	---	199,794,325	185,231,919
Advances to Other Funds	---	---	---	---	---	1,734,875	---	---	1,734,875	1,734,875
Restricted Assets - Land held for Transfer	---	---	---	---	---	21,053,913	---	---	21,053,913	16,530,430
Other	---	---	---	---	---	310,402	---	---	310,402	297,821
Fixed Assets	---	---	---	29,046,721	13,773,321	---	247,843,656	---	299,463,698	266,481,888
Accumulated Depreciation	---	---	---	(7,489,626)	(8,707,918)	---	---	---	(16,197,544)	(14,296,888)
Amount Available in Debt Service Funds	---	---	---	---	---	---	---	612,165	612,165	171,000
Amount Available in Expendable Trust Funds	---	---	---	---	---	---	---	812,239	812,239	864,963
Resources to be Provided in Future Years - Retirement of General Obligation Bonds	---	---	---	---	---	---	---	66,702,835	66,702,835	72,334,000
Retirement of Accrued Liability for Compensated Absences	---	---	---	---	---	---	---	3,887,761	3,887,761	3,174,037
Total Assets	\$ 17,716,791	\$ 804,278	\$ 17,854,363	\$ 26,261,574	\$ 9,557,306	\$ 177,141,301	\$ 247,843,656	\$ 72,015,000	\$ 569,174,669	\$ 532,524,045

LIABILITIES AND FUND EQUITY

Liabilities:										
Current Portion of Bonds Payable	\$ ---	\$ ---	\$ ---	\$ ---	\$ 50,000	\$ ---	\$ ---	\$ ---	\$ 50,000	\$ 30,000
Current Portion of Capital Leases Payable	---	---	---	48,675	856,200	---	---	---	794,875	656,323
Accounts Payable	1,534,640	---	2,917,530	491,778	480,096	9,217,718	---	---	14,441,752	8,318,793
Accrued Liabilities	2,643,601	---	---	372,257	2,086,100	147,622	---	---	6,052,380	5,826,516
Due to Other Funds	108,445	---	---	1,847,289	2,014,199	---	---	---	3,969,903	3,620,797
Due to Other Governments	10,005	---	---	---	---	---	---	---	10,005	6,761
Deposits and Deferred Revenue	1,266,551	---	66,785	63,387	---	49,696	---	---	1,446,619	1,434,465
Matured Bonds and Interest Payable	---	182,118	---	---	39	2,488	---	---	194,658	154,256
Total Current Liabilities	5,565,432	192,113	2,984,315	2,826,045	6,009,079	9,415,026	---	---	27,670,190	20,667,823
General Obligation Bonds Payable - Net of Current Portion	---	---	---	---	150,000	---	---	67,515,000	67,465,000	72,705,000
Capital Leases Payable - Net of Current Portion	---	---	---	83,064	873,238	---	---	---	956,302	1,603,629
Advances from Other Funds	---	---	---	1,734,875	---	---	---	---	1,734,875	1,734,875
Deferred Revenue - Long-Term	---	---	---	---	---	---	---	---	---	22,732
Accrued Liability for Compensated Absences	---	---	---	---	---	---	---	4,700,000	4,700,000	4,039,000
Total Liabilities	5,565,432	192,113	2,984,315	4,641,984	7,132,312	9,415,026	---	72,015,000	101,928,367	100,173,299
Fund Equity:										
Contributed Capital	---	---	---	19,309,608	529,988	---	---	---	19,839,596	19,188,870
Investment in General Fixed Assets	---	---	---	---	---	---	247,843,656	---	247,843,656	226,456,498
Retained Earnings (Deficit) - Reserved for Contingency	---	---	---	---	373,206	---	---	---	373,206	1,366,710
Unreserved	---	---	---	2,700,582	1,541,795	---	---	---	3,832,377	4,077,616
Fund Balances - Reserved for Encumbrances	4,833,095	---	9,961,360	---	---	---	---	---	13,994,655	10,676,781
Reserved for Inventories	63,150	---	---	---	---	---	---	---	63,150	103,100
Reserved for Land held for Transfer	---	---	---	---	---	22,788,786	---	---	22,788,786	18,304,336
Reserved for Debt Service	---	612,165	---	---	---	---	---	---	612,165	171,000
Unreserved - Designated for Pension Benefits	---	---	---	---	---	130,508,529	---	---	130,508,529	109,582,144
Designated for Subsequent Year's Expenditures	7,313,567	---	4,908,488	---	---	14,429,158	---	---	26,651,213	40,794,445
Undesignated	761,567	---	---	---	---	---	---	---	761,567	1,329,286
Total Retained Earnings/Fund Balances	12,151,379	612,165	14,870,348	2,290,582	1,915,001	167,726,475	---	---	199,565,650	186,695,618
Total Fund Equity	12,151,379	612,165	14,870,348	21,599,590	2,444,989	167,726,475	247,843,656	---	467,248,302	432,350,986
Total Liabilities and Equity	\$ 17,716,791	\$ 804,278	\$ 17,854,363	\$ 26,261,574	\$ 9,557,306	\$ 177,141,301	\$ 247,843,656	\$ 72,015,000	\$ 569,174,669	\$ 532,524,045

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, 1989

	Governmental Fund Types			Fiduciary Fund Type Expendable Trust	Totals (Memorandum Only)	
	General	Debt	Capital		Year Ended	
		Service	Projects		June 30, 1989	June 30, 1988
Revenues:						
Property Taxes	\$ 94,894,086	\$ 713,638	\$ ---	\$ ---	\$ 95,607,724	\$ 82,657,186
Intergovernmental	716,928	---	8,451,811	---	9,168,739	8,382,163
Charges for Services	5,045,741	---	---	8,705,978	13,751,719	12,116,368
Interest	2,733,039	22,297	715,438	1,310,305	4,781,079	4,150,717
Miscellaneous	266,140	---	57,600	1,032,866	1,356,606	1,803,750
Total Revenues	<u>103,655,934</u>	<u>735,935</u>	<u>9,224,849</u>	<u>11,049,149</u>	<u>124,665,867</u>	<u>109,110,484</u>
Expenditures:						
Current:						
General Government	6,442,217	---	---	---	6,442,217	5,720,654
County Planning and Zoning	17,922,868	---	---	---	17,922,868	14,409,629
Park Operation and Maintenance	52,556,292	---	---	---	52,556,292	48,709,680
Recreation Programs	15,072,671	---	---	---	15,072,671	12,673,938
Miscellaneous Expendable Trust Funds	---	---	---	9,178,721	9,178,721	7,497,170
Capital Outlay - Land Acquisition and Development	---	---	20,828,799	---	20,828,799	17,744,730
Debt Service -						
Principal Retirement	---	5,190,000	---	---	5,190,000	5,030,000
Interest and Fiscal Charges	---	4,415,909	---	---	4,415,909	3,295,186
Total Expenditures	<u>91,994,048</u>	<u>9,605,909</u>	<u>20,828,799</u>	<u>9,178,721</u>	<u>131,607,477</u>	<u>115,080,987</u>
Excess of Revenues over (under) Expenditures	<u>11,661,886</u>	<u>(8,869,974)</u>	<u>(11,603,950)</u>	<u>1,870,428</u>	<u>(6,941,610)</u>	<u>(5,970,503)</u>
Other Financing Sources (Uses):						
Proceeds of General Obligation Bonds	---	---	---	---	---	25,000,000
Operating Transfers In	1,065,438	9,322,495	2,571,000	11,356	12,970,289	10,133,234
Operating Transfers Out	(12,106,352)	(11,356)	(715,438)	(13,143)	(12,846,289)	(10,103,234)
Total Other Financing Sources (Uses)	<u>(11,040,914)</u>	<u>9,311,139</u>	<u>1,855,562</u>	<u>(1,787)</u>	<u>124,000</u>	<u>25,030,000</u>
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses	<u>620,972</u>	<u>441,165</u>	<u>(9,748,388)</u>	<u>1,868,641</u>	<u>(6,317,610)</u>	<u>19,059,497</u>
Fund Balances, July 1	<u>11,530,407</u>	<u>171,000</u>	<u>24,618,436</u>	<u>35,349,305</u>	<u>71,669,148</u>	<u>52,609,651</u>
Fund Balances, June 30	<u>\$ 12,151,379</u>	<u>\$ 612,165</u>	<u>\$ 14,870,048</u>	<u>\$ 37,217,946</u>	<u>\$ 64,851,538</u>	<u>\$ 71,669,148</u>

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

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

EXHIBIT 3

Schedule 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, 1989

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Revenues:			
Property Taxes	\$ 94,721,216	\$ 94,894,086	\$ 172,870
Intergovernmental	935,095	716,928	(218,167)
Charges for Services	3,253,090	3,411,885	158,795
Rentals and Concessions	1,313,000	1,633,856	320,856
Interest	1,671,000	2,733,039	1,062,039
Miscellaneous	143,050	266,140	123,090
Total Revenues	<u>102,036,451</u>	<u>103,655,934</u>	<u>1,619,483</u>
Expenditures/Encumbrances:			
Current:			
General Government	6,484,365	6,546,032	(61,667)
County Planning and Zoning	18,371,221	17,571,597	799,624
Park Operation and Maintenance	57,586,508	52,862,803	4,723,705
Recreation Programs	15,176,880	14,994,027	182,853
Total Expenditures/Encumbrances	<u>97,618,974</u>	<u>91,974,459</u>	<u>5,644,515</u>
Excess of Revenues over (under) Expenditures/Encumbrances	<u>4,417,477</u>	<u>11,681,475</u>	<u>7,263,998</u>
Other Financing Sources (Uses):			
Operating Transfers In	1,490,000	1,065,438	(424,562)
Operating Transfers Out	<u>(11,857,000)</u>	<u>(12,106,352)</u>	<u>(249,352)</u>
Total Other Financing Sources (Uses)	<u>(10,367,000)</u>	<u>(11,040,914)</u>	<u>(673,914)</u>
Excess of Revenues and Other Sources over (under) Expenditures/Encumbrances and Other Uses - Budget Basis	<u>\$ (5,949,523)</u>	640,561	<u>\$ 6,590,084</u>
Fund Balances - Budget Basis, July 1		<u>8,464,572</u>	
Fund Balances - Budget Basis, June 30		<u>\$ 9,105,133</u>	

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

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

EXHIBIT 4

Combined Statement of Revenues, Expenses, and Changes in
Retained Earnings/Fund Balances - ALL PROPRIETARY FUND TYPES AND SIMILAR TRUST FUNDS
For the Fiscal Year Ended June 30, 1989

	Proprietary Fund Types		Fiduciary	Totals	
	Enterprise	Internal Service	Fund Types	(Memorandum Only)	
			Pension Trust	Year Ended	
			June 30, 1989	June 30, 1988	
Operating Revenues:					
Sales	\$ 1,753,567	\$ ---	\$ ---	\$ 1,753,567	\$ 1,315,624
Charges for Services	5,443,649	9,115,260	---	14,558,909	13,603,567
Rentals and Concessions	3,250,826	---	---	3,250,826	2,857,307
Investment Income	---	---	8,603,307	8,603,307	9,232,289
Unrealized Gain (Loss) on Investments	---	---	7,723,930	7,723,930	(8,580,566)
Pension Trust Contributions	---	---	8,308,046	8,308,046	7,397,153
Miscellaneous	---	416,922	---	416,922	333,640
Total Operating Revenues	<u>10,448,042</u>	<u>9,532,182</u>	<u>24,635,283</u>	<u>44,615,507</u>	<u>26,159,014</u>
Operating Expenses:					
Cost of Goods Sold	1,061,231	---	---	1,061,231	790,411
Personal Services	4,380,316	1,005,488	---	5,385,804	4,678,699
Supplies and Materials	1,078,492	40,927	---	1,119,419	968,637
Other Services and Charges	2,465,911	8,146,278	---	10,612,189	7,982,536
Indirect Charges	896,179	---	---	896,179	787,679
Depreciation	816,303	1,453,027	---	2,269,330	2,007,150
Retirement Benefit Payments	---	---	3,060,724	3,060,724	2,781,248
Refunds	---	---	219,172	219,172	148,802
Administrative Expenses	---	---	429,002	429,002	306,923
Total Operating Expenses	<u>10,698,432</u>	<u>10,645,720</u>	<u>3,708,898</u>	<u>25,053,050</u>	<u>20,452,085</u>
Operating Income (Loss)	<u>(250,390)</u>	<u>(1,113,538)</u>	<u>20,926,385</u>	<u>19,562,457</u>	<u>5,706,929</u>
Nonoperating Revenues	363,910	173,341	---	537,251	885,329
Nonoperating Expenses	<u>(130,174)</u>	<u>(157,892)</u>	<u>---</u>	<u>(288,066)</u>	<u>(784,312)</u>
Nonoperating Revenues (Expenses), Net	<u>233,736</u>	<u>15,449</u>	<u>---</u>	<u>249,185</u>	<u>101,017</u>
Income (Loss) Before Operating Transfers	<u>(16,654)</u>	<u>(1,098,089)</u>	<u>20,926,385</u>	<u>19,811,642</u>	<u>5,807,946</u>
Operating Transfers In	347,000	426,000	---	773,000	280,000
Operating Transfers Out	<u>(547,000)</u>	<u>(350,000)</u>	<u>---</u>	<u>(897,000)</u>	<u>(310,000)</u>
Total Operating Transfers	<u>(200,000)</u>	<u>76,000</u>	<u>---</u>	<u>(124,000)</u>	<u>(30,000)</u>
Net Income (Loss)	<u>(216,654)</u>	<u>(1,022,089)</u>	<u>20,926,385</u>	<u>19,687,642</u>	<u>5,777,946</u>
Retained Earnings (Deficit)/Fund Balances, July 1	<u>2,507,236</u>	<u>2,937,090</u>	<u>109,582,144</u>	<u>115,026,470</u>	<u>109,248,524</u>
Retained Earnings (Deficit)/Fund Balances, June 30	<u>\$ 2,290,582</u>	<u>\$ 1,915,001</u>	<u>\$ 130,508,529</u>	<u>\$ 134,714,112</u>	<u>\$ 115,026,470</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 Changes in Financial Position - ALL PROPRIETARY FUND TYPES AND SIMILAR TRUST FUNDS
For the Fiscal Year Ended June 30, 1989

	Proprietary Fund Types		Fiduciary	Totals (Memorandum Only)	
	Enterprise	Internal Service	Fund Types	Year Ended	
			Pension Trust	June 30, 1989	June 30, 1988
Sources of Working Capital:					
Operations -					
Net Income (Loss)	\$ (216,654)	\$ (1,022,089)	\$ 20,926,385	\$ 19,687,642	\$ 5,777,946
Depreciation Not Requiring Working Capital	816,303	1,453,027	---	2,269,330	2,007,150
Working Capital Provided by Operations	599,649	430,938	20,926,385	21,956,972	7,785,096
Increase in Capital Leases Payable	---	95,292	---	95,292	228,502
Disposal of Equipment	---	38,821	---	38,821	10,247
Increase in Deferred Revenue	---	---	---	---	22,732
Total Sources of Working Capital	599,649	565,051	20,926,385	22,091,085	8,046,577
Uses of Working Capital:					
Acquisition of Property and Equipment	859,986	1,502,033	---	2,362,019	2,525,526
Decrease in Deferred Revenue	---	22,732	---	22,732	12,994
Decrease in Bonds Payable	---	50,000	---	50,000	50,000
Decrease in Capital Leases Payable	3,495	45,157	---	48,652	129,230
Payment of Capital Leases Payable	45,180	648,789	---	693,969	1,279,162
Total Uses of Working Capital	908,661	2,268,711	---	3,177,372	3,996,912
Net Increase (Decrease) in Working Capital	\$ (309,012)	\$ (1,703,660)	\$ 20,926,385	\$ 18,913,713	\$ 4,049,665
Elements of Net Increase (Decrease) in Working Capital:					
Cash and Investments	\$ 179,493	\$ 603,855	\$ 22,190,893	\$ 22,974,241	\$ 3,210,263
Accounts Receivable	(31,059)	(200,862)	(826,427)	(1,058,348)	1,002,184
Due From Other Funds	---	(246,382)	(729,799)	(976,181)	1,084,596
Due from Other Governments	(116,730)	18,759	---	(97,971)	702,978
Inventories	(70,648)	---	---	(70,648)	46,906
Deposits and Other	358	45,962	---	46,320	(231,185)
Current Portion of Capital Leases Payable	(3,495)	(45,157)	---	(48,652)	228,502
Accounts Payable	(55,112)	(98,080)	45,336	(107,856)	(205,473)
Claims Payable	---	(669,725)	---	(669,725)	99,944
Accrued Salaries and Benefits	80,026	14,572	---	94,598	14,344
Accrued Leave	(8,229)	(24,134)	---	(32,363)	(66,294)
Estimate of Incurred but Unreported Claims	---	(380,882)	---	(380,882)	120,418
Interest Payable	---	(264)	---	(264)	15,891
Due to Other Funds	(363,156)	(764,683)	246,382	(881,457)	(1,908,416)
Deferred Revenue	79,540	43,361	---	122,901	(64,993)
Net Increase (Decrease) in Working Capital	\$ (309,012)	\$ (1,703,660)	\$ 20,926,385	\$ 18,913,713	\$ 4,049,665

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

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

NOTES TO FINANCIAL STATEMENTS

June 30, 1989

(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 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 which can be specifically identified with a County are recorded in the appropriate account of that County and those which 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

The Commission's reporting entity is determined by applying the criteria approved by the Governmental Accounting Standards Board ("GASB"). Applying the criteria established by GASB, the Commission exercises oversight responsibility over the Employees' Retirement System. The criteria used to determine the oversight includes financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations, and accountability for fiscal matters. Accordingly, the financial statements of the Employees' Retirement System are included in the accompanying financial statements.

The applicability to the Commission of the GASB criteria has also been carefully reviewed by Montgomery and Prince George's County financial staff. As a result of their review, they have determined that certain activities of the Commission represent a segment of Montgomery County and Prince George's County, reportable in

their respective financial statements as of June 30, 1989. The Counties' oversight of the Commission includes the selection of Commissioners, budget approval, and each County is required by law to guarantee the general obligation bonds of the Commission issued for its jurisdiction. The financial activities of the Commission's Employees' Retirement System are not reported by either County. The financial data of the Commission pertinent to Montgomery County and Prince George's County, excluding the Commission's Employees' Retirement System and the Employees' Deferred Compensation Agency Fund, are set forth on a County basis in Note 16 below.

(2) - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Commission conform to generally accepted accounting principles 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 which 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 in this report.

The following Fund 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 11.

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, Nonexpendable Trust, Pension Trust, and Agency Funds. Nonexpendable Trust and 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 presentation of the Advance Land Acquisition Funds has been changed retroactively in fiscal year 1989 to reflect land purchases as inventory rather than expenditures.

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

ACCOUNT GROUPS

General Fixed Assets Account Group - This 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 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 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 and collection is expected within 60 days thereafter. Proceeds from the sale of general obligation bonds/ notes are recorded as "Other Financing Sources." All other revenue sources are recorded on the accrual basis of accounting. Expenditures are generally recorded as the liabilities are incurred. The exceptions to this general rule are that principal and interest on general long-term debt are considered expenditures when due, and accumulated unpaid annual and compensatory leave not expected to be taken within 60 days after the year end is reported in the General Long-Term Obligations Account Group.

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

(C) Budgets and Budgetary Accounting

The following procedures are used in establishing the annual budget.

- o Prior to January 15, the Commission submits to the County Executive of each County a proposed budget for the respective accounts of the General Fund (including park debt service), and a budget plan for the respective Enterprise Funds and Internal Service Funds. The Capital Projects Funds' budgets and six-year expenditure plans are submitted prior to November 1. These budgets and plans include proposed expenditures and the means of financing them .
- o The budgets and plans are transmitted by the County Executive with recommendations to the respective County Council. The County Councils conduct public hearings on the budgets and plans, and the budgets and plans are legally adopted prior to July 1.
- o The Commission is authorized to transfer budget appropriations of up to 10% for each account, project, department or function as defined in the approved budget, but the Commission may not alter total appropriations without County Council approval by budget amendment. The Commission's expenditures may not exceed the total approved budget for its General Fund without prior approval by the respective County Council, except in Prince George's County, where grant funds received with the knowledge and approval of the County constitute an automatic budget amendment, thereby increasing the appropriations.
- o General Fund unencumbered appropriations lapse at year-end. Capital projects 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 1989, supplemental appropriations were approved which increased the General Fund and Capital Project Funds by \$801,600 and \$1,305,000, 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 generally accepted accounting principles ("GAAP") except that encumbrances are treated as expenditures and inventories are treated as expenditures when purchased.

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 adopted budget.

All expenditures made during 1989 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 Finance Department manages the pool. Investment earnings are allocated to participating Funds based upon their average monthly equity. Investments, except those of the Pension Trust and the Agency Funds, are stated at cost, adjusted for amortization of premiums and discounts, which approximates market value. Pension Trust and Agency Fund investments are stated at market value.

(F) Inventories

Inventories are valued at the lower of cost (first-in, first-out) or market. Inventories in the General Fund are offset by corresponding reserves of fund balance. Inventories are recorded as expenditures at the time of sale or use.

(G) Advances to Other Funds

Long-term interfund advances at June 30, 1989, consist of \$1,734,875 of land acquired by the Prince George's County Advance Land Acquisition Fund which is being used for park purposes in the Enterprise Fund. The advances are recorded as a noncurrent receivable/payable 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 8.

(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 over the following useful lives.

<u>Description</u>	<u>Years</u>
Buildings and Improvements	10-40
Equipment	5-15

(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. Such leave is recorded as an expenditure when earned. 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 accrued in the General 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. The estimated cost of compensated absences is reported as an expenditure in the General Fund and as revenue in the Expendable Trust Fund (see Note 15).

Group insurance costs are recorded as expenditures in the General Fund and as revenue in the Internal Service Funds. Payments for compensated absences and group insurance premiums are recorded as expenditures in the Expendable Trust Fund and expenses in the Self-Insurance Internal Service Fund, respectively.

(K) Deferred Compensation Plans

The Commission offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all 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.

All amounts of compensation deferred under the plans, all property and rights purchased with those amounts, and all income attributable to those amounts, property or rights are (until paid or made available to the employee or other beneficiary) solely the property and rights of the Commission (without being restricted to the provisions of benefits under the plans), subject only to the claims of the Commission's general creditors. Participants' rights under the plans are equal to those of general creditors of the Commission in an amount equal to the fair market value of the deferred account for each participant. It is the opinion of its General Counsel that the Commission has no liability for losses under the plans but does have the duty of due care that would be required of an ordinary prudent investor. The Commission believes that it is unlikely that it will use the assets to satisfy the claims of general creditors in the future. The plans are accounted for in an Agency Fund.

(L) Reserves

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

(M) Comparative Data/Total Columns

Comparative total data for 1988 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. Several 1988 amounts, which are not material, have been restated to conform to the 1989 presentation.

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.

(3) - CASH AND INVESTMENTS

The Commission's deposits and investments as of June 30, 1989, totalled \$181,197,232, as presented in the combined balance sheet as "Cash and Investments", of which \$168,853,987 was held and managed in three separate pools: the Commission's pool of deposits and investments, the Pension Trust Fund investments, and the Deferred

Compensation Agency Fund investments. The remaining balance comprised \$12,343,245 cash with fiscal agents and in cash funds at various recreation facilities (\$12,213,185 and \$130,060, respectively). The Commission's pool is available to all Funds, except for the Pension Trust Fund and the Deferred Compensation Agency Fund. The following is a schedule of total cash and investments.

	<u>Commission</u>	<u>Pension Trust Fund</u>	<u>Deferred Compensation Agency Fund</u>	<u>Total</u>
Pooled Cash and Investments:				
Cash in Banks	\$ 6,487,649	\$ —	\$ —	\$ 6,487,649
Investments	<u>27,787,700</u>	<u>129,632,061</u>	<u>4,946,577</u>	<u>162,366,338</u>
Total Pooled Cash and Investments	34,275,349	129,632,061	4,946,577	168,853,987
Other Cash	<u>12,343,245</u>	<u>—</u>	<u>—</u>	<u>12,343,245</u>
Total Cash And Investments	<u>\$46,618,594</u>	<u>\$129,632,061</u>	<u>\$4,946,577</u>	<u>\$181,197,232</u>

(A) Commission's Pool

At year end, the carrying amount of deposits was \$6,487,649 and the bank balance was \$10,120,846. Of the bank balance, \$319,178 was covered by Federal depository insurance and \$9,801,668 was covered by collateral held in the Commission's name by a Federal Reserve 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, 1989.

(B) Investments, Including Certificates of Deposit

Commission's Pool of Investments - Statutes authorize the Commission to invest in obligations for which the United States has pledged its faith and credit for the payment of principal and interest, obligations that are issued by a Federal agency in accordance with an Act of Congress, certificates of deposit, municipal bonds, bankers' acceptances, repurchase agreements and the State Treasurer's investment pool.

Statutes require that securities underlying certificates of deposit and repurchase agreements have a market value of at least 100% of the cost of the investment. If during the year, the market value of securities underlying such investments fell below this required level, additional collateral was pledged or other collateral in the amount of the required level was substituted.

Pension Trust Fund and Deferred Compensation Agency Fund Investments - Statutes do not restrict the investment activity of these two Funds.

(C) Categories of Investments

Investments are categorized to give an indication of the level of risk assumed by the Commission at year end. Category 1 includes investment securities that are insured or 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 broker's or dealer's trust department or agent in the Commission's name. Category 3 includes uninsured and unregistered investment securities held by the broker or dealer, or by 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, 1989, 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, 1989.

The Commission's investments at June 30, 1989, were as follows.

	Carrying Amount- <u>All Category 1</u>	Market Value
Commission Investments:		
Repurchase Agreements	\$ 15,586,745	\$ 15,586,745
U.S. Government Securities	<u>12,200,955</u>	<u>12,177,205</u>
	<u>27,787,700</u>	<u>27,763,950</u>
Pension Trust Fund:		
U.S. Government Securities	28,101,042	28,101,042
Corporate Bonds	22,617,415	22,617,415
Common and Preferred Stocks	57,041,662	57,041,662
Mutual Funds	9,734,712	9,734,712
Insurance Contracts	<u>12,137,230</u>	<u>12,137,230</u>
	<u>129,632,061</u>	<u>129,632,061</u>
Deferred Compensation Agency Fund:		
Mutual Funds	515,830	515,830
Insurance Contracts	<u>4,430,747</u>	<u>4,430,747</u>
	<u>4,946,577</u>	<u>4,946,577</u>
TOTAL	<u>\$162,366,338</u>	<u>\$162,342,588</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. 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.

Property taxes assessed in 1988 and prior not previously recognized as "Taxes Receivable" which are estimated to be collectible, have been recorded in the accompanying 1989 financial statements with an offsetting equivalent amount to "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 meet maturities.

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, 1989, was \$8,433,389, \$6,126,599 and \$2,306,790 for the Commission and 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	Internal Service Funds	Enterprise Fund
State of Maryland	\$67,016	\$ 829,983	\$ ---	---
Montgomery County	30,097	3,165,357	1,878,388	133,109
Washington Suburban Sanitary Commission	4,649	18,000	---	---
Montgomery County Total	<u>\$101,762</u>	<u>\$4,013,340</u>	<u>\$1,878,388</u>	<u>\$133,109</u>

	Prince George's County			
	General Fund Accounts	Capital Projects	Internal Service Funds	Enterprise Fund
Federal Government	\$ ---	\$ ---	\$ ---	\$251,209
State of Maryland	118,272	839,824	---	14,213
Montgomery County	---	---	617,918	---
Prince George's County	164,584	104,594	---	---
Other	---	---	---	6,554
Washington Suburban Sanitary Commission	5,992	183,630	---	---
Prince George's County Totals	<u>\$288,848</u>	<u>\$1,128,048</u>	<u>\$ 617,918</u>	<u>\$271,976</u>
Commission Totals	<u>\$390,610</u>	<u>\$5,141,388</u>	<u>\$2,496,306</u>	<u>\$405,085</u>

(6) - INTERFUND RECEIVABLES/PAYABLES

The following summarizes the individual Fund interfund receivable and payable balances at June 30, 1989.

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
<u>Montgomery County</u>		
General Fund	\$1,794,020	\$ 108,415
Internal Service Funds:		
Capital Equipment Fund	---	1,115,092
Self Insurance Fund	---	635,670
Information Systems Fund	---	43,258
<u>Prince George's County</u>		
General Fund	2,067,468	---
Enterprise Fund	---	1,847,289
Internal Service Funds:		
Executive Offices		
Property Management Fund	---	176,921
Information Systems Fund	---	43,258
<u>Commission-wide</u>		
Pension Trust Fund	<u>108,415</u>	<u>---</u>
Total	<u>\$3,969,903</u>	<u>\$3,969,903</u>

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

The Commission and respective County governments have designated \$8,560,733 of fund balances in the General Fund at June 30, 1989, as restricted to fund 1990 operations as follows.

	<u>Montgomery County</u>	<u>Prince George's County</u>
Administration Account	\$ 197,000	\$1,183,183
Park Account	1,556,300	5,212,750
Recreation Account	---	411,500
	<u>\$1,753,300</u>	<u>\$6,807,433</u>

The amount of available fund balance as defined by GAAP was \$8,055,134 (\$1,476,671 and \$6,578,463 for the Montgomery and Prince George's County, respectively). The amount of available fund balance as defined on a non-GAAP budgetary basis is \$9,105,133 (\$2,001,671 and \$7,103,462 for Montgomery and Prince George's County, respectively).

The deficit balance in retained earnings of the individual segments of the Prince George's Enterprise Fund is presented in Note 11.

(8) - GENERAL FIXED ASSETS

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

<u>General Fixed Assets</u>	<u>Balance</u> <u>June 30, 1988</u>	<u>Additions</u>	<u>Deductions</u>	<u>Transfers</u>	<u>Balance</u> <u>June 30, 1989</u>
<u>Montgomery County</u>					
Land	\$ 66,270	\$1,388	\$ —	\$ —	\$ 67,658
Buildings and Improvements	39,947	2	—	3,251	43,200
Machinery and Equipment	3,464	324	(396)	—	3,392
Construction in Progress	<u>5,739</u>	<u>4,539</u>	<u>—</u>	<u>(3,251)</u>	<u>7,027</u>
Total General Fixed Assets	<u>\$115,420</u>	<u>\$6,253</u>	<u>\$ (396)</u>	<u>\$ —</u>	<u>\$121,277</u>
<u>Prince George's County</u>					
Land	\$ 43,151	\$ 4,540	\$ (25)	\$ —	\$ 47,666
Buildings and Improvements	47,761	197	—	9,810	57,768
Machinery and Equipment	9,445	2,712	(121)	—	12,036
Construction in Progress	<u>10,680</u>	<u>8,227</u>	<u>—</u>	<u>(9,810)</u>	<u>9,097</u>
Total General Fixed Assets	<u>\$111,037</u>	<u>\$15,676</u>	<u>\$ (146)</u>	<u>\$ —</u>	<u>\$126,567</u>
Commission-wide Totals	<u>\$226,457</u>	<u>\$21,929</u>	<u>\$ (542)</u>	<u>\$ —</u>	<u>\$247,844</u>

A summary of proprietary fund type fixed assets at June 30, 1989, follows.

	<u>Enterprise</u>	<u>Internal Service</u>
<u>Montgomery County</u>		
Land	\$ 2,727,950	\$ —
Buildings	3,426,844	—
Improvements Other Than Buildings	612,943	—
Machinery and Equipment	<u>1,791,177</u>	<u>10,851,584</u>
Total	8,558,914	10,851,584
Less-Accumulated Depreciation	<u>(2,411,966)</u>	<u>(6,869,376)</u>
Net	<u>\$ 6,146,948</u>	<u>\$3,982,208</u>
<u>Prince George's County</u>		
Land	\$ 5,716,292	\$ —
Buildings	6,654,041	—
Improvements Other Than Buildings	5,924,555	—
Machinery and Equipment	<u>2,192,919</u>	<u>2,921,737</u>
Total	20,487,807	2,921,737
Less-Accumulated Depreciation	<u>(5,277,660)</u>	<u>(1,838,542)</u>
Net	<u>\$15,210,147</u>	<u>\$ 1,083,195</u>
Total Commission Fixed Assets	\$29,046,721	\$13,773,321
Less-Accumulated Depreciation	<u>(7,689,626)</u>	<u>(8,707,918)</u>
Net	<u>\$21,357,095</u>	<u>\$ 5,065,403</u>

(9) - LONG-TERM DEBT

The Commission is authorized to issue general obligation bonds to provide resources for the acquisition of park land and the development of parks, designated as Park Acquisition and Development Bonds ("Park Bonds"), and to provide resources for advance land acquisition for highways, schools and other public purposes, designated as Advance Land Acquisition Bonds ("Advance Land Bonds"). Commission bonds are issued for a specific County and are general obligations of the Commission and the County for which they are issued. There were no bonds issued for either county during fiscal year 1989.

Mandatory taxes of nine cents per \$100 of assessed valuation in Montgomery County and ten 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 and for the maintenance, operation, and development of park land. In 1989, the actual debt service expenditures per \$100 of assessed valuation for Park Bonds approximated 2.3 cents in Montgomery County and 5.1 cents in Prince George's County. The remainder of the proceeds of the mandatory taxes was used for operating and maintaining the park systems of the respective Counties.

General obligation bonds and notes payable at June 30, 1989, consist of the following individual issues (\$000's).

Montgomery County

<u>Series</u>	<u>Effective Interest Rate at Date of Sale</u>	<u>Issue Date</u>	<u>Final Maturity Date</u>	<u>FY 1990 Serial Payment</u>	<u>Original Issue</u>	<u>Outstanding At June 30, 1989</u>
Park Acquisition and Development Bonds & Notes						
Series Y	3.8985	10-01-60	10-01-90	\$ 85	\$ 1,800	\$ 170
Series GG	3.7380	12-01-61	12-01-91	90	1,530	270
Series JJ	3.1530	12-15-62	12-15-92	200	4,100	800
Series LL	3.3858	4-15-64	4-15-92	210	3,330	770
Series OO	3.9336	3-01-66	3-01-93	400	6,340	1,700
Series RR	4.1681	8-01-67	8-01-92	400	9,430	1,600
Series XX	5.4755	9-01-71	9-01-96	180	4,535	1,440
Series B-2	4.4000	2-01-74	2-01-94	260	5,220	1,300
Series C-2	5.3298	2-15-75	2-15-95	200	4,000	1,200
Series E-2	8.4150	3-01-83	3-01-03	<u>30J</u>	<u>8,000</u>	<u>6,450</u>
				2,325	48,285	15,700
Bond Anticipation						
Notes, 1988 Series	4.7500	3-01-88	7-01-08	<u>300</u>	<u>7,000</u>	<u>7,000</u>
				2,625	55,285	22,700
Advance Land Acquisition						
Bonds of 1971	5.4755	9-01-71	9-01-96	<u>280</u>	<u>7,000</u>	<u>2,240</u>
County Total				<u>\$2,905</u>	<u>\$62,285</u>	<u>\$24,940</u>

Prince George's County

Series	Effective	Issue	Final	FY 1990	Outstanding	
	Interest Rate		Maturity	Serial	Original	At
	at Date of Sale	Date	Date	Payment	Issue	June 30, 1989
Park Acquisition and Development Bonds & Notes						
Series HH	3.7380	12-01-61	12-01-91	\$ 30	\$ 700	\$ 90
Series KK	3.1377	12-15-62	12-15-92	80	1,500	320
Series MM	3.2973	4-15-64	4-15-92	50	1,200	150
Series QQ	3.9423	3-01-66	3-01-93	250	3,150	1,050
Series SS	4.1751	8-01-67	8-01-92	350	7,550	1,400
Series UU	4.9841	2-01-69	2-01-94	350	5,560	1,750
Series WW	6.6853	7-01-70	7-01-94	200	3,950	1,500
Series A-2	4.5959	3-01-72	3-01-97	210	5,200	1,680
Series D-2	5.7180	7-01-75	7-01-95	400	7,500	2,950
Series F-2	8.0000	12-15-82	12-15-92	50	500	200
Series G-2	8.7476	9-15-85	10-15-05	500	13,200	11,700
				<u>2,470</u>	<u>50,010</u>	<u>22,790</u>
Bond Anticipation Notes, 1988 Series						
	4.7500	3-01-88	7-01-08	700	18,000	18,000
				<u>3,170</u>	<u>68,010</u>	<u>40,790</u>
Advance Land Acquisition						
Bonds of 1970	6.5564	7-01-70	7-01-95	145	3,270	1,065
Bonds of 1972	4.5959	3-01-72	3-01-97	90	2,200	720
				<u>235</u>	<u>5,470</u>	<u>1,785</u>
County Total				<u>\$3,405</u>	<u>73,480</u>	<u>\$42,575</u>
Commission Total				<u>\$6,310</u>	<u>\$135,765</u>	<u>\$67,515</u>
Distribution:						
General Long-Term Obligations Account Group - Montgomery County						\$24,940
- Prince George's County						<u>42,375</u>
Account Group Total						67,315
Proprietary Funds - Prince George's County (Series F-2)						<u>200</u>
Commission Total						<u>\$67,515</u>

The following is a summary of the general obligation bond and note transactions of the Commission for the two years ended June 30, 1989 (\$000's).

	Montgomery County		Prince George's County		Total
	Park Bonds & Notes	Advance Land Bonds	Park Bonds & Notes	Advance Land Bonds	
Bonds payable at June 30, 1987	\$20,370	\$2,800	\$27,410	\$2,255	\$52,835
Bond Anticipation Notes issued	7,000	---	18,000	---	25,000
Serial Bonds retired	(2,305)	(280)	(2,260)	(235)	(5,080)
Bonds/notes Payable at June 30, 1988	\$25,065	\$2,520	\$43,150	\$2,020	\$72,755
Serial Bonds retired	(2,365)	(280)	(2,360)	(235)	(5,240)
Bonds/Notes payable at June 30, 1989	<u>\$22,700</u>	<u>\$2,240</u>	<u>\$40,790</u>	<u>\$1,785</u>	<u>\$67,515</u>

The annual requirements to amortize all debt outstanding as of June 30, 1989, including interest payments of \$10,141,894 for Montgomery County (\$9,847,264 for Park Bonds/Notes and \$294,630 for Advance Land Bonds) and \$22,885,228 for Prince George's County (\$22,633,577 for Park Bonds/Notes and \$251,651 for Advance Land Bonds) are as follows (\$000's).

Year Ending June 30	Montgomery County		Prince George's County		Total
	Park Bonds & Notes	Advance Land Bonds	Park Bonds & Notes	Advance Land Bonds	
	1990	\$3,914	\$ 371	\$ 5,695	
1991	3,806	354	5,512	300	9,972
1992	3,693	337	5,428	295	9,753
1993	3,255	321	5,311	279	9,166
1994	2,260	304	4,405	264	7,233
1995-1999	7,822	848	16,134	585	25,389
2000-2004	5,543	—	12,909	—	18,452
2005-2009	2,254	—	8,029	—	10,283
TOTAL	<u>\$32,547</u>	<u>\$2,535</u>	<u>\$63,423</u>	<u>\$2,037</u>	<u>\$100,542</u>

Interest on the \$25,000,000 Park Acquisition and Development Variable Rate Bond Anticipation Notes issued March 1, 1988 (Montgomery County - \$7,000,000; Prince George's County - \$18,000,000), all of which were outstanding at June 30, 1989 (hereafter "BANS"), has been calculated and included in the annual requirements to amortize debt above at the current rate of interest of 6.1% as of August 1, 1989. The rate of interest may change monthly based on market conditions. The maximum rate of interest under the terms of this issue is 12%. The BANS have a stated term of 20 years, can be "put" back to the Commission by the holder at the end of each month, and the Commission has a letter-of-credit with a commercial bank expiring on July 15, 1993 to convert any "put" BANS, which cannot be remarketed to a term loan. The BANS are reported as general long-term debt since it is the intent to refinance this issue on a long-term basis and all necessary legal steps have been taken to do so.

(10) - 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. The Commission's payroll for employees covered by the System for the year ended June 30, 1989, was \$47,068,000. The Commission's total payroll for the same period was \$60,055,000.

Commissioners, persons appointed by the Commission to full-time positions exempted from the Merit System, all career full-time Merit System employees, and all career part-time Merit System employees are eligible to participate in the System. Benefits vest on a graded schedule starting with 50% after five years of service and reaching 100% after 10 years of service.

The System has three benefit options: Plans A, B, and C. The retirement eligibility and benefit formulas for plans A, B, and C are as follows.

Plan A (for employees who enrolled on a voluntary basis prior to December 31, 1978)

Eligibility - age 60 with 5 years of credited service, or any age with 30 years of credited service, for non-police; age 55, or with 25 years of credited service for police.

Formula - 2% of three-year average earnings for each year of credited service up to 40 years, payable monthly for life with a guarantee that at least 120 monthly payments will be made to the participant or a beneficiary.

Plan B (for non-Park Police employees)

Eligibility - age 60 with 5 years of credited service, or any age with 30 years of credited service.

Formula - 2% of three-year average earnings for each year of credited service up to 35 years, payable monthly from retirement date to date at which unreduced Social Security benefits become payable; 1% of final three-year average earnings up to Social Security covered compensation level, plus 2% of such three-year average earnings in excess of Social Security covered compensation level, for each year of credited service up to 35 years, payable monthly for life from date at which unreduced Social Security benefits become payable.

Plan C (for Park Police after January 1, 1979)

Eligibility - age 55 with 5 years of credited service, or attainment of 25 years of credited service.

Formula - 2% of high three-year average earnings for each year of credited service up to 40 years, payable monthly for life.

The System also provides early retirement, death, and disability benefits. These benefit provisions and all other requirements are established by a Trust Agreement between the Commission and the Board of Trustees of the System.

System participants are required to contribute the following percentages of their annual salary to the System.

- Plan A - 6% of base pay (7% of base pay for Park Police)
- Plan B - 3% of base pay up to the Social Security wage base
plus 6% of base pay in excess of such wage base
- Plan C - 7% of base pay (Park Police in Plan C do not participate
in Social Security)

The Commission is required to contribute the remaining amounts necessary to fund the System.

Related Party Transactions

The System does not hold securities (loans, notes, bonds or other instruments) of the Commission or related parties (Montgomery and Prince George's Counties) at June 30, 1989, or any time during the year.

Funding Status and Progress

The amount shown below as the "pension benefit obligation" is a standardized disclosure 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. The measure is the actuarial present value of credited projected benefits and is independent of the funding method used to determine contributions to the System.

The pension benefit obligation was estimated as part of an actuarial valuation performed as of June 30, 1988, and projected to June 30, 1989. Significant actuarial assumptions used in the valuation include (a) a rate of return on the investment of present and future assets of 7% a year compounded annually, (b) projected salary increases of 6% a year compounded annually, and (c) post-retirement benefit increases of 2.5% a year compounded annually.

Total net assets in excess of the pension benefit obligation applicable to the Commission's employees was estimated to be \$5,808,500 at June 30, 1989, as follows.

Pension benefit obligation:

	<u>Amount</u>	<u>Number of Participants</u>
Retirees and beneficiaries currently receiving Benefits and terminated employees entitled to but not yet receiving benefits	\$32,796,100	302
Current employees -		
Accumulated employee contributions including allocated investment earnings	18,705,000	
Employer-financed vested	30,052,700	676
Employer-financed nonvested	<u>43,146,200</u>	<u>1,028</u>
Total Pension benefit obligation	124,700,000	
Net assets available for benefits	<u>130,508,500</u>	
Net assets in excess of pension benefit obligation	<u>\$ 5,808,500</u>	<u>2,006</u>

Actuarially Determined Contribution Requirements and Contribution Made

The System's funding policy provides for actuarially determined periodic contributions at rates that, for individual employees, increase gradually over time so that sufficient assets will be available to pay benefits when due. The rate for the Commission's employee group as a whole is expected to remain level as a percentage of annual covered payroll. The contribution rate for normal cost is determined using the credited projected benefits actuarial funding method with proration based on service. The System uses the level dollar method to amortize the unfunded liability over the period to January 1, 2016.

The significant actuarial assumptions used to compute the actuarially determined contribution requirements are the same as those used to compute the pension benefit obligation as described in above.

The contribution to the System for 1989 of \$8,308,000 was made in accordance with actuarially determined requirements computed through an actuarial valuation performed as of July 1, 1988. The contribution consisted of (a) \$7,455,000 normal cost (15.8% of current covered payroll) and (b) \$853,000 amortization of the unfunded actuarial accrued liability (1.8% of current covered payroll). The Commission contributed \$6,285,000 (13.3% of current covered payroll); employees contributed \$2,023,000 (4.3% of current covered payroll).

Trend Information

Trend information gives an indication of the progress made in accumulating sufficient assets to pay benefits when due. For the three years ended 1987, 1988, and 1989, respectively, available assets were sufficient to fund 108%, 103%, and 105% of the pension benefit obligation. Net assets in excess of pension benefit obligation represented 20%, 6%, and 1.2% of the annual payroll for employees covered by the System for 1987, 1988, and 1989, respectively. Showing unfunded pension benefit obligation as a percentage of annual covered payroll approximately adjusts for the effects of inflation for analysis purposes. In addition, for the three years ended 1987, 1988, and 1989, the Commission's contributions to the System, all made in accordance with actuarially determined requirements, were 12.0%, 12.5%, and 13.4%, respectively, of annual covered payroll.

The System is under the control of a separate Board of Trustees. The net assets of the System are available for all participants regardless of the option elected. Accounting and financial reporting for the System is performed by non-Commission employees employed directly by the System. The System financial records are not maintained on a County basis.

The Commission provides postretirement benefits for medical insurance for employees who retire under the System and their families. To be eligible for this benefit, the retiree must have been covered under the Commission's medical insurance plan at least three years prior to retirement. A death benefit of \$10,000 is also provided to retirees of the System. The Commission paid \$200,800 and \$265,200, for the years ending June 30, 1988 and 1989, respectively for these benefits.

1989 COLA

During July 1989, a cost-of-living adjustment ("COLA") was approved which will increase System costs by an estimated \$1.5 million per year (3.3% of covered payroll).

Social Security

Commission employees, other than park police, participate in the Federal Social Security System for which the Commission contributed \$3,334,000 and \$3,705,000, respectively, in 1988 and 1989.

(B) Maryland State Retirement System "MSRS"

Pension costs for certain employees/retirees who elected to remain in the State Plan were \$481,000 in 1988 and \$772,810 in 1989. A total of 32 employees/retirees are covered in the State Plan (vs. 2,006 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.

(11) - 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, swimming pools, conference centers, equestrian centers, train rides and carousels. A landfill operation (Sandy Hill) is being conducted to convert a former gravel pit into a recreational facility. 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 four segments: Prince George's has the Bladensburg Marina, a recreational and flood control related facility, the Sandy Hill Landfill, and recreational and cultural facilities; Montgomery has recreational and cultural facilities.

The key financial data for these Funds for the year ended June 30, 1989, follow (\$000's).

	Montgomery	Prince George's			Commission	
	County	County			Total	
	Recreational and Cultural Facilities	Recreational and Cultural Facilities	Bladensburg Marina	Sandy Hill Landfill	Total	
Operating Revenues	\$5,205	\$ 3,777	\$ 30	\$ 1,436	\$ 5,243	\$10,448
Depreciation	270	490	52	4	546	816
Other Operating Expenses	4,065	5,602	215	---	5,817	9,882
Operating Income (Loss)	870	(2,315)	(236)	1,431	(1,120)	(250)
Operating Transfers In (Out)	(512)	1,749	189	(1,626)	312	(200)
Net Income (Loss)	588	(565)	(47)	(193)	(805)	(217)
Current Capital Contribution	---	640	---	---	640	640
Property, Plant, and Equipment Additions:	164	696	---	---	696	860
Net Working Capital (Deficit)	3,253	(1,712)	(78)	597	(1,193)	2,060
Long-Term Liabilities	83	1,735	---	---	1,735	1,818
Retained Earnings (Deficit)	2,943	(2,351)	(49)	1,748	(652)	2,291
Total Equity	9,317	8,242	2,293	1,748	12,283	21,600
Total Assets	9,768	12,355	2,370	1,748	16,473	26,241

(12) - BUDGETARY DATA

The General Purpose Financial Statements are presented in accordance with GAAP, except for Exhibit 3 and Notes 16(C) and 16(H) to the financial statements, which are presented on a basis consistent with the legally adopted budget. Under the budgetary method, current year outstanding encumbrances are charged to the budgetary appropriations and are considered expenditures of the current period; inventories are treated as expenditures when received. GAAP considers outstanding encumbrances and inventory balances as reservations of fund balances which are charged to expenditures in the period in which the goods or services are received, or used.

A reconciliation of the two basis of presentations is as follows.

	<u>Montgomery County</u>		<u>Prince George's County</u>			<u>Commission</u>
	Adminis- tration <u>Account</u>	Park <u>Account</u>	Adminis- tration <u>Account</u>	Park <u>Account</u>	Recreation <u>Account</u>	<u>Total</u>
						<u>General Fund</u>
Reconciliation from Budget Basis to GAAP Basis for the year ended June 30, 1989:						
Adjustment to Expenditures						
To Increase -						
Encumbrances -						
June 30, 1988	\$ 1,211,582	\$ 287,317	\$ 1,217,793	\$ 779,008	\$ 448,034	\$ 3,943,734
Beginning Inventories	---	44,000	---	---	59,100	103,100
To Decrease -						
Encumbrances -						
June 30, 1989	(884,211)	(455,030)	(1,319,708)	(1,003,806)	(370,340)	(4,033,095)
Ending Inventories	---	---	---	---	(63,150)	(63,150)
Increase in Current Portion of Accrued Leave Liability	<u>12,000</u>	<u>22,000</u>	<u>10,000</u>	<u>20,000</u>	<u>5,000</u>	<u>69,000</u>
Total Adjustment	<u>339,371</u>	<u>(101,713)</u>	<u>(91,915)</u>	<u>(204,798)</u>	<u>78,644</u>	<u>19,589</u>
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses:						
Budget Basis	<u>(350,500)</u>	<u>(136,695)</u>	<u>664,753</u>	<u>603,070</u>	<u>(140,067)</u>	<u>640,561</u>
GAAP Basis	<u>(689,871)</u>	<u>(34,982)</u>	<u>756,668</u>	<u>807,868</u>	<u>(218,711)</u>	<u>620,972</u>
Fund Balance, July 1, 1988						
GAAP Basis	<u>1,638,338</u>	<u>1,902,427</u>	<u>2,313,601</u>	<u>4,438,151</u>	<u>1,237,890</u>	<u>11,530,407</u>
Fund Balance, June 30, 1989						
GAAP Basis	<u>\$ 948,467</u>	<u>\$1,867,445</u>	<u>\$3,070,269</u>	<u>\$5,246,019</u>	<u>\$1,019,179</u>	<u>\$12,151,379</u>

(13) - LITIGATION

The Commission is a defendant in various legal actions which 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 General Counsel estimates that the resolution of claims resulting from all litigation against the Commission not covered by insurance would not materially affect the financial statements of the Commission.

(14) - COMMITMENTS AND CONTINGENCIES

(A) - Operating and Capital Leases

The Commission is committed under several operating lease agreements for office space and to equipment installment purchase agreements expiring at various times through 1994. The agreements provide for termination in the event of non-appropriation of funds. All equipment installment purchases are financed by the proprietary funds and have been capitalized; there are no capital leases in the governmental funds.

Future minimum lease commitments under noncancellable capital and operating leases at June 30, 1989, are as follows (\$ 000's).

Year Ending June 30	Capital Leases			Operating Leases		
	Total	Montgomery County	Prince George's County	Total	Montgomery County	Prince George's County
1990	\$ 809	\$ 741	\$ 68	\$266	\$36	\$230
1991	548	504	44	223	--	223
1992	462	426	36	174	--	174
1993	17	--	17	95	--	95
1994	13	--	13	11	--	11
Total minimum lease payments	1,849	1,671	178	\$769	\$36	\$733
Less: Amount representing interest	188	179	9			
Net present value of minimum lease payments	<u>\$1,661</u>	<u>\$1,492</u>	<u>\$169</u>			

In fiscal year 1989, expenditures in the General Fund included \$148,440 (Montgomery - \$35,160, Prince George's - \$113,280,) relating to the rental of office space.

(B) Grant Program

The Commission, as grantee or sub-grantee, participates in a number of Federal and State grant programs, which are subject to financial and compliance audits. As of June 30, 1989, audits of certain programs have not been conducted. The Commission believes it has complied with applicable grant requirements and the amount of expenditures which may be disallowed by the granting agencies, if any, is expected to be immaterial. Direct and indirect grant revenues from the Federal government for 1989 was \$356,343. The Commission engaged independent accountants to conduct an audit of Federal grants as required by the Single Audit Act of 1984 and Circular A-128 issued by the Office of Management and Budget.

(15) COMPENSATED ABSENCES

(A) Governmental Fund Types

As of June 30, 1989, Commission employees had earned, but not taken, annual leave and compensatory leave which, at their current salary rates, amounted to approximately \$5,750,000 (Montgomery - \$2,675,000, Prince George's - \$3,075,000). If this leave is not taken by the employees during their employment, the Commission is committed to make certain cash payments on termination or retirement at the salary rates then in effect.

The Commission established an Expendable Trust Fund for each County in 1986 to provide funding on a current basis for the amount of annual leave earned in excess of annual leave taken. As of June 30, 1989, the amount available is \$812,239 (Montgomery - \$312,461, Prince George's - \$499,778).

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 with expendable available financial resources. This amount is recorded as a current liability 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 <u>County</u>	Prince George's <u>County</u>	<u>Total</u>
Liability as of June 30, 1988:			
Current Portion	\$ 491,000	\$ 490,000	\$ 981,000
Remaining Portion	<u>1,887,000</u>	<u>2,152,000</u>	<u>4,039,000</u>
Total	<u>2,378,000</u>	<u>2,642,000</u>	<u>5,020,000</u>
Change in Liability:			
Current Portion -			
Expenditure for FY 1989	34,000	35,000	69,000
Remaining Portion -			
Increase in General Long-Term Obligation Account Group	<u>263,000</u>	<u>398,000</u>	<u>661,000</u>
Total	<u>297,000</u>	<u>433,000</u>	<u>730,000</u>
Liability as of June 30, 1989:			
Current Portion	525,000	525,000	1,050,000
Remaining Portion	<u>2,150,000</u>	<u>2,550,000</u>	<u>4,700,000</u>
TOTAL	<u>\$2,675,000</u>	<u>\$3,075,000</u>	<u>\$5,750,000</u>

(B) Proprietary Fund Types

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

(16) - COUNTY FINANCIAL DATA

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

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

NOTE 16 (a)

MONTGOMERY COUNTY

Schedule of Assets, Liabilities and Fund Equity - ALL FUND TYPES AND ACCOUNT GROUPS
June 30, 1989

	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, 1989	June 30, 1988
ASSETS										
Cash and Investments	\$ 1,921,530	\$ 241,548	\$ 3,598,704	\$ 3,050,669	\$ 200	\$ 8,927,438	\$ ---	\$ ---	\$ 17,740,089	\$ 23,159,464
Receivables - Taxes	1,579,090	---	---	---	---	---	---	---	1,579,090	1,121,090
Receivables - Other	39,750	---	---	291	73,725	---	---	---	113,775	262,238
Due from Other Funds	1,794,020	---	---	---	---	---	---	---	1,794,020	818,778
Due from Other Governments	101,762	---	4,013,340	131,109	1,878,388	---	---	---	6,126,599	4,403,684
Inventories, at Cost	---	---	---	429,455	---	---	---	---	429,455	524,223
Deposits and Other	---	---	---	7,987	628,330	---	---	---	636,317	615,378
Total Current Assets	5,436,162	241,548	7,612,044	3,621,511	2,508,643	8,927,438	---	---	26,419,346	30,932,055
Restricted Assets -	---	---	---	---	---	---	---	---	---	---
Land Held for Transfer	---	---	---	---	---	14,089,286	---	---	14,089,286	9,565,779
Fixed Assets	---	---	---	8,558,914	10,851,564	---	121,276,945	---	140,687,443	133,613,315
Accumulated Depreciation	---	---	---	(2,411,966)	(6,869,378)	---	---	---	(9,281,342)	(7,899,349)
Amount Available in Debt Service Funds	---	---	---	---	---	---	---	171,506	171,506	48,000
Amount Available in Expendable Trust Funds	---	---	---	---	---	---	---	312,461	312,461	359,837
Resources to be Provided in Future Years -	---	---	---	---	---	---	---	---	---	---
Retirement of General Obligation Bonds	---	---	---	---	---	---	---	24,768,494	24,768,494	27,537,000
Retirement of Accrued Liability for Compensated Absences	---	---	---	---	---	---	---	1,837,539	1,837,539	1,527,163
Total Assets	\$ 5,436,162	\$ 241,548	\$ 7,612,044	\$ 9,768,459	\$ 6,562,851	\$ 23,016,724	\$ 121,276,945	\$ 27,090,000	\$ 201,004,733	\$ 195,654,660
LIABILITIES AND FUND EQUITY										
Liabilities:										
Current Portion of Capital Leases Payable	\$ ---	\$ ---	\$ ---	\$ 48,675	\$ 593,758	\$ ---	\$ ---	\$ ---	\$ 642,433	\$ 613,534
Accounts Payable	568,387	---	1,868,697	141,678	282,147	4,034,042	---	---	6,894,949	1,756,496
Accrued Liabilities	1,167,785	---	---	163,292	1,490,826	32,407	---	---	2,874,310	2,435,686
Due to Other Funds	108,415	---	---	---	1,794,020	---	---	---	1,902,435	1,078,750
Due to Other Governments	8,460	---	---	---	---	---	---	---	8,460	5,643
Deposits and Deferred Revenue	767,203	---	66,985	14,752	---	33,676	---	---	882,616	972,225
Matured Bonds and Interest Payable	---	70,042	---	59	1,520	---	---	---	71,621	59,270
Total Current Liabilities	2,620,250	70,042	1,935,682	368,454	4,162,271	4,120,125	---	---	13,276,824	7,299,604
General Obligation Bonds Payable - Net of Current Portion	---	---	---	---	---	---	---	24,940,000	24,940,000	27,585,000
Capital Leases Payable - Net of Current Portion	---	---	---	83,064	766,634	---	---	---	849,698	1,513,776
Accrued Liability for Compensated Absences	---	---	---	---	---	---	---	2,150,000	2,150,000	1,887,000
Total Liabilities	2,620,250	70,042	1,935,682	451,518	4,929,105	4,120,125	---	27,090,000	41,216,722	38,285,380
Fund Equity:										
Contributed Capital	---	---	---	6,374,197	525,128	---	---	---	6,899,325	6,899,325
Investment in General Fixed Assets	---	---	---	---	---	---	121,276,945	---	121,276,945	115,419,979
Retained Earnings (Deficit) -	---	---	---	---	---	---	---	---	---	---
Reserved for Contingency	---	---	---	---	86,497	---	---	---	86,497	1,366,710
Unreserved -	---	---	---	2,942,744	1,022,121	---	---	---	3,964,865	3,480,777
Fund Balances -	---	---	---	---	---	---	---	---	---	---
Reserved for Encumbrances	1,319,241	---	3,897,737	---	---	---	---	---	5,236,978	4,473,832
Reserved for Inventories	---	---	---	---	---	---	---	---	---	44,000
Reserved for Land Held for Transfer	---	---	---	---	---	14,089,286	---	---	14,089,286	9,565,779
Reserved for Debt Service	---	171,506	---	---	---	---	---	---	171,506	48,000
Unreserved -	---	---	---	---	---	---	---	---	---	---
Designated for Subsequent Year's Expenditures	1,476,671	---	1,778,625	---	---	4,807,313	---	---	8,062,609	16,064,463
Undesignated	---	---	---	---	---	---	---	---	---	6,355
Total Retained Earnings/Fund Balances	2,815,912	171,506	5,676,362	2,942,744	1,108,618	18,896,599	---	---	31,611,741	35,049,916
Total Fund Equity	2,815,912	171,506	5,676,362	9,316,941	1,635,746	18,896,599	121,276,945	---	159,788,011	157,366,220
Total Liabilities and Equity	\$ 5,436,162	\$ 241,548	\$ 7,612,044	\$ 9,768,459	\$ 6,562,851	\$ 23,016,724	\$ 121,276,945	\$ 27,090,000	\$ 201,004,733	\$ 195,654,660

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

MONTGOMERY COUNTY

NOTE 16 (B)

Schedule of Revenues, Expenditures, and Changes in Fund Balances - ALL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUNDS
For the Fiscal Year Ended June 30, 1989

	Governmental Fund Types			Fiduciary Fund Type Expendable Trust	Totals (Memorandum Only)	
	General - Accounts	Debt Service	Capital Projects		Year Ended	
					June 30, 1989	June 30, 1988
Revenues:						
Property Taxes	\$ 39,967,035	\$ 374,128	\$ ---	\$ ---	\$ 40,341,163	\$ 35,544,904
Intergovernmental	68,883	---	7,198,451	---	7,267,334	6,146,386
Charges for Services	1,159,655	---	---	3,416,425	4,576,080	4,272,320
Interest	1,066,933	6,223	332,971	614,869	2,020,996	1,851,730
Miscellaneous	60,553	---	57,600	413,315	531,498	537,705
Total Revenues	<u>42,323,059</u>	<u>380,351</u>	<u>7,589,022</u>	<u>4,444,639</u>	<u>54,737,071</u>	<u>48,353,045</u>
Expenditures:						
Current -						
General Government	3,191,323	---	---	---	3,191,323	2,803,257
County Planning and Zoning	9,843,697	---	---	---	9,843,697	7,657,162
Park Operation and Maintenance	26,292,431	---	---	---	26,292,431	24,298,460
Miscellaneous Expendable Trust Funds	---	---	---	3,569,058	3,569,058	3,110,399
Capital Outlay - Land Acquisition and Development	---	---	11,140,192	---	11,140,192	8,841,451
Debt Service -						
Principal Retirement	---	2,645,000	---	---	2,645,000	2,585,000
Interest and Fiscal Charges	---	1,559,420	---	---	1,559,420	1,296,356
Total Expenditures	<u>39,327,451</u>	<u>4,204,420</u>	<u>11,140,192</u>	<u>3,569,058</u>	<u>58,241,121</u>	<u>50,592,085</u>
Excess of Revenues over (under) Expenditures	<u>2,995,608</u>	<u>(3,824,069)</u>	<u>(3,551,170)</u>	<u>875,581</u>	<u>(3,504,050)</u>	<u>(2,239,040)</u>
Other Financing Sources (Uses):						
Proceeds of General Obligation Bonds	---	---	---	---	---	7,000,000
Operating Transfers In	682,971	3,947,575	981,000	---	5,611,546	4,618,525
Operating Transfers Out	(4,403,432)	---	(332,971)	(13,143)	(4,749,546)	(4,338,525)
Total Other Financing Sources (Uses)	<u>(3,720,461)</u>	<u>3,947,575</u>	<u>648,029</u>	<u>(13,143)</u>	<u>862,000</u>	<u>7,280,000</u>
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses	<u>(724,853)</u>	<u>123,506</u>	<u>(2,903,141)</u>	<u>862,438</u>	<u>(2,642,050)</u>	<u>5,040,960</u>
Fund Balances, July 1	<u>3,540,765</u>	<u>48,000</u>	<u>8,579,503</u>	<u>18,034,161</u>	<u>30,202,429</u>	<u>25,161,469</u>
Fund Balances, June 30	<u>\$ 2,815,912</u>	<u>\$ 171,506</u>	<u>\$ 5,676,362</u>	<u>\$ 18,896,599</u>	<u>\$ 27,560,379</u>	<u>\$ 30,202,429</u>

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

NOTE 16 (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, 1989

	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Property Taxes	\$ 39,953,966	\$ 39,967,035	\$ 13,069
Intergovernmental	61,900	68,883	6,983
Charges for Services	443,400	430,415	(12,985)
Rentals and Concessions	651,000	729,240	78,240
Interest	781,000	1,066,933	285,933
Miscellaneous	62,500	60,553	(1,947)
Total Revenues	<u>41,953,766</u>	<u>42,323,059</u>	<u>369,293</u>
Expenditures/Encumbrances:			
Current -			
General Government	3,165,890	3,204,124	(38,234)
County Planning and Zoning	9,620,520	9,491,525	128,995
Park Operation and Maintenance	27,301,088	26,394,144	906,944
Total Expenditures/Encumbrances	<u>40,087,498</u>	<u>39,089,793</u>	<u>997,705</u>
Excess of Revenues over (under) Expenditures/Encumbrances	<u>1,866,268</u>	<u>3,233,266</u>	<u>1,366,998</u>
Other Financing Sources (Uses):			
Operating Transfers In	590,000	682,971	92,971
Operating Transfers Out	<u>(4,189,000)</u>	<u>(4,403,432)</u>	<u>(214,432)</u>
Total Other Financing Sources (Uses)	<u>(3,599,000)</u>	<u>(3,720,461)</u>	<u>(121,461)</u>
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses - Budget Basis	<u>\$ (1,732,732)</u>	<u>(487,195)</u>	<u>\$ 1,245,537</u>
Fund Balances - Budget Basis, July 1		<u>2,488,866</u>	
Fund Balances - Budget Basis, June 30		<u>\$ 2,001,671</u>	

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

NOTE 16 (D)

MONTGOMERY COUNTY

Schedule of Revenues, Expenses, and Changes in
Retained Earnings - ALL PROPRIETARY FUND TYPES
For the Fiscal Year Ended June 30, 1989

	Proprietary Fund Types		Totals (Memorandum Only)	
	Enterprise	Internal	Year Ended	
		Service	June 30, 1989	June 30, 1988
Operating Revenues:				
Sales	\$ 844,586	\$ ---	\$ 844,586	\$ 860,763
Charges for Services	3,219,807	4,785,332	8,005,139	7,428,080
Rentals and Concessions	1,141,132	---	1,141,132	862,708
Miscellaneous	---	108,639	108,639	96,651
Total Operating Revenues	<u>5,205,525</u>	<u>4,893,971</u>	<u>10,099,496</u>	<u>9,242,202</u>
Operating Expenses:				
Cost of Goods Sold	503,895	---	503,895	478,642
Personal Services	2,049,482	500,241	2,549,723	2,373,690
Supplies and Materials	436,931	18,061	454,992	448,982
Other Services and Charges	598,209	4,092,125	4,690,334	3,408,761
Indirect Charges	476,973	---	476,973	337,902
Depreciation	270,364	1,238,198	1,508,562	1,305,482
Total Operating Expenses	<u>4,335,854</u>	<u>5,848,625</u>	<u>10,184,479</u>	<u>8,353,459</u>
Operating Income (Loss)	869,671	(954,654)	(84,983)	894,743
Nonoperating Revenues	242,431	51,161	293,592	296,292
Nonoperating Expenses	(11,863)	(130,871)	(142,734)	(220,906)
Nonoperating Revenues (Expenses), Net	<u>230,568</u>	<u>(79,710)</u>	<u>150,858</u>	<u>75,386</u>
Income (Loss) Before Operating Transfers	1,100,239	(1,034,364)	65,875	970,129
Operating Transfers In	35,000	---	35,000	30,000
Operating Transfers Out	(547,000)	(350,000)	(897,000)	(310,000)
Total Operating Transfers	<u>(512,000)</u>	<u>(350,000)</u>	<u>(862,000)</u>	<u>(280,000)</u>
Net Income (Loss)	588,239	(1,384,364)	(796,125)	690,129
Retained Earnings (Deficit), July 1	2,354,505	2,492,982	4,847,487	4,157,358
Retained Earnings (Deficit), June 30	<u>\$ 2,942,744</u>	<u>\$ 1,108,618</u>	<u>\$ 4,051,362</u>	<u>\$ 4,847,487</u>

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

NOTE 16 (E)

MONTGOMERY COUNTY

Schedule of Changes in Financial Position - ALL PROPRIETARY FUND TYPES
For the Fiscal Year Ended June 30, 1989

	Proprietary Fund Types		Totals (Memorandum Only)	
	Enterprise	Internal Service	Year Ended	
			June 30, 1989	June 30, 1988
Sources of Working Capital:				
Operations -				
Net Income (Loss)	\$ 588,239	\$ (1,384,364)	\$ (796,125)	\$ 690,129
Depreciation Not Requiring Working Capital	270,364	1,238,198	1,508,562	1,305,482
Working Capital Provided by (used in) Operations	858,603	(146,166)	712,437	1,995,611
Increases in Capital Leases Payable	---	---	---	174,765
Disposal of Equipment	---	37,279	37,279	10,247
Total Sources of Working Capital	858,603	(108,687)	749,716	2,180,623
Uses of Working Capital:				
Acquisition of Property and Equipment	163,918	1,217,092	1,381,010	1,937,492
Decrease in Capital Leases Payable	3,495	25,404	28,899	---
Payment of Capital Leases Payable	45,180	589,799	634,979	1,135,192
Total Uses of Working Capital	212,593	1,832,295	2,044,888	3,072,684
Net Increase (Decrease) in Working Capital	\$ 646,010	\$ (1,941,182)	\$ (1,295,172)	\$ (892,061)
Elements of Net Increase (Decrease) in Working Capital:				
Cash and Investments	\$ 474,061	\$ (60,852)	\$ 413,209	\$ (681,422)
Accounts Receivable	(24,538)	(93,362)	(117,900)	143,126
Due from Other Funds	---	(123,191)	(123,191)	123,191
Due from Other Governments	133,109	73,256	206,365	212,505
Inventories	(50,768)	---	(50,768)	41,590
Deposits and Other	(42)	22,981	22,939	(114,061)
Current Portion of Capital Leases Payable	(3,495)	(25,404)	(28,899)	174,765
Accounts Payable	(49,750)	(9,095)	(58,845)	(91,072)
Claims Payable	---	(433,337)	(433,337)	21,636
Accrued Salaries and Benefits	27,677	7,286	34,963	15,576
Accrued Leave	(8,296)	(12,067)	(20,363)	(12,094)
Estimate of Incurred but Unreported Claims	---	(241,896)	(241,896)	53,560
Interest Payable	---	(133)	(133)	10,454
Due to Other Funds	59,884	(1,060,368)	(1,000,484)	(769,716)
Deferred Revenue	88,168	15,000	103,168	(20,099)
Net Increase (Decrease) in Working Capital	\$ 646,010	\$ (1,941,182)	\$ (1,295,172)	\$ (892,061)

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

PRINCE GEORGE'S COUNTY

WFO 10-271

Schedule of Assets, Liabilities and Fund Equity All FUND TYPES AND ACCOUNT GROUPS
June 30, 1989

	ENVIRONMENTAL FUND TYPES			PROPRIETARY FUND TYPES		FINANCIAL FUND TYPES		ACCOUNT GROUPS		TOTALS (MEMORANDUM TABLE)	
	General Accounts	Debt Service	Capital Projects	Enterprise	Internal Service	Trust and Agency Funds	General		June 30, 1989	June 30, 1988	
							Fund Assets	Long-Term Obligations			
ASSETS											
Cash and Investments	\$ 8,718,178	\$ 562,730	\$ 8,821,274	\$ 373,956	\$ 497,513	\$ 9,505,354	\$ ---	\$ ---	\$ 28,878,265	\$ 24,495,132	
Receivables - Taxes	818,435	---	---	---	---	---	---	---	818,435	818,435	
Receivables - Other	513,367	---	42,897	315,880	7,499	25,372	---	---	904,913	904,913	
Due from Other Funds	2,067,468	---	---	---	---	---	---	---	2,067,468	1,963,805	
Due from Other Governments	288,849	---	1,129,048	274,376	617,918	---	---	---	2,308,200	1,863,258	
Investments, at Cost	63,150	---	250,000	395,468	---	---	---	---	308,618	374,498	
Deposits and Other	11,193	---	---	8,488	389,320	---	---	---	636,201	371,408	
Total Current Assets	12,280,629	562,730	10,242,519	1,292,268	1,912,250	9,530,726	---	---	33,790,832	40,475,407	
Advances to Other Funds	---	---	---	---	---	1,734,875	---	---	1,734,875	1,734,875	
Restricted Assets											
Land held for Transfer	---	---	---	---	---	8,984,827	---	---	8,984,827	8,984,821	
Other	---	---	---	---	---	210,400	---	---	310,402	297,821	
Fund Assets	---	---	---	20,447,807	2,921,731	126,546,711	---	---	149,974,255	132,868,273	
Accumulated Depreciation	---	---	---	(5,277,860)	(1,838,343)	---	---	---	(7,116,203)	(8,297,579)	
Amount Available in Debt Service Funds	---	---	---	---	---	---	---	448,859	448,859	423,000	
Amount Available in Expendable Trust Funds	---	---	---	---	---	---	---	499,778	499,778	505,126	
Resources to be Provided in Future Years	---	---	---	---	---	---	---	---	---	---	
Retirement of General Obligation Bonds	---	---	---	---	---	---	---	81,938,341	81,938,341	84,797,000	
Retirement of Accrued Liability for Compensated Absences	---	---	---	---	---	---	---	2,050,222	2,050,222	1,646,874	
Total Assets	\$ 12,280,629	\$ 562,730	\$ 10,242,519	\$ 18,472,115	\$ 2,994,455	\$ 18,540,620	\$ 126,546,711	\$ 84,925,000	\$ 232,545,789	\$ 223,015,788	
LIABILITIES AND FUND EQUITY											
Liabilities:											
Current Portion of Bonds Payable	\$ ---	\$ ---	\$ ---	\$ ---	\$ 50,000	\$ ---	\$ ---	\$ ---	\$ 50,000	\$ 50,000	
Current Portion of Capital Leases Payable	---	---	---	---	82,442	---	---	---	82,442	82,486	
Accounts Payable	868,153	---	1,048,833	350,102	197,947	108,048	---	---	2,671,183	2,257,146	
Accrued Liabilities	1,478,016	---	---	209,565	1,299,274	95,215	---	---	3,178,070	3,190,822	
Due to Other Funds	---	---	---	1,847,289	220,179	---	---	---	2,067,468	2,293,665	
Due to Other Governments	1,545	---	---	---	---	---	---	---	1,545	1,118	
Deposits and Deferred Revenue	499,348	---	---	88,635	---	16,820	---	---	584,803	442,240	
Matured Bonds and Interest Payable	---	222,071	---	---	966	---	---	---	223,037	94,996	
Total Current Liabilities	2,945,162	222,071	1,048,833	2,455,591	1,928,808	219,283	---	---	8,717,748	8,496,796	
General Obligation Bonds Payable - Net of Current Portion	---	---	---	---	150,000	---	---	42,875,000	42,525,000	43,120,000	
Capital Leases Payable - Net of Current Portion	---	---	---	---	106,404	---	---	---	106,404	89,953	
Advances from Other Funds	---	---	---	1,734,875	---	---	---	---	1,734,875	1,734,875	
Deferred Revenue - Long-Term	---	---	---	---	---	---	---	---	---	23,732	
Accrued Liability for Compensated Absences	---	---	---	---	---	---	---	2,550,000	2,550,000	2,152,000	
Total Liabilities	2,945,162	222,071	1,048,833	4,190,466	2,113,212	219,283	---	44,925,000	55,624,027	57,816,166	
Fund Equity:											
Contributed Capital	---	---	---	12,934,815	4,860	---	---	---	12,939,671	12,299,549	
Investment in General Fixed Assets	---	---	---	---	---	---	126,546,711	---	126,546,711	111,836,519	
Retained Earnings (Deficit):	---	---	---	---	---	---	---	---	---	---	
Reserved for Contingency	---	---	---	---	286,209	---	---	---	286,209	---	
Unreserved	---	---	---	(832,152)	519,674	---	---	---	(312,478)	596,929	
Fund Balances -	---	---	---	---	---	---	---	---	---	---	
Reserved for Encumbrances	2,693,814	---	8,063,823	---	---	---	---	---	8,757,637	8,292,949	
Reserved for Investments	63,150	---	---	---	---	---	---	---	63,150	59,100	
Reserved for Land held for Transfer	---	---	---	---	---	8,999,302	---	---	8,999,302	8,828,757	
Reserved for Debt Service	---	842,659	---	---	---	---	---	---	842,658	123,000	
Unreserved -	---	---	---	---	---	---	---	---	---	---	
Designated for Subsequent Year's Expenditures	5,826,496	---	3,129,863	---	---	9,821,845	---	---	18,588,604	24,729,982	
Undesignated	741,567	---	---	---	---	---	---	---	741,567	1,522,931	
Total Related Earnings/Fund Balances	9,325,467	842,659	8,193,686	(52,152)	806,383	10,321,347	---	---	37,445,280	42,063,558	
Total Fund Equity	9,325,467	842,659	8,193,686	12,120,449	811,243	10,321,347	126,546,711	---	178,951,762	165,299,822	
Total Liabilities and Equity	\$ 12,280,629	\$ 562,730	\$ 10,242,519	\$ 18,472,115	\$ 2,994,455	\$ 18,540,620	\$ 126,546,711	\$ 44,925,000	\$ 232,545,789	\$ 223,015,788	

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

NOTE 16 (6)

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, 1989

	Governmental Fund Types			Fiduciary	Totals	
	General	Debt	Capital	Fund	(Memorandum Only)	
	Accounts	Service	Projects	Expendable Trust	Year Ended	Year Ended
					June 30,	June 30,
					1989	1988
Revenues:						
Property Taxes	\$ 54,927,051	\$ 339,510	\$ ---	\$ ---	\$ 55,266,561	\$ 47,112,582
Intergovernmental	648,045	---	1,253,360	---	1,901,405	2,235,777
Charges for Services	3,886,086	---	---	5,289,553	9,175,639	7,844,048
Interest	1,666,106	16,074	382,467	695,436	2,760,083	2,290,987
Miscellaneous	205,587	---	---	619,521	825,108	1,266,045
Total Revenues	<u>61,332,075</u>	<u>355,584</u>	<u>1,635,827</u>	<u>6,604,510</u>	<u>69,928,796</u>	<u>60,757,439</u>
Expenditures:						
Current -						
General Government	3,250,894	---	---	---	3,250,894	2,917,397
County Planning and Zoning	8,079,171	---	---	---	8,079,171	6,752,467
Park Operation and Maintenance	26,263,861	---	---	---	26,263,861	24,411,220
Recreation Programs	15,072,671	---	---	---	15,072,671	12,673,938
Miscellaneous Expendable Trust Funds	---	---	---	5,609,663	5,609,663	4,386,771
Capital Outlay - Land Acquisition and Development	---	---	9,688,607	---	9,688,607	8,903,279
Debt Service -						
Principal Retirement	---	2,545,000	---	---	2,545,000	2,445,000
Interest and Fiscal Charges	---	2,856,489	---	---	2,856,489	1,998,830
Total Expenditures	<u>52,666,597</u>	<u>5,401,489</u>	<u>9,688,607</u>	<u>5,609,663</u>	<u>73,366,356</u>	<u>64,488,902</u>
Excess of Revenues over (under) Expenditures	<u>8,666,278</u>	<u>(5,045,905)</u>	<u>(8,052,780)</u>	<u>994,847</u>	<u>(3,437,560)</u>	<u>(3,731,463)</u>
Other Financing Sources (Uses):						
Proceeds of General Obligation Bonds	---	---	---	---	---	18,000,000
Operating Transfers In	382,467	5,374,920	1,590,000	11,356	7,358,743	5,514,709
Operating Transfers Out	<u>(7,702,920)</u>	<u>(11,356)</u>	<u>(382,467)</u>	---	<u>(8,096,743)</u>	<u>(5,764,709)</u>
Total Other Financing Sources (Uses)	<u>(7,320,453)</u>	<u>5,363,564</u>	<u>1,207,533</u>	<u>11,356</u>	<u>(738,000)</u>	<u>17,750,000</u>
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses	<u>1,345,825</u>	<u>317,659</u>	<u>(6,845,247)</u>	<u>1,006,203</u>	<u>(4,175,560)</u>	<u>14,018,537</u>
Fund Balances, July 1	<u>7,989,642</u>	<u>123,000</u>	<u>16,038,931</u>	<u>17,315,144</u>	<u>41,466,719</u>	<u>27,448,182</u>
Fund Balances, June 30	<u>\$ 9,335,467</u>	<u>\$ 440,659</u>	<u>\$ 9,193,686</u>	<u>\$ 18,321,347</u>	<u>\$ 37,291,159</u>	<u>\$ 41,466,719</u>

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

NOTE 16 (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, 1989

	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Property Taxes	\$ 54,767,250	\$ 54,927,051	\$ 159,801
Intergovernmental	873,195	648,045	(225,150)
Charges for Services	2,809,690	2,981,470	171,780
Rentals and Concessions	662,000	904,616	242,616
Interest	890,000	1,666,106	776,106
Miscellaneous	80,550	205,587	125,037
Total Revenues	<u>60,082,685</u>	<u>61,332,875</u>	<u>1,250,190</u>
Expenditures/Encumbrances:			
Current -			
General Government	3,318,475	3,341,908	(23,433)
County Planning and Zoning	8,750,701	8,080,072	670,629
Park Operation and Maintenance	30,285,420	26,468,659	3,816,761
Recreation Programs	15,176,880	14,994,027	182,853
Total Expenditures/Encumbrances	<u>57,531,476</u>	<u>52,884,666</u>	<u>4,646,810</u>
Excess of Revenues over (under) Expenditures/Encumbrances	<u>2,551,209</u>	<u>8,448,209</u>	<u>5,897,000</u>
Other Financing Sources (Uses):			
Operating Transfers In	900,000	382,467	(517,533)
Operating Transfers Out	<u>(7,668,000)</u>	<u>(7,702,920)</u>	<u>(34,920)</u>
Total Other Financing Sources (Uses)	<u>(6,768,000)</u>	<u>(7,320,453)</u>	<u>(552,453)</u>
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses - Budget Basis	<u>\$ (4,216,791)</u>	1,127,756	<u>\$ 5,344,547</u>
Fund Balances - Budget Basis, July 1		<u>5,975,706</u>	
Fund Balances - Budget Basis, June 30		<u>\$ 7,103,462</u>	

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

NOTE 16 (1)

PRINCE GEORGE'S COUNTY

Schedule of Revenues, Expenses, and Changes in Retained Earnings -
ALL PROPRIETARY FUND TYPES
For the Fiscal Year Ended June 30, 1989

	Proprietary Fund Types		Totals (Memorandum Only)	
	Enterprise	Internal Service	Year Ended	
			June 30, 1989	June 30, 1988
Operating Revenues:				
Sales	\$ 908,981	\$ ---	\$ 908,981	\$ 454,861
Charges for Services	2,223,842	4,329,928	6,553,770	6,175,487
Rentals and Concessions	2,105,694	---	2,109,694	1,994,599
Miscellaneous	---	308,283	308,283	236,989
Total Operating Revenues	<u>5,242,517</u>	<u>4,638,211</u>	<u>9,880,728</u>	<u>8,861,936</u>
Operating Expenses:				
Cost of Goods Sold	557,336	---	557,336	311,769
Personal Services	2,330,834	505,247	2,836,081	2,305,009
Supplies and Materials	641,561	22,866	664,427	519,655
Other Services and Charges	1,867,702	4,054,153	5,921,855	4,473,775
Indirect Charges	419,206	---	419,206	449,777
Depreciation	545,939	214,829	760,768	701,668
Total Operating Expenses	<u>6,362,578</u>	<u>4,797,095</u>	<u>11,159,673</u>	<u>8,861,653</u>
Operating Income (Loss)	<u>(1,120,061)</u>	<u>(158,884)</u>	<u>(1,278,945)</u>	<u>283</u>
Nonoperating Revenues	121,479	122,180	243,659	589,037
Nonoperating Expenses	<u>(118,311)</u>	<u>(27,021)</u>	<u>(145,332)</u>	<u>(563,406)</u>
Nonoperating Revenues (Expenses), Net	<u>3,168</u>	<u>95,159</u>	<u>98,327</u>	<u>25,631</u>
Income (Loss) Before Operating Transfers	<u>(1,116,893)</u>	<u>(63,725)</u>	<u>(1,180,618)</u>	<u>25,914</u>
Operating Transfers In	312,000	426,000	738,000	250,000
Operating Transfers Out	---	---	---	---
Total Operating Transfers	<u>312,000</u>	<u>426,000</u>	<u>738,000</u>	<u>250,000</u>
Net Income (Loss)	<u>(804,893)</u>	<u>362,275</u>	<u>(442,618)</u>	<u>275,914</u>
Retained Earnings (Deficit), July 1	<u>152,731</u>	<u>444,108</u>	<u>596,839</u>	<u>320,925</u>
Retained Earnings (Deficit), June 30	<u>\$ (652,162)</u>	<u>\$ 806,383</u>	<u>\$ 154,221</u>	<u>\$ 596,839</u>

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

NOTE 16 (J)

PRINCE GEORGE'S COUNTY

Schedule of Changes in Financial Position - ALL PROPRIETARY FUND TYPES
For the Fiscal Year Ended June 30, 1989

	Proprietary Fund Types		Totals	
			(Memorandum Only)	
	Enterprise	Internal Service	Year Ended June 30, 1989	June 30, 1988
Sources of Working Capital:				
Operations -				
Net Income (Loss)	\$ (804,893)	\$ 362,275	\$ (442,618)	\$ 275,914
Depreciation Not Requiring Working Capital	545,939	214,829	760,768	701,668
Working Capital Provided by (used in) Operations	(258,954)	577,104	318,150	977,582
Increase in Capital Leases Payable	---	95,292	95,292	53,737
Disposal of Equipment	---	1,542	1,542	---
Increase in Deferred Revenue	---	---	---	27,732
Total Sources of Working Capital	(258,954)	673,938	414,984	1,000,051
Uses of Working Capital:				
Acquisition of Property and Equipment	696,068	284,941	981,009	588,034
Decrease in Deferred Revenue	---	22,732	22,732	12,994
Decrease in Bonds Payable	---	50,000	50,000	50,000
Decrease in Capital Leases Payable	---	19,753	19,753	129,230
Payment of Capital Leases Payable	---	58,990	58,990	143,970
Total Uses of Working Capital	696,068	436,416	1,132,484	924,228
Net Increase (Decrease) in Working Capital	\$ (955,022)	\$ 237,522	\$ (717,500)	\$ 129,823
Elements of Net Increase (Decrease) in Working Capital:				
Cash and Investments	(294,568)	664,707	370,139	668,065
Accounts Receivable	(6,521)	(107,500)	(114,021)	119,996
Due From Other Funds	---	(123,191)	(123,191)	123,191
Due from Other Governments	(249,839)	(54,497)	(304,336)	490,473
Inventories	(19,880)	---	(19,880)	5,316
Deposits and Other	400	22,981	23,381	(117,124)
Current Portion of Capital Leases Payable	---	(19,753)	(19,753)	53,737
Accounts Payable	(5,362)	(88,985)	(94,347)	(271,790)
Claims Payable	---	(236,388)	(236,388)	78,309
Accrued Salaries and Benefits	52,349	7,286	59,635	(1,232)
Accrued Leave	67	(12,067)	(12,000)	(54,200)
Estimate of Incurred but Unreported Claims	---	(138,986)	(138,986)	66,858
Interest Payable	---	(131)	(131)	5,437
Due to Other Funds	(423,040)	295,685	(127,355)	(992,318)
Deferred Revenue	(8,628)	28,361	19,733	(44,894)
Net Increase (Decrease) in Working Capital	\$ (955,022)	\$ 237,522	\$ (717,500)	\$ 129,823

♦ PART IIB ♦
FINANCIAL SECTION

Combining Statements and Schedules



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.

MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

EXHIBIT A-1

Schedule of Assets, Liabilities and Fund Balance - GENERAL FUND

June 30, 1989

	Montgomery County				Prince George's County				TOTALS		
	Adminis- tration Account	Park Account	Totals		Adminis- tration Account	Park Account	Recreation Account	Totals		June 30, 1989	June 30, 1988
			June 30, 1989	June 30, 1988				June 30, 1989	June 30, 1988		
ASSETS											
Equity in Pooled Cash and Investments	\$ 1,355,170	\$ 542,660	\$ 1,897,830	\$ 4,527,331	\$ 3,358,593	\$ 3,672,013	\$ 1,659,372	\$ 8,689,978	\$ 8,235,417	\$ 10,587,806	\$ 12,762,748
Other Cash	5,700	18,000	23,700	18,900	3,150	9,600	15,450	28,200	23,300	51,900	42,200
Receivables - Taxes	435,519	1,143,571	1,579,090	1,121,090	110,136	375,014	133,285	618,435	456,435	2,197,525	1,577,525
Receivables - Other	18,937	20,823	39,760	70,322	40,517	468,148	4,702	513,367	471,283	553,127	541,605
Due From Other Funds	43,258	1,750,762	1,794,020	695,587	43,258	2,024,210	---	2,067,468	1,703,629	3,861,488	2,399,216
Due From County Governments	---	30,097	30,097	---	127,834	15,000	21,750	164,584	27,772	194,681	27,772
Due From Other Governments	---	71,665	71,665	77,613	29,912	58,992	35,360	124,264	227,868	195,929	305,481
Inventories, At Cost	---	---	---	44,000	---	---	63,150	63,150	59,100	63,150	103,100
Deposits and Other	---	---	---	---	11,183	---	---	11,183	---	11,183	---
Total Current Assets	\$ 1,858,584	\$ 3,577,578	\$ 5,436,162	\$ 6,554,843	\$ 3,724,503	\$ 6,622,977	\$ 1,933,069	\$ 12,280,629	\$ 11,204,804	\$ 17,716,791	\$ 17,759,647
LIABILITIES AND FUND BALANCE											
Liabilities:											
Accounts Payable	\$ 292,746	\$ 275,641	\$ 568,387	\$ 445,512	\$ 239,024	\$ 487,893	\$ 239,336	\$ 966,253	\$ 699,127	\$ 1,534,640	\$ 1,144,639
Accrued Salaries and Benefits	406,214	761,571	1,167,785	1,513,556	361,609	645,764	470,643	1,478,016	1,773,294	2,645,801	3,286,850
Due to Other Funds	---	108,415	108,415	283,214	---	---	---	---	357,552	109,415	640,766
Due to County Government	8,460	---	8,460	5,643	1,545	---	---	1,545	1,118	10,005	6,761
Deposits and Deferred Revenue	202,697	564,506	767,203	766,153	52,136	243,301	203,911	499,348	384,071	1,266,551	1,150,224
Total Current Liabilities	910,117	1,710,133	2,620,250	3,014,078	654,314	1,376,958	913,890	2,945,162	3,215,162	5,565,412	6,229,240
Fund Balance:											
Reserved for Encumbrances	884,211	455,030	1,339,241	1,498,899	1,319,708	1,003,806	370,340	2,693,854	2,444,835	4,033,095	3,943,734
Reserved for Inventories	---	---	---	44,000	---	---	63,150	63,150	59,100	63,150	103,100
Unreserved -											
Designated for Subsequent Year's Expenditures	64,256	1,412,415	1,476,671	1,997,866	1,183,183	4,242,213	411,500	5,836,896	3,977,091	7,313,567	5,974,957
Undesignated	---	---	---	---	567,378	---	174,189	741,567	1,508,616	741,567	1,508,616
Total Fund Balance	948,467	1,867,445	2,815,912	3,540,765	3,070,269	5,246,019	1,019,179	9,335,467	7,989,642	12,151,379	11,530,407
Total Liabilities and Fund Balance	\$ 1,858,584	\$ 3,577,578	\$ 5,436,162	\$ 6,554,843	\$ 3,724,503	\$ 6,622,977	\$ 1,933,069	\$ 12,280,629	\$ 11,204,804	\$ 17,716,791	\$ 17,759,647

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

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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, 1989

	MONTGOMERY COUNTY				PRINCE GEORGE'S COUNTY				TOTALS		
	Adminis- tration ACCOUNT	Park Account	Totals Year Ended		Adminis- tration Account	Park Account	Recreation Account	Totals Year Ended		Year Ended	
			June 30, 1989	June 30, 1988				June 30, 1989	June 30, 1988	June 30, 1989	June 30, 1988
Revenues:											
Property Taxes	\$ 11,685,529	\$ 28,261,506	\$ 39,967,035	\$ 35,023,253	\$ 10,489,861	\$ 31,987,607	\$ 12,449,583	\$ 54,927,051	\$ 46,753,206	\$ 94,894,086	\$ 81,776,469
Intergovernmental -											
Federal	---	15,599	15,599	---	---	---	---	---	36,728	15,599	36,728
State	---	35,850	35,850	73,504	34,923	72,500	192,091	300,314	257,195	336,164	330,999
County	---	12,645	12,645	---	255,691	---	86,048	341,739	273,885	354,384	273,885
Local	---	4,789	4,789	15,135	---	5,992	---	5,992	2,514	10,781	17,649
Charges for Services	323,311	107,704	430,816	485,397	893,527	144,804	1,943,139	2,981,470	2,327,197	3,411,865	2,812,594
Rentals and Concessions	---	729,240	729,240	615,733	---	861,615	43,001	904,616	840,378	1,633,856	1,456,111
Interest	336,309	730,624	1,066,933	851,889	412,731	959,085	294,290	1,666,106	1,156,539	2,733,039	2,007,428
Miscellaneous	---	60,553	60,553	48,016	---	147,579	58,008	205,587	49,535	266,140	87,551
Total Revenues	12,345,149	29,977,910	42,323,059	37,112,927	12,086,733	34,179,182	15,066,960	61,332,875	51,696,477	103,655,934	88,609,404
Expenditures:											
General Government	3,191,323	---	3,191,323	2,803,257	3,250,894	---	---	3,250,894	2,917,397	6,442,217	5,720,654
Planning Department	9,843,697	---	9,843,697	7,657,162	8,079,171	---	---	8,079,171	6,752,467	17,922,668	14,409,629
Park Operation and Maintenance	---	26,292,431	26,292,431	24,298,460	---	26,263,861	---	26,263,861	24,411,220	32,556,292	48,709,680
Recreation Programs	---	---	---	---	---	---	15,072,671	15,072,671	12,673,938	15,072,671	12,673,938
Total Expenditures	12,035,020	26,292,431	39,327,451	34,758,879	11,330,065	26,263,861	15,072,671	52,406,597	46,735,022	91,994,048	81,513,901
Excess of Revenues over (under) Expenditures	(689,871)	3,685,479	2,995,608	2,354,048	756,668	7,915,321	(5,711)	8,666,278	4,941,455	11,661,886	7,295,503
Other Financing Sources (Uses):											
Operating Transfers In	---	682,971	682,971	223,136	---	382,467	---	382,467	491,569	1,065,438	714,705
Operating Transfers Out	---	(4,403,432)	(4,403,432)	(3,997,547)	---	(7,489,920)	(213,000)	(7,702,920)	(5,252,517)	(12,106,352)	(9,250,084)
Total Other Financing Sources (Uses)	---	(3,720,461)	(3,720,461)	(3,774,411)	---	(7,107,453)	(213,000)	(7,320,453)	(4,760,948)	(11,040,914)	(8,535,379)
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses	(689,871)	(34,982)	(724,853)	(1,420,363)	756,668	807,868	(218,711)	1,345,825	180,507	420,972	(1,239,856)
Fund Balance, July 1	1,638,336	1,902,627	3,540,765	4,961,128	2,313,601	4,438,151	1,237,890	7,989,642	7,869,135	11,530,407	12,770,263
Fund Balance, June 30	\$ 948,467	\$ 1,867,645	\$ 2,815,912	\$ 3,540,765	\$ 3,070,269	\$ 5,246,019	\$ 1,019,179	\$ 9,325,467	\$ 7,989,642	\$ 12,161,379	\$ 11,530,407

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

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, 1989 and 1988

	1989		Variance Favorable (Unfavorable)	1988
	Budget	Actual		Actual
Revenues:				
Property Taxes	\$ 11,677,966	\$ 11,685,529	\$ 7,563	\$ 10,077,067
Intergovernmental -				
State	---	---	---	48,500
Local	---	---	---	12,000
Charges for Services	300,000	323,311	23,311	336,745
Interest	210,000	336,309	126,309	267,750
Total Revenues	<u>12,187,966</u>	<u>12,345,149</u>	<u>157,183</u>	<u>10,742,062</u>
Expenditures/Encumbrances:				
Commissioners' Office	483,627	503,684	(20,057)	437,791
Community Relations	115,963	55,143	60,820	99,276
Central Administrative Services -				
Administration	980,254	1,059,256	(79,002)	960,953
Legal	337,600	354,266	(16,666)	275,378
Finance	1,022,100	1,068,349	(46,249)	881,920
Support Services	191,246	134,146	57,100	166,176
Total Central Administrative Services	<u>2,531,200</u>	<u>2,616,017</u>	<u>(84,817)</u>	<u>2,284,427</u>
Merit System Board	35,100	29,280	5,820	35,000
Planning Department	9,620,520	9,491,525	128,995	7,970,999
Total Expenditures/Encumbrances	<u>12,786,410</u>	<u>12,695,649</u>	<u>90,761</u>	<u>10,827,493</u>
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses	<u>\$ (598,444)</u>	<u>(350,500)</u>	<u>\$ 247,944</u>	<u>(85,431)</u>
Fund Balance - Budget Basis, July 1		<u>622,756</u>		<u>708,187</u>
Fund Balance - Budget Basis, June 30		<u>\$ 272,256</u>		<u>\$ 622,756</u>

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

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

EXHIBIT A-3

MONTGOMERY COUNTY

GENERAL FUND

Comparative Schedule of Revenues, Expenditures/Encumbrances, and
Changes in Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual - PARK ACCOUNT
For the Fiscal Years Ended June 30, 1989 and 1988

	1989		Variance Favorable (Unfavorable)	1988
	Budget	Actual		Actual
Property Taxes	\$ 28,276,000	\$ 28,281,506	\$ 5,506	\$ 24,546,186
Intergovernmental -				
Federal	---	15,599	15,599	---
State	41,900	35,850	(6,050)	25,004
County	---	12,645	12,645	---
Local	20,000	4,789	(15,211)	3,135
Charges for Services	143,400	107,104	(36,296)	148,652
Rentals and Concessions	651,000	729,240	78,240	615,733
Interest	571,000	730,624	159,624	584,139
Miscellaneous	62,500	60,553	(1,947)	48,016
Total Revenues	<u>29,765,800</u>	<u>29,977,910</u>	<u>212,110</u>	<u>26,370,865</u>
Expenditures/Encumbrances:				
Director of Parks	1,636,273	1,570,123	66,150	1,268,943
Park Planning, Engineering and Design	1,246,840	1,149,281	97,559	942,981
Park Police	4,450,265	4,434,296	15,969	4,181,295
Natural Resources	2,811,890	2,765,240	46,650	2,324,523
Central Maintenance	4,767,440	4,278,549	488,891	4,337,001
Region I, II, & III	9,376,030	9,163,034	212,996	8,075,172
Property Management	553,650	492,020	61,630	532,498
Support Services	2,458,700	2,541,601	(82,901)	2,332,967
Total Expenditures/Encumbrances	<u>27,301,088</u>	<u>26,394,144</u>	<u>906,944</u>	<u>24,195,380</u>
Excess of Revenues over (under) Expenditures/Encumbrances	<u>2,464,712</u>	<u>3,583,766</u>	<u>1,119,054</u>	<u>2,175,485</u>
Other Financing Sources (Uses):				
Operating Transfers In (Out) -				
Capital Projects Funds - Interest	240,000	332,971	92,971	223,136
Self-Insurance Internal Service Fund	350,000	350,000	---	---
Debt Service - Park Fund	(3,720,000)	(3,934,452)	(214,432)	(3,525,547)
Capital Projects Funds - Development	(434,000)	(434,000)	---	(442,000)
Enterprise Fund	(35,000)	(35,000)	---	(30,000)
Total Other Financing Sources (Uses)	<u>(3,599,000)</u>	<u>(3,720,461)</u>	<u>(121,461)</u>	<u>(3,774,411)</u>
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses	<u>\$ (1,134,288)</u>	<u>(136,695)</u>	<u>\$ 997,593</u>	<u>(1,598,926)</u>
Fund Balance - Budget Basis, July 1		<u>1,866,110</u>		<u>3,465,036</u>
Fund Balance - Budget Basis, June 30		<u>\$ 1,729,415</u>		<u>\$ 1,866,110</u>

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

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 - ADMINISTRATION ACC. UNIT
For the Fiscal Years Ended June 30, 1989 and 1988

	1989		Variance Favorable (Unfavorable)	1988
	Budget	Actual		Actual
Revenues:				
Property Taxes	\$ 10,289,980	\$ 10,469,861	\$ 199,881	\$ 8,851,296
Intergovernmental -				
Federal	---	---	---	36,728
State	34,923	34,923	---	---
County	246,942	255,691	8,749	222,285
Charges for Services	693,000	893,527	200,527	761,731
Interest	180,000	412,731	232,731	284,078
Total Revenues	<u>11,444,845</u>	<u>12,086,733</u>	<u>641,888</u>	<u>10,156,118</u>
Expenditures/Encumbrances:				
Commissioners' Office	793,500	781,682	11,818	644,947
Central Administrative Services -				
Administration	980,254	1,021,651	(41,397)	965,027
Legal	318,850	319,315	(465)	274,130
Finance	921,100	1,045,087	(53,987)	852,937
Support Services	199,671	144,892	54,779	176,350
Total Central Administrative Services	<u>2,489,875</u>	<u>2,530,945</u>	<u>(41,070)</u>	<u>2,268,444</u>
Merit System Board	35,100	29,281	5,819	38,236
Planning Department	<u>8,750,701</u>	<u>8,080,072</u>	<u>670,629</u>	<u>7,034,752</u>
Total Expenditures/Encumbrances	<u>12,069,176</u>	<u>11,421,980</u>	<u>647,196</u>	<u>9,986,379</u>
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses	<u>\$ (624,331)</u>	664,753	<u>\$ 1,289,084</u>	169,739
Fund Balance - Budget Basis, July 1		<u>1,252,806</u>		<u>1,083,067</u>
Fund Balance - Budget Basis, June 30		<u>\$ 1,917,559</u>		<u>\$ 1,252,806</u>

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

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

PRINCE GEORGE'S COUNTY

EXHIBIT A-1

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, 1989 and 1988

	1989		Variance Favorable (Unfavorable)	1988
	Budget	Actual		Actual
Revenues:				
Property Taxes	\$ 32,166,000	\$ 31,987,607	\$ (178,393)	\$ 28,021,111
Intergovernmental -				
State	307,500	72,500	(235,000)	87,802
County	---	---	---	10,000
Local	---	5,992	5,992	2,514
Charges for Services	145,910	144,804	(1,106)	151,388
Rentals and Concessions	602,000	861,615	259,615	805,322
Interest	460,000	959,085	479,085	611,225
Miscellaneous	31,000	147,579	116,579	48,984
Total Revenues	<u>33,732,410</u>	<u>34,179,102</u>	<u>446,772</u>	<u>29,738,346</u>
Expenditures/Encumbrances:				
Director's Office	1,330,560	1,193,434	137,126	1,030,128
Park Police	5,156,010	4,915,455	240,555	4,651,355
Support Services	2,999,990	2,806,438	193,552	2,209,632
Park Permits	107,080	98,001	9,079	87,807
Facility Operations -				
Associate Director	156,930	155,503	1,427	135,566
Design and Engineering	1,629,840	1,610,245	11,595	1,391,596
Maintenance and Development	8,658,120	8,892,863	(234,743)	8,608,258
Property Management	100,900	491,832	295,068	466,632
Total Facility Operations	<u>11,231,790</u>	<u>11,150,443</u>	<u>73,347</u>	<u>10,602,052</u>
Area Operations -				
Northern Area	2,558,870	2,277,435	281,435	2,077,168
Central Area	2,309,920	2,094,558	215,362	1,994,450
Southern Area	1,891,200	1,924,895	(33,695)	1,653,633
Total Area Operations	<u>6,759,990</u>	<u>6,296,888</u>	<u>463,102</u>	<u>5,725,251</u>
Non-Departmental	2,700,000	---	2,700,000	---
Total Expenditures/Encumbrances	<u>30,285,420</u>	<u>26,460,659</u>	<u>3,816,761</u>	<u>24,306,225</u>
Excess of Revenues over (under): Expenditures/Encumbrances	<u>3,446,990</u>	<u>7,718,443</u>	<u>4,263,533</u>	<u>5,432,121</u>
Other Financing Sources (Uses):				
Operating Transfers In (Out) -				
Capital Projects Funds - Interest	900,000	382,467	(517,533)	471,569
Debt Service - Park Fund	(5,340,000)	(5,374,920)	(34,920)	(4,224,517)
Capital Projects Funds	(1,500,000)	(1,500,000)	---	(758,000)
Self-Insurance Internal Service Fund	(426,000)	(426,000)	---	---
Enterprise Fund	(189,000)	(189,000)	---	(250,000)
Intrafund Transfers - Recreation Account	---	---	---	(20,000)
Total Other Financing Sources (Uses)	<u>(6,555,000)</u>	<u>(7,107,453)</u>	<u>(552,453)</u>	<u>(4,730,948)</u>
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses	<u>\$ (3,108,010)</u>	<u>603,070</u>	<u>\$ 3,711,080</u>	<u>701,173</u>
Fund Balance - Budget Basis, July 1		<u>3,914,143</u>		<u>3,212,970</u>
Fund Balance - Budget Basis, June 30		<u>\$ 4,517,213</u>		<u>\$ 3,914,143</u>

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

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, 1989 and 1988

	1989		Variance Favorable (Unfavorable)	1988
	Budget	Actual		Actual
Revenues:				
Property Taxes	\$ 12,311,270	\$ 12,449,503	\$ 138,313	\$ 9,880,799
Intergovernmental -				
State	210,580	192,891	(17,689)	169,693
County	73,250	86,048	12,798	41,600
Charges for Services	1,970,780	1,943,139	(27,641)	1,414,078
Rentals and Concessions	80,000	43,001	(16,999)	35,056
Interest	230,000	294,290	64,290	260,236
Miscellaneous	49,550	50,000	8,450	551
Total Revenues	<u>14,905,430</u>	<u>15,066,960</u>	<u>161,530</u>	<u>11,807,013</u>
Expenditures/Encumbrances:				
Director's Office	112,570	114,505	(1,935)	101,033
Area Operations				
Associate Director	777,570	715,085	62,485	485,269
Northern Area	2,352,590	2,236,879	115,711	1,930,842
Central Area	2,176,920	2,212,710	(35,790)	2,040,049
Southern Area	2,132,490	2,139,450	(6,960)	1,858,801
Total Area Operations	<u>7,439,570</u>	<u>7,304,124</u>	<u>135,446</u>	<u>6,314,961</u>
Countywide Operations -				
Associate Director	302,180	286,998	15,182	220,012
Interpretation and Conservation	1,234,627	1,242,233	(7,606)	1,067,755
Special Populations	901,498	881,100	20,398	784,070
Sports/Athletics	1,596,460	1,624,959	(28,499)	1,399,778
Arts	1,399,345	1,309,453	89,892	1,143,581
History	409,690	431,943	(22,253)	357,620
Total Countywide Operations	<u>5,844,000</u>	<u>5,776,686</u>	<u>67,314</u>	<u>4,974,816</u>
Support Services	1,590,790	1,604,662	(13,872)	1,420,126
Non-Departmental	190,000	194,050	(4,050)	(21,490)
Total Expenditures/Encumbrances	<u>15,176,880</u>	<u>14,994,027</u>	<u>182,853</u>	<u>12,789,446</u>
Excess of Revenues over (under) Expenditures/Encumbrances	<u>(271,450)</u>	<u>72,933</u>	<u>344,303</u>	<u>(587,433)</u>
Other Financing Sources (Uses):				
Operating Transfers In (Out) -				
Enterprise Fund	(123,000)	(123,000)	---	(50,000)
Capital Projects Fund - Development	(90,000)	(90,000)	---	---
Intrafund Transfer - Park Account	---	---	---	20,000
Total Other Financing Sources (Uses)	<u>(213,000)</u>	<u>(213,000)</u>	<u>---</u>	<u>(30,000)</u>
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses	<u>\$ (484,450)</u>	<u>(140,067)</u>	<u>\$ 344,303</u>	<u>(1,017,433)</u>
Fund Balance - Budget Basis, July 1		<u>808,757</u>		<u>1,826,190</u>
Fund Balance - Budget Basis, June 30		<u>\$ 668,690</u>		<u>\$ 808,757</u>

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



DEBT SERVICE FUNDS

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

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

EXHIBIT B-1

Combining Balance Sheet - DEBT SERVICE FUNDS

June 30, 1989

	MONTGOMERY COUNTY				PRINCE GEORGE'S COUNTY				TOTALS	
	Park	Advance Land Acquisition	Totals		Park	Advance Land Acquisition	Totals		June 30, 1989	June 30, 1988
			June 30, 1989	June 30, 1988			June 30, 1989	June 30, 1988		
ASSETS										
Equity in Pooled Cash and Investments	\$ 120,517	\$ ---	\$ 120,517	\$ ---	\$ 309,902	\$ ---	\$ 309,902	\$ ---	\$ 430,419	\$ ---
Cash with Fiscal Agents	121,031	---	121,031	105,824	252,828	---	252,828	217,161	373,859	322,985
Total Current Assets	<u>\$ 241,548</u>	<u>\$ ---</u>	<u>\$ 241,548</u>	<u>\$ 105,824</u>	<u>\$ 562,730</u>	<u>\$ ---</u>	<u>\$ 562,730</u>	<u>\$ 217,161</u>	<u>\$ 804,278</u>	<u>\$ 322,985</u>
LIABILITIES AND FUND BALANCES										
Liabilities:										
Matured Bonds and Interest Payable	\$ 70,042	\$ ---	\$ 70,042	\$ 57,824	\$ 122,071	\$ ---	\$ 122,071	\$ 94,161	\$ 192,113	\$ 151,985
Total Current Liabilities	<u>70,042</u>	<u>---</u>	<u>70,042</u>	<u>57,824</u>	<u>122,071</u>	<u>---</u>	<u>122,071</u>	<u>94,161</u>	<u>192,113</u>	<u>151,985</u>
Fund Balances:										
Reserved for Debt Service	171,506	---	171,506	48,000	440,659	---	440,659	123,000	612,165	171,000
Total Fund Balances	<u>171,506</u>	<u>---</u>	<u>171,506</u>	<u>48,000</u>	<u>440,659</u>	<u>---</u>	<u>440,659</u>	<u>123,000</u>	<u>612,165</u>	<u>171,000</u>
Total Liabilities and Fund Balances	<u>\$ 241,548</u>	<u>\$ ---</u>	<u>\$ 241,548</u>	<u>\$ 105,824</u>	<u>\$ 562,730</u>	<u>\$ ---</u>	<u>\$ 562,730</u>	<u>\$ 217,161</u>	<u>\$ 804,278</u>	<u>\$ 322,985</u>

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

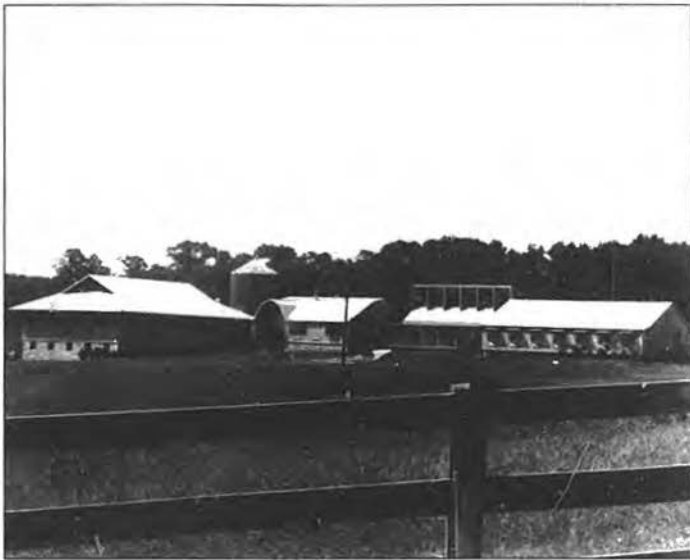
THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

EXHIBIT B-2

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - DEBT SERVICE FUNDS
For the Fiscal Year Ended June 30, 1989

	MONTGOMERY COUNTY				PRINCE GEORGE'S COUNTY				TOTALS	
	Park	Advance Land Acquisition	Totals		Park	Advance Land Acquisition	Totals		Totals	
			Year Ended	Year Ended			Year Ended	Year Ended		
		June 30, 1989	June 30, 1988			June 30, 1989	June 30, 1988	June 30, 1989	June 30, 1988	
Revenues:										
Property Taxes	\$ ---	\$ 374,128	\$ 374,126	\$ 521,651	\$ ---	\$ 339,510	\$ 339,510	\$ 359,376	\$ 713,638	\$ 881,027
Interest Income	6,223	---	6,223	---	16,074	---	16,074	---	22,297	---
Total Revenues	6,223	374,128	380,351	521,651	16,074	339,510	355,584	359,376	735,935	881,027
Expenditures:										
Principal Retirement	2,365,000	260,000	2,645,000	2,585,000	2,310,000	235,000	2,545,000	2,445,000	5,190,000	5,030,000
Interest	1,434,375	107,240	1,541,615	1,293,281	2,720,740	93,127	2,813,867	1,994,309	4,355,482	3,287,590
Fiscal Charges	17,774	31	17,805	3,075	42,595	27	42,622	4,521	60,427	7,596
Total Expenditures	3,817,149	367,271	4,204,420	3,881,356	5,073,335	328,154	5,401,489	4,443,830	9,605,909	8,325,186
Excess of Revenues over (under) Expenditures	(3,810,926)	(13,143)	(3,824,069)	(3,359,705)	(5,057,261)	11,356	(5,045,905)	(4,084,454)	(8,869,974)	(7,444,159)
Other Financing Sources (Uses):										
Operating Transfers In (Out) -										
Park Fund	3,934,432	---	3,934,432	3,525,547	5,374,920	---	5,374,920	4,224,517	9,309,352	7,750,064
Expendable Trust Funds	---	13,143	13,143	(117,842)	---	(11,356)	(11,356)	(17,063)	1,787	(134,905)
Total Other Financing Sources (Uses)	3,934,432	13,143	3,947,575	3,407,705	5,374,920	(11,356)	5,363,564	4,207,454	9,311,139	7,615,159
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses	123,506	---	123,506	48,000	317,659	---	317,659	123,000	441,165	171,000
Fund Balances, July 1	48,000	---	48,000	---	123,000	---	123,000	---	171,000	---
Fund Balances, June 30	\$ 171,506	\$ ---	\$ 171,506	\$ 48,000	\$ 440,659	\$ ---	\$ 440,659	\$ 123,000	\$ 612,165	\$ 171,000

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



CAPITAL PROJECTS FUND

Capital Projects Funds account for financial resources to be used for the acquisition, development or improvement of park land and the acquisition or construction of major capital facilities other than those accounted for in the proprietary funds.

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

EXHIBIT C-1

Combining Balance Sheet - CAPITAL PROJECTS FUNDS
June 30, 1989

	MONTGOMERY COUNTY		PRINCE GEORGE'S COUNTY		TOTALS	
	Totals		Totals		June 30, 1989	June 30, 1988
	June 30, 1989	June 30, 1988	June 30, 1989	June 30, 1988		
ASSETS						
Equity in Pooled Cash and Investments	\$ 2,126,575	\$ 2,342,822	\$ (1,545,423)	\$ 3,330,800	\$ 581,152	\$ 5,673,622
Cash with Fiscal Agents	1,472,129	4,897,532	10,367,197	13,439,606	11,839,326	18,337,138
Accounts Receivable - Other	---	---	42,697	---	42,697	---
Due from County Government	3,165,357	1,656,325	104,594	---	3,269,951	1,656,325
Due from Other Governments	847,983	864,614	1,023,454	433,488	1,871,437	1,298,102
Deposits and Other	---	---	250,000	---	250,000	---
Total Current Assets	<u>\$ 7,612,044</u>	<u>\$ 9,761,293</u>	<u>\$ 10,242,519</u>	<u>\$ 17,203,894</u>	<u>\$ 17,854,563</u>	<u>\$ 26,965,187</u>
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts Payable	\$ 1,306,450	\$ 783,218	\$ 727,657	\$ 709,462	\$ 2,034,107	\$ 1,492,680
Contract Retainages	562,247	331,587	321,176	452,718	883,423	784,305
Deposits	66,985	66,985	---	2,781	66,985	69,766
Total Current Liabilities	<u>1,935,682</u>	<u>1,181,790</u>	<u>1,048,833</u>	<u>1,164,961</u>	<u>2,984,515</u>	<u>2,346,751</u>
Fund Balances:						
Reserved for Encumbrances	3,897,737	2,974,933	6,063,823	3,758,114	9,961,560	6,733,047
Unreserved -						
Designated for Projects	1,778,625	5,598,215	3,129,863	12,266,504	4,908,488	17,864,719
Undesignated	---	6,355	---	14,315	---	20,670
Total Fund Balances	<u>5,676,362</u>	<u>8,579,503</u>	<u>9,193,686</u>	<u>16,038,933</u>	<u>14,870,048</u>	<u>24,618,436</u>
Total Liabilities and Fund Balances	<u>\$ 7,612,044</u>	<u>\$ 9,761,293</u>	<u>\$ 10,242,519</u>	<u>\$ 17,203,894</u>	<u>\$ 17,854,563</u>	<u>\$ 26,965,187</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, 1989

	MONTGOMERY COUNTY		PRINCE GEORGE'S COUNTY		TOTALS	
	Totals		Totals		Year Ended	
	June 30, 1989	June 30, 1988	June 30, 1989	June 30, 1988	June 30, 1989	June 30, 1988
Revenues:						
Intergovernmental -						
Federal	\$ 4,612	\$ ---	\$ ---	\$ 87,000	\$ 4,612	\$ 87,000
State	739,738	1,415,231	902,336	1,578,155	1,642,074	2,993,386
County	6,454,101	4,642,516	104,594	---	6,558,695	4,642,516
Local	---	---	246,430	---	246,430	---
Interest	332,971	223,136	382,467	471,569	715,438	694,705
Sale of Land	---	42,078	---	770,869	---	812,947
Miscellaneous	57,600	80,146	---	---	57,600	80,146
Total Revenues	<u>7,589,022</u>	<u>6,403,107</u>	<u>1,635,827</u>	<u>2,907,593</u>	<u>9,224,849</u>	<u>9,310,700</u>
Expenditures:						
Park Acquisition	103,035	89,612	1,461,575	1,008,436	1,564,610	1,098,048
Park Development	11,037,157	8,751,839	8,227,032	7,851,215	19,264,189	16,603,054
Total Expenditures	<u>11,140,192</u>	<u>8,841,451</u>	<u>9,688,607</u>	<u>8,859,651</u>	<u>20,828,799</u>	<u>17,701,102</u>
Excess of Revenues Over (under) Expenditures	<u>(3,551,170)</u>	<u>(2,438,344)</u>	<u>(8,052,780)</u>	<u>(5,952,058)</u>	<u>(11,603,950)</u>	<u>(8,390,402)</u>
Other Financing Sources (Uses):						
Proceeds of Bond Anticipation Notes	---	7,000,000	---	18,000,000	---	25,000,000
Operating Transfers In (Out) -						
General Fund - Park Account, Development	434,000	442,000	1,500,000	758,000	1,934,000	1,200,000
Enterprise Fund	547,000	310,000	---	---	547,000	310,000
General Fund - Recreation Account, Development	---	---	90,000	---	90,000	---
Expendable Trust Funds	---	---	---	23,560	---	23,560
General Fund - Park Account, Interest	(332,971)	(223,136)	(382,467)	(471,569)	(715,438)	(694,705)
Total Other Financing Sources (Uses)	<u>648,029</u>	<u>7,528,864</u>	<u>1,207,533</u>	<u>18,309,991</u>	<u>1,855,562</u>	<u>25,838,855</u>
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses	<u>(2,903,141)</u>	<u>5,090,520</u>	<u>(6,845,247)</u>	<u>12,357,933</u>	<u>(9,748,388)</u>	<u>17,448,453</u>
Fund Balances, July 1	8,579,503	3,488,983	16,038,933	3,681,000	24,618,436	7,169,983
Fund Balances, June 30	<u>\$ 5,676,362</u>	<u>\$ 8,579,503</u>	<u>\$ 9,193,686</u>	<u>\$ 16,038,933</u>	<u>\$ 14,870,048</u>	<u>\$ 24,618,436</u>

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



ENTERPRISE FUNDS

Enterprise Funds are used to account for operations wherein the Commission's intent is that the costs of providing goods or services to the public will be recovered primarily through user charges.

Recreational and Cultural Facilities

The Recreation and Cultural Facilities Funds account for facility operations in both Counties which include ice rinks, golf courses, park facilities, and tennis bubbles. In addition to those facilities, Montgomery County operates conference centers and Prince George's County operates several swimming pools, an equestrian center, and an airport.

Bladensburg Marina

The Bladensburg Marina Fund accounts for the operations of a marina located in Prince George's County which serves as a flood control project and a recreational facility.

Sandy Hill Landfill

The Sandy Hill Landfill Fund accounts for the landfill operation conducted in Prince George's County which involves the conversion of a former gravel pit into a recreational facility.

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

EXHIBIT D-1

Combining Balance Sheet - ENTERPRISE FUNDS
June 30, 1989

	MONTGOMERY COUNTY		PRINCE GEORGE'S COUNTY				TOTALS		
	Recreational and Cultural Facilities		Recreational and Cultural Facilities			Totals			
	Totals		Bladensburg Marina	Other Facilities	Sandy Hill Landfill	Totals		June 30, 1989	June 30, 1988
	Year Ended	Year Ended				June 30, 1989	June 30, 1988		
	June 30, 1989	June 30, 1988							
ASSETS									
Current Assets:									
Equity in Pooled Cash and Investments	\$ 3,037,669	\$ 2,565,056	\$ ---	\$ ---	\$ 324,916	\$ 324,916	\$ 655,984	\$ 3,362,585	\$ 3,221,042
Other Cash	13,000	11,550	---	48,040	---	48,040	11,540	61,040	23,090
Accounts Receivable	291	24,829	---	49,553	266,327	315,880	322,402	316,171	347,231
Due From County Government	133,109	---	---	---	---	---	---	133,109	---
Due From Other Governments	---	---	---	271,976	---	271,976	521,615	271,976	521,615
Inventories, at Cost	429,455	480,223	---	295,468	---	295,468	315,348	724,923	795,571
Deposit and Other	7,987	8,029	---	1,145	5,543	6,688	6,289	14,675	14,318
Total Current Assets	3,621,511	3,089,689	---	666,182	596,786	1,262,968	1,833,378	4,884,479	4,923,067
Fixed Assets, at Cost:									
Land	2,727,950	2,727,950	1,320,000	3,360,121	1,036,171	5,716,292	5,716,292	8,444,242	8,444,242
Buildings	3,426,844	3,424,261	146,700	6,507,341	---	6,654,041	6,615,745	10,080,885	10,040,006
Improvements Other Than Buildings	612,943	612,943	1,072,632	4,708,294	143,629	5,924,555	5,070,871	6,537,498	5,683,814
Machinery and Equipment	1,791,177	1,662,347	321,848	1,866,102	4,969	2,192,919	1,771,818	3,984,096	3,434,165
	8,558,914	8,427,501	2,861,180	16,441,858	1,184,769	20,487,807	19,174,726	29,046,721	27,602,227
Less - Accumulated Depreciation	(2,411,966)	(2,174,107)	(490,982)	(4,753,505)	(33,173)	(5,277,660)	(4,754,834)	(7,689,626)	(6,928,941)
Net Fixed Assets	6,146,948	6,253,394	2,370,198	11,688,353	1,151,596	15,210,147	14,419,892	21,357,095	20,673,286
Total Assets	\$ 9,768,459	\$ 9,343,083	\$ 2,370,198	\$ 12,354,535	\$ 1,748,382	\$ 16,473,115	\$ 16,253,270	\$ 26,241,574	\$ 25,596,353
LIABILITIES AND FUND EQUITY									
Current Liabilities:									
Current Portion of Capital Leases Payable	\$ 48,675	\$ 45,180	\$ ---	\$ ---	\$ ---	\$ ---	\$ ---	\$ 48,675	\$ 45,180
Accounts Payable	141,676	91,926	58,085	292,017	---	350,102	344,742	491,778	436,668
Accrued Salaries and Benefits	55,539	83,216	---	70,655	---	70,655	123,004	126,194	206,220
Accrued Leave	107,753	99,457	---	138,910	---	138,910	138,977	246,663	238,434
Interest Payable	59	59	---	---	---	---	---	59	59
Due to Other Funds	---	59,884	19,530	1,827,759	---	1,847,289	1,424,249	1,847,289	1,484,133
Revenue Collected in Advance	14,752	102,920	---	48,635	---	48,635	40,007	63,387	142,927
Total Current Liabilities	368,454	482,642	77,615	2,377,976	---	2,455,591	2,070,979	2,924,045	2,553,621
Capital Leases Payable - Net of Current Portion	83,064	131,739	---	---	---	---	---	83,064	131,739
Advanced from Advance Land Acquisition Fund	---	---	---	1,734,875	---	1,734,875	1,734,875	1,734,875	1,734,875
Total Liabilities	451,518	614,381	77,615	4,112,851	---	4,190,466	3,805,854	4,641,984	4,420,235
Fund Equity:									
Contributed Capital	6,374,197	6,374,197	2,341,400	10,593,411	---	12,934,811	12,294,685	19,309,008	18,668,882
Retained Earnings (Deficit)	2,942,744	2,354,505	(48,817)	(2,351,727)	1,748,382	(652,162)	152,731	2,290,582	2,507,236
Total Fund Equity	9,316,941	8,728,702	2,292,583	8,241,684	1,748,382	12,282,649	12,447,416	21,599,590	21,176,118
Total Liabilities and Fund Equity	\$ 9,768,459	\$ 9,343,083	\$ 2,370,198	\$ 12,354,535	\$ 1,748,382	\$ 16,473,115	\$ 16,253,270	\$ 26,241,574	\$ 25,596,353

The notes to 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, 1989

	MONTGOMERY COUNTY		PRINCE GEORGE'S COUNTY				TOTALS		
	Recreational and Cultural Facilities		Recreational and Cultural Facilities		Sandy Hill Landfill	Totals		Year Ended	
	Totals		Bladensburg Marina	Other Facilities		June 30, 1989	June 30, 1988	June 30, 1989	June 30, 1988
	Year Ended	Year Ended							
	June 30, 1989	June 30, 1988	Marina	Facilities		June 30, 1989	June 30, 1988	June 30, 1989	June 30, 1988
Operating Revenues:									
Sales	\$ 844,586	\$ 860,763	\$ ---	\$ 908,981	\$ ---	\$ 908,981	\$ 454,861	\$ 1,753,567	\$ 1,315,624
Charges for Services	3,219,807	3,030,433	---	2,223,842	---	2,223,842	2,120,900	5,443,649	5,151,333
Rentals and Concessions	1,141,132	862,708	30,000	644,275	1,435,419	2,109,694	1,994,599	3,250,826	2,857,307
Total Operating Revenues	5,205,525	4,753,904	30,000	3,777,098	1,435,419	5,242,517	4,570,360	10,448,042	9,324,264
Operating Expenses:									
Cost of Goods Sold	503,895	478,642	---	557,336	---	557,336	311,769	1,061,231	790,411
Personal Services	2,049,482	1,967,734	---	2,330,834	---	2,330,834	1,894,553	4,380,316	3,862,287
Supplies and Materials	436,931	432,352	2,302	639,259	---	641,561	493,483	1,078,492	925,835
Communications	42,098	36,378	354	228,676	---	229,030	50,324	271,128	86,702
Utilities	238,611	215,556	---	331,883	---	331,883	389,782	570,494	605,338
Maintenance	70,363	96,963	143,136	227,229	---	370,365	394,917	440,728	491,880
Contractual Services	197,618	162,845	33,439	485,883	---	519,322	219,716	716,940	382,561
Other Services and Charges	49,519	44,336	13,649	403,222	231	417,102	250,647	466,621	294,983
Indirect Charges	476,973	337,902	21,569	397,637	---	419,206	449,777	896,179	787,679
Depreciation	270,364	198,673	51,942	489,710	4,287	545,939	522,421	816,303	721,094
Total Operating Expenses	4,335,654	3,971,381	266,391	6,091,669	4,518	6,362,578	4,977,389	10,698,432	8,948,770
Operating Income (Loss)	869,871	782,523	(236,391)	(2,314,571)	1,430,901	(1,120,061)	(407,029)	(250,390)	375,494
Nonoperating Revenues (Expenses) -									
Interest Income	242,431	167,980	892	---	2,276	3,168	1,652	245,599	169,632
Nonoperating Expense - Interest - Other	(11,863)	(10,246)	---	---	---	---	(8,445)	(11,863)	(18,691)
Intergovernmental - Federal	---	---	---	(118,311)	---	(118,311)	(521,815)	(118,311)	(521,815)
- State	---	---	---	112,084	---	112,084	494,351	112,084	494,351
Total Nonoperating Revenues (Expenses)	230,568	157,734	892	---	2,276	3,168	(6,795)	233,736	150,941
Income (Loss) Before Operating Transfers	1,100,239	940,257	(235,499)	(2,314,571)	1,433,177	(1,116,893)	(413,822)	(16,654)	526,435
Operating Transfers In (Out) -									
General Fund - Park Account	35,000	30,000	169,000	20,000	---	189,000	200,000	224,000	230,000
General Fund - Recreation Account	---	---	---	123,000	---	123,000	50,000	123,000	50,000
Capital Projects Funds	(547,000)	(310,000)	---	---	---	---	---	(547,000)	(310,000)
Intrafund Transfers	---	---	19,900	1,606,500	(1,626,400)	---	---	---	---
Net Operating Transfers	(512,000)	(280,000)	188,900	1,749,500	(1,626,400)	312,000	250,000	(200,000)	(30,000)
Net Income (Loss)	588,239	660,257	(46,599)	(565,071)	(193,223)	(804,893)	(163,822)	(216,654)	496,435
Retained Earnings (Deficit), July 1	2,354,505	1,694,248	(2,218)	(1,786,656)	1,941,605	152,731	316,553	2,507,236	2,010,801
Retained Earnings (Deficit), June 30	\$ 2,942,744	\$ 2,354,505	\$ (48,817)	\$ (2,351,727)	\$ 1,748,382	\$ (652,162)	\$ 152,731	\$ 2,290,582	\$ 2,507,236

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 Changes in Financial Position - ENTERPRISE FUNDS
For the Fiscal Year Ended June 30, 1989

	MONTGOMERY COUNTY		PRINCE GEORGE'S COUNTY					TOTALS	
	Recreational and Cultural Facilities		Recreational and Cultural Facilities			Totals			
	Totals		Bladensburg Marina	Other Facilities	Sandy Hill Landfill	Totals		Year Ended	
	Year Ended	Year Ended				Year Ended	Year Ended	Year Ended	Year Ended
	June 30, 1989	June 30, 1988				June 30, 1989	June 30, 1988	June 30, 1989	June 30, 1988
Sources of Working Capital:									
Operations -									
Net Income (Loss)	\$ 588,239	\$ 660,257	\$ (46,599)	\$ (565,071)	\$ (193,223)	\$ (804,893)	\$ (163,822)	\$ (216,654)	\$ 496,435
Depreciation Not Requiring Working Capital	270,364	198,673	51,942	489,710	4,287	545,939	522,421	816,303	721,094
Working Capital Provided by (used in) Operations	858,603	858,930	5,343	(75,361)	(188,936)	(258,954)	358,599	599,649	1,217,529
Increase in Capital Leases Payable	---	1,790	---	---	---	---	34,185	---	35,975
Total Sources of Working Capital	858,603	860,720	5,343	(75,361)	(188,936)	(258,954)	392,784	599,649	1,253,504
Uses of Working Capital:									
Acquisition of Property and Equipment	163,918	190,080	---	696,068	---	696,068	348,049	859,986	538,129
Decrease in Capital Leases Payable	3,495	---	---	---	---	---	129,230	3,495	129,230
Payment of Capital Leases Payable	45,180	55,402	---	---	---	---	34,185	45,180	89,587
Total Uses of Working Capital	212,593	245,482	---	696,068	---	696,068	511,464	908,661	756,946
Net Increase (Decrease) in Working Capital	\$ 646,010	\$ 615,238	\$ 5,343	\$ (771,429)	\$ (188,936)	\$ (955,022)	\$ (118,680)	\$ (309,012)	\$ 496,558
Elements of Net Increase (Decrease)									
In Working Capital:									
Equity in Pooled Cash and Investments	\$ 472,611	\$ 499,868	\$ ---	\$ ---	\$ (331,068)	\$ (331,068)	\$ 655,984	\$ 141,543	\$ 1,155,852
Other Cash	1,450	1,700	---	36,500	---	36,500	360	37,950	2,060
Accounts Receivable	(24,538)	24,534	---	(11,668)	5,147	(6,521)	23,633	(31,059)	48,167
Due from Other Governments	133,109	---	---	(249,839)	---	(249,839)	518,434	(116,730)	518,434
Inventories	(50,768)	41,590	---	(19,880)	---	(19,880)	5,316	(70,648)	46,906
Deposits and Other	(42)	2,701	---	400	---	400	(362)	358	2,339
Current Portion of Capital Leases Payable	(3,495)	1,790	---	---	---	---	34,185	(3,495)	35,975
Accounts Payable	(49,500)	106,731	(38,382)	33,020	---	(5,362)	(198,950)	(55,112)	(92,219)
Accrued Salaries and Benefits	27,677	1,645	---	52,349	---	52,349	(15,133)	80,026	(13,488)
Accrued Leave	(8,296)	(4,867)	---	67	---	67	(46,973)	(8,229)	(51,840)
Interest Payable	---	4,529	---	---	---	---	---	---	4,529
Due to Other Funds	59,884	(59,884)	43,725	(603,750)	136,985	(423,040)	(1,078,641)	(363,156)	(1,138,525)
Revenue Collected in Advance	88,168	(5,099)	---	(8,628)	---	(8,628)	(16,533)	79,540	(21,632)
Net Increase (Decrease) in Working Capital	\$ 646,010	\$ 615,238	\$ 5,343	\$ (771,429)	\$ (188,936)	\$ (955,022)	\$ (118,680)	\$ (309,012)	\$ 496,558

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



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

The Capital Equipment Fund accounts for the acquisition of equipment, through the use of tax exempt financing, and the leasing of the equipment to other Commission funds.

Self-Insurance

The Self-Insurance Funds account for the activity related to general liability, property damage, workers compensation, and employees life and health insurance coverage.

Information Systems

The Information Systems Fund accounts for the central data processing facility operations.

Executive Offices Property Management

The Executive Offices Property Management Fund accounts for the cost of operating the Parkway office building, including debt service. The costs of the building, which is occupied by the Central Administrative Services Departments—Administration, Finance, and Legal—and the Commission's Merit System Board and Employees' Retirement System staffs, are shared by the Montgomery and Prince George's Administration Accounts.

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

EXHIBIT E-1

Combining Balance Sheet - INTERNAL SERVICE FUNDS
June 30, 1989

ASSETS	MONTGOMERY COUNTY					PRINCE GEORGE'S COUNTY					TOTALS		
	Capital Equipment	Self Insurance	Information Systems	TOTALS		Capital Equipment	Self Insurance	Executive Offices Property Management	Information Systems	TOTALS		June 30, 1989	June 30, 1988
				June 30, 1989	June 30, 1988					June 30, 1989	June 30, 1988		
Current Assets:													
Equity in Pooled Cash and Investments	\$ ---	\$ ---	\$ ---	\$ ---	\$ 60,852	\$ 169,644	\$ 727,689	\$ ---	\$ ---	\$ 897,313	\$ 232,606	\$ 897,313	\$ 293,458
Other Cash	---	---	200	200	200	---	---	---	200	200	400	400	400
Accounts Receivable	86,226	---	7,499	73,725	167,087	---	---	---	7,499	7,499	114,999	81,224	282,086
Due from Other Funds	---	---	---	---	123,191	---	---	---	---	---	123,191	---	246,382
Due from County Government	---	1,078,388	---	1,078,388	1,805,132	---	617,918	---	---	617,918	672,415	2,496,306	2,477,547
Deposits and Other	240,000	388,330	---	628,330	605,344	---	388,330	---	---	388,330	365,349	1,016,660	970,698
Total Current Assets	306,226	2,266,718	7,699	2,580,643	2,761,011	169,644	1,733,917	---	7,699	1,911,260	1,508,760	4,491,303	4,270,571
Fixed Assets, at Cost:													
Property and Equipment	10,389,795	19,922	441,867	10,851,584	9,765,835	1,353,345	19,048	1,107,477	441,867	2,921,737	2,657,328	13,773,321	12,423,163
Less-Accumulated Depreciation	(6,652,083)	(11,415)	(205,878)	(6,869,376)	(5,725,242)	(1,192,651)	(9,376)	(430,637)	(205,878)	(1,638,542)	(1,642,705)	(8,707,918)	(7,367,947)
Net Fixed Assets	2,737,712	8,507	235,989	3,982,208	4,040,593	160,694	9,672	676,840	235,989	1,083,195	1,014,623	5,065,403	5,055,216
Total Assets	\$ 4,043,938	\$ 2,275,225	\$ 243,688	\$ 6,562,851	\$ 6,802,404	\$ 330,338	\$ 1,743,589	\$ 676,840	\$ 243,688	\$ 2,994,455	\$ 2,523,383	\$ 9,557,306	\$ 9,325,787
LIABILITIES AND FUND EQUITY													
Current Liabilities:													
Current Portion of Bonds Payable	\$ ---	\$ ---	\$ ---	\$ ---	\$ ---	\$ ---	\$ ---	\$ 50,000	\$ ---	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
Current Portion of Capital Leases Payable	584,218	---	29,540	593,758	568,354	16,830	---	16,272	29,540	62,442	42,869	454,200	611,043
Accounts Payable	143,720	104,593	33,834	282,147	273,052	97,312	103,967	2,834	33,834	197,947	108,962	480,094	382,014
Claims Payable	---	901,523	---	901,523	468,186	---	882,988	---	---	882,986	646,590	1,784,509	1,114,784
Accrued Salaries and Benefits	---	2,188	6,832	9,020	16,306	---	2,188	---	6,832	9,020	16,306	18,040	32,612
Accrued Leave	---	9,706	35,529	45,235	33,168	---	9,706	---	35,529	45,235	33,168	90,470	66,336
Estimate of Incurred but Unreported Claims	---	535,048	---	535,048	299,152	---	458,033	---	---	458,033	319,047	993,081	612,199
Interest Payable	1,387	---	133	1,520	---	---	---	---	833	133	966	835	2,222
Due to Other Funds	1,115,092	835,670	43,258	1,794,020	733,652	---	---	176,921	43,258	220,179	515,684	2,014,199	1,241,516
Deferred Revenue	---	---	---	---	15,000	---	---	---	---	---	28,351	---	43,361
Total Current Liabilities	1,824,417	2,188,728	149,126	4,162,271	2,402,257	73,942	1,456,880	246,660	149,126	1,976,698	1,761,810	6,089,079	4,164,087
Bonds Payable - Net of Current Portion	---	---	---	---	---	---	---	150,000	---	150,000	200,000	150,000	200,000
Capital Leases Payable-Net of Current Portion	759,063	---	7,771	766,834	1,382,037	62,363	---	36,270	7,771	106,404	89,853	873,238	1,471,890
Deferred Revenue	---	---	---	---	---	---	---	---	---	---	22,732	---	22,732
Total Liabilities	2,583,480	2,188,728	156,897	4,929,105	3,784,294	136,305	1,456,880	433,130	156,897	2,183,212	2,074,415	7,112,317	5,856,708
Fund Equity:													
Contributed Capital	525,128	---	---	525,128	525,128	4,860	---	---	---	4,860	4,860	529,968	529,968
Retained Earnings - Reserved for Contingency	---	86,497	---	86,497	1,366,710	---	286,709	---	---	286,709	---	373,206	1,366,710
Unreserved	935,330	---	66,791	1,022,121	1,126,272	189,173	---	243,710	66,791	519,674	444,108	1,541,795	1,570,380
Total Retained Earnings	935,330	86,497	66,791	1,108,618	2,492,982	189,173	286,709	243,710	66,791	806,383	444,108	1,915,001	2,937,090
Total Fund Equity	1,460,458	86,497	66,791	1,633,746	3,018,110	194,033	286,709	243,710	66,791	811,243	448,968	2,444,989	3,467,078
Total Liabilities and Fund Equity	\$ 4,043,938	\$ 2,275,225	\$ 243,688	\$ 6,562,851	\$ 6,802,404	\$ 330,338	\$ 1,743,589	\$ 676,840	\$ 243,688	\$ 2,994,455	\$ 2,523,383	\$ 9,557,306	\$ 9,325,787

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, Expenses, and Changes in Retained Earnings - INTERNAL SERVICE FUNDS
For the Fiscal Year Ended June 30, 1989

EXHIBIT E-2

	MONTGOMERY COUNTY					PRINCE GEORGE'S COUNTY					TOTALS		
	Capital Equipment	Self Insurance	Information Systems	Totals		Capital Equipment	Self Insurance	Executive Offices Property Management	Information Systems	Totals		Totals	
				Year Ended	Year Ended					Year Ended	Year Ended	Year Ended	Year Ended
	June 30, 1989	June 30, 1988	June 30, 1989	June 30, 1988	June 30, 1989	June 30, 1988	June 30, 1989	June 30, 1988	June 30, 1989	June 30, 1988	June 30, 1989	June 30, 1988	
Operating Revenues:													
Charges for Services	\$ 1,213,058	\$ 3,057,230	\$ 515,044	\$ 4,785,332	\$ 4,397,647	\$ 40,153	\$ 3,459,230	\$ 315,501	\$ 515,044	\$ 4,329,926	\$ 4,054,587	\$ 5,115,260	\$ 8,452,234
Claim Recoveries	---	108,639	---	108,639	96,651	---	308,283	---	---	308,283	236,989	416,922	333,640
Total Operating Revenues	<u>1,213,058</u>	<u>3,165,869</u>	<u>515,044</u>	<u>4,893,971</u>	<u>4,494,298</u>	<u>40,153</u>	<u>3,767,513</u>	<u>315,501</u>	<u>515,044</u>	<u>4,638,211</u>	<u>4,291,576</u>	<u>9,532,182</u>	<u>8,785,874</u>
Operating Expenses:													
Personal Services	11,000	172,366	316,875	500,241	405,956	6,500	172,372	9,500	316,875	505,247	410,456	1,005,488	816,412
Supplies and Materials	---	3,203	14,858	18,061	16,630	1,557	3,143	3,308	14,858	22,866	26,172	40,927	42,802
Contractual Services - Montgomery County Self Insurance Fund, Net	---	1,061,372	---	1,061,372	269,822	---	889,266	---	---	889,266	440,318	1,950,538	710,140
Other	---	---	77,207	77,207	78,055	---	---	---	77,207	77,207	78,055	154,414	156,110
Claims Incurred	---	1,199,488	---	1,199,488	954,069	---	1,199,487	---	---	1,199,487	954,069	2,198,975	1,908,138
Insurance	---	1,653,028	---	1,653,028	1,426,521	---	1,683,957	---	---	1,683,957	1,463,833	3,336,985	2,890,354
Other Services and Charges	9,488	41,947	49,600	101,030	124,216	---	36,820	117,808	49,600	240,236	332,114	305,256	456,330
Depreciation	1,167,197	1,970	69,023	1,238,190	1,105,809	56,974	1,665	87,167	69,023	214,829	179,247	1,453,027	1,286,036
Total Operating Expenses	<u>1,187,685</u>	<u>4,133,377</u>	<u>527,563</u>	<u>5,848,625</u>	<u>4,382,078</u>	<u>65,011</u>	<u>3,886,718</u>	<u>217,783</u>	<u>527,563</u>	<u>4,797,095</u>	<u>3,864,264</u>	<u>10,645,720</u>	<u>8,266,342</u>
Operating Income (Loss)	<u>25,373</u>	<u>(967,508)</u>	<u>(12,519)</u>	<u>(194,654)</u>	<u>112,220</u>	<u>(24,878)</u>	<u>(219,205)</u>	<u>97,718</u>	<u>(12,519)</u>	<u>(158,884)</u>	<u>407,312</u>	<u>(1,113,538)</u>	<u>519,532</u>
Nonoperating Revenues (Expenses):													
Gain on Sale of Fixed Assets	---	---	3,957	3,957	---	---	---	---	3,957	3,957	---	7,914	---
Interest Income	---	37,295	9,909	47,204	128,312	14,917	93,397	---	9,909	118,223	65,570	165,427	193,082
Interest Expense	(126,359)	---	(4,512)	(130,871)	(210,660)	(7)	---	(22,502)	(4,512)	(27,021)	(33,146)	(157,892)	(243,006)
Total Nonoperating Revenues (Expenses)	<u>(126,359)</u>	<u>37,295</u>	<u>9,354</u>	<u>(79,710)</u>	<u>(82,348)</u>	<u>14,910</u>	<u>93,397</u>	<u>(22,502)</u>	<u>9,354</u>	<u>95,159</u>	<u>32,424</u>	<u>15,449</u>	<u>(49,924)</u>
Net Income (Loss) Before Operating Transfers	<u>(100,986)</u>	<u>(930,213)</u>	<u>(3,165)</u>	<u>(1,034,364)</u>	<u>29,872</u>	<u>(9,968)</u>	<u>(125,808)</u>	<u>75,216</u>	<u>(3,165)</u>	<u>(63,725)</u>	<u>439,736</u>	<u>(1,098,089)</u>	<u>469,608</u>
Operating Transfers In (Out):													
General Fund - Park Account	---	---	---	---	---	---	426,000	---	---	426,000	---	426,000	---
General Fund - Park Account	---	(350,000)	---	(350,000)	---	---	---	---	---	---	---	(350,000)	---
Total Operating Transfers	<u>---</u>	<u>(350,000)</u>	<u>---</u>	<u>(350,000)</u>	<u>---</u>	<u>---</u>	<u>426,000</u>	<u>---</u>	<u>---</u>	<u>426,000</u>	<u>---</u>	<u>76,000</u>	<u>---</u>
Net Income (Loss)	<u>(100,986)</u>	<u>(1,280,213)</u>	<u>(3,165)</u>	<u>(1,384,364)</u>	<u>29,872</u>	<u>(9,968)</u>	<u>300,192</u>	<u>75,216</u>	<u>(3,165)</u>	<u>362,275</u>	<u>439,736</u>	<u>(1,022,089)</u>	<u>469,608</u>
Retained Earnings, July 1	<u>1,036,316</u>	<u>1,366,710</u>	<u>89,956</u>	<u>2,492,982</u>	<u>2,463,110</u>	<u>199,141</u>	<u>(13,483)</u>	<u>168,494</u>	<u>89,956</u>	<u>444,108</u>	<u>4,372</u>	<u>2,937,090</u>	<u>2,467,482</u>
Retained Earnings, June 30	<u>\$ 935,330</u>	<u>\$ 86,497</u>	<u>\$ 86,791</u>	<u>\$ 1,108,618</u>	<u>\$ 2,492,982</u>	<u>\$ 189,173</u>	<u>\$ 286,709</u>	<u>\$ 243,710</u>	<u>\$ 86,791</u>	<u>\$ 866,383</u>	<u>\$ 444,108</u>	<u>\$ 1,915,001</u>	<u>\$ 2,937,090</u>

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

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

EXHIBIT E-1

Combining Statement of Changes in Financial Position - INTERNAL SERVICE FUNDS
For the Fiscal Year Ended June 30, 1989

	MONTGOMERY COUNTY					PRINCE GEORGE'S COUNTY					TOTALS		
	Capital Equipment	Self-Insurance	Information Systems	Totals		Capital Equipment	Self-Insurance	Executive Offices Property Management	Information Systems	Totals		Totals	
				Year Ended	Year Ended					Year Ended	Year Ended	Year Ended	Year Ended
	June 30, 1989	June 30, 1988	June 30, 1989	June 30, 1988	June 30, 1989	June 30, 1988	June 30, 1989	June 30, 1988	June 30, 1989	June 30, 1988	June 30, 1989	June 30, 1988	
Sources of Working Capital:													
Operations -													
Net Income (Loss)	\$ (100,986)	\$ (1,280,213)	\$ (3,165)	\$ (1,384,364)	\$ 29,872	\$ (9,968)	\$ 300,192	\$ 75,216	\$ (3,165)	\$ 362,275	\$ 439,736	\$ (1,022,089)	\$ 469,608
Depreciation Not Requiring Working Capital	1,167,197	1,976	69,023	1,238,198	1,106,809	56,974	1,665	87,167	69,023	214,829	179,247	1,453,027	1,286,056
Working Capital Provided by (used in) Operations	1,066,211	(1,278,235)	65,858	(146,166)	1,136,681	47,006	301,857	162,383	65,858	577,104	618,983	430,938	1,755,664
Increases in Capital Leases Payable	---	---	---	---	172,975	95,292	---	---	---	95,292	19,552	95,292	192,527
Disposal of Equipment	35,737	---	1,542	37,279	10,247	---	---	---	1,542	1,542	---	38,821	10,247
Increase in Deferred Revenue	---	---	---	---	---	---	---	---	---	---	22,732	---	22,732
Total Sources of Working Capital	1,101,948	(1,278,235)	67,400	(108,887)	1,319,903	142,298	301,857	162,383	67,400	673,938	661,267	565,051	1,981,170
Uses of Working Capital:													
Acquisition of Property and Equipment	1,127,242	7,004	82,846	1,217,092	1,747,412	185,088	8,237	8,770	82,846	284,941	239,985	1,502,033	1,987,397
Decrease in Deferred Revenue	---	---	---	---	---	---	---	22,732	---	22,732	12,994	22,732	12,994
Decrease in Bonds Payable	---	---	---	---	---	---	---	50,000	---	50,000	50,000	50,000	50,000
Decrease in Capital Leases Payable	23,079	---	2,325	25,404	---	16,300	---	1,128	2,325	19,753	---	45,157	---
Payment of Capital Leases Payable	562,584	---	27,215	589,799	1,079,790	16,630	---	15,145	27,215	58,990	109,785	648,789	1,189,575
Total Uses of Working Capital	1,712,905	7,004	112,386	1,832,295	2,827,202	218,018	8,237	97,775	112,386	436,416	412,764	2,268,711	3,239,966
Net Increase (Decrease) in Working Capital	\$ (610,957)	\$ (1,285,239)	\$ (44,986)	\$ (1,941,182)	\$ (1,507,299)	\$ (75,720)	\$ 293,620	\$ 64,608	\$ (44,986)	\$ 237,522	\$ 248,503	\$ (1,703,660)	\$ (1,258,796)
Elements of Net Increase (Decrease) in Working Capital:													
Equity in Pooled Cash and Investments	\$ ---	\$ ---	\$ (60,852)	\$ (60,852)	\$ (1,132,990)	\$ (2,110)	\$ 727,669	\$ ---	\$ (60,852)	\$ 664,707	\$ 61,721	\$ 603,855	\$ (1,071,269)
Other Cash	---	---	---	---	(50,000)	---	---	---	---	---	(50,000)	---	(100,000)
Accounts Receivable	13,950	(106,889)	(423)	(93,362)	118,592	---	(106,889)	(188)	(423)	(107,500)	96,363	(200,862)	214,955
Due From Other Funds	---	(123,191)	---	(123,191)	123,191	---	(123,191)	---	---	(123,191)	123,191	(246,382)	246,382
Due from County Government	---	73,314	(56)	73,256	212,505	---	(54,439)	---	(58)	(54,497)	(27,961)	18,759	184,544
Deposits and Other	---	22,981	---	22,981	(116,762)	---	22,981	---	---	22,981	(116,762)	45,962	(233,524)
Current Portion of Capital Leases Payable	(23,079)	---	(2,325)	(25,404)	172,975	(16,300)	---	(1,128)	(2,325)	(19,753)	19,552	(45,157)	192,527
Accounts Payable	26,415	(53,028)	15,518	(9,095)	(197,803)	(57,312)	(52,374)	5,183	15,518	(88,985)	(72,840)	(98,080)	(270,643)
Claims Payable	---	(433,337)	---	(433,337)	21,636	---	(236,388)	---	---	(236,388)	78,308	(669,725)	99,944
Accrued Salaries and Benefits	---	1,341	5,945	7,286	13,931	---	1,341	---	5,945	7,286	13,901	14,572	27,832
Accrued Leave	---	(4,242)	(7,825)	(12,067)	(7,227)	---	(4,242)	---	(7,825)	(12,067)	(7,227)	(24,134)	(14,454)
Estimate of Incurred but Unreported Claims	---	(241,896)	---	(241,896)	53,560	---	(138,986)	---	---	(138,986)	66,858	(380,882)	120,418
Interest Payable	---	---	(133)	(133)	5,925	2	---	---	(133)	(131)	5,437	(264)	11,362
Due to Other Funds	(630,243)	(420,292)	(9,833)	(1,060,368)	(709,832)	---	258,138	47,380	(9,833)	295,685	86,323	(764,683)	(623,509)
Deferred Revenue	---	---	15,000	15,000	(15,000)	---	---	13,361	15,000	28,361	(28,361)	43,361	(43,361)
Net Increase (Decrease) in Working Capital	\$ (610,957)	\$ (1,285,239)	\$ (44,986)	\$ (1,941,182)	\$ (1,507,299)	\$ (75,720)	\$ 293,620	\$ 64,608	\$ (44,986)	\$ 237,522	\$ 248,503	\$ (1,703,660)	\$ (1,258,796)

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

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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 accounts 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—Employees' Deferred Compensation Fund

The Agency Fund accounts for the deferred compensation plan which is available to all Commission employees. The plan permits employees to defer a portion of their salary until future years.

Expendable Trust Funds

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

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

EXHIBIT F-1

Combining Balance Sheet - ALL FIDUCIARY FUND TYPES
June 30, 1989

	PENSION TRUST FUND		AGENCY FUND		EXPENDABLE TRUST FUNDS				TOTALS	
	Employees' Retirement Fund		Employees' Deferred Compensation Fund		Montgomery County	Prince George's County	Totals		June 30, 1989	June 30, 1988
	June 30, 1989	June 30, 1988	June 30, 1989	June 30, 1988			June 30, 1989	June 30, 1988		
ASSETS										
Equity in Pooled Cash and Investments	\$ ---	\$ ---	\$ ---	\$ ---	\$ 8,927,438	\$ 9,488,634	\$ 18,416,072	\$ 16,952,018	\$ 18,416,072	\$ 16,952,018
Cash and Marketable Securities	129,632,061	107,441,168	4,946,577	3,850,754	---	---	---	---	134,578,638	111,291,922
Other Cash	---	---	---	---	---	16,720	16,720	15,895	16,720	15,895
Accounts Receivable	897,094	1,723,521	---	---	---	25,372	25,372	31,907	922,466	1,755,428
Due from Other Funds	108,415	838,214	---	---	---	---	---	136,985	108,415	975,199
Total Current Assets	<u>130,637,570</u>	<u>110,002,902</u>	<u>4,946,577</u>	<u>3,850,754</u>	<u>8,927,438</u>	<u>9,530,726</u>	<u>18,458,164</u>	<u>17,136,805</u>	<u>154,042,311</u>	<u>130,990,462</u>
Land Advanced to Enterprise Fund	---	---	---	---	---	1,734,875	1,734,875	1,734,875	1,734,875	1,734,875
Restricted Assets -										
Land Held for Transfer	---	---	---	---	14,089,286	6,964,627	21,053,913	16,530,430	21,053,913	16,530,430
Other	---	---	---	---	---	310,402	310,402	297,821	310,402	297,821
Total Assets	<u>\$ 130,637,570</u>	<u>\$ 110,002,903</u>	<u>\$ 4,946,577</u>	<u>\$ 3,850,754</u>	<u>\$ 23,016,724</u>	<u>\$ 18,540,630</u>	<u>\$ 41,557,354</u>	<u>\$ 35,699,931</u>	<u>\$ 177,141,501</u>	<u>\$ 149,553,588</u>
LIABILITIES AND FUND BALANCES										
Liabilities:										
Accounts Payable	\$ 129,041	\$ 174,377	\$ 4,946,577	\$ 3,850,754	\$ 4,034,042	\$ 108,048	\$ 4,142,090	\$ 53,356	\$ 9,217,708	\$ 4,078,487
Accrued Liabilities	---	---	---	---	52,407	95,215	147,622	269,083	147,622	269,083
Due to Other Funds	---	246,382	---	---	---	---	---	---	---	246,382
Deposits	---	---	---	---	33,676	16,020	49,696	28,187	49,696	28,187
Total Current Liabilities	<u>129,041</u>	<u>420,759</u>	<u>4,946,577</u>	<u>3,850,754</u>	<u>4,120,125</u>	<u>219,283</u>	<u>4,339,408</u>	<u>350,626</u>	<u>9,415,026</u>	<u>4,622,139</u>
Fund Balances:										
Reserved for Land Held for Transfer	---	---	---	---	14,089,286	8,699,502	22,788,788	18,394,536	22,788,788	18,394,536
Unreserved -										
Designated for Pension Benefits	130,508,529	109,582,144	---	---	---	---	---	---	130,508,529	109,582,144
Designated for Trust Activities	---	---	---	---	4,807,313	9,621,845	14,429,158	16,954,769	14,429,158	16,954,769
Total Fund Balances	<u>130,508,529</u>	<u>109,582,144</u>	<u>---</u>	<u>---</u>	<u>18,896,599</u>	<u>18,321,347</u>	<u>37,217,946</u>	<u>35,349,305</u>	<u>167,726,475</u>	<u>144,931,449</u>
Total Liabilities and Fund Balances	<u>\$ 130,637,570</u>	<u>\$ 110,002,903</u>	<u>\$ 4,946,577</u>	<u>\$ 3,850,754</u>	<u>\$ 23,016,724</u>	<u>\$ 18,540,630</u>	<u>\$ 41,557,354</u>	<u>\$ 35,699,931</u>	<u>\$ 177,141,501</u>	<u>\$ 149,553,588</u>

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

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

EXHIBIT F-2

MONTGOMERY COUNTY

Combining Balance Sheet - EXPENDABLE TRUST FUNDS
June 30, 1989

	Advance Land Acquisition	State Retirement	Leave Reserve	Other	TOTALS	
					Year Ended	
					June 30, 1989	June 30, 1988
ASSETS						
Equity in Pooled Cash and Investments	\$ 7,336,654	\$ 1,158,012	\$ 364,868	\$ 67,904	\$ 8,927,438	\$ 8,629,395
Total Current Assets	<u>7,336,654</u>	<u>1,158,012</u>	<u>364,868</u>	<u>67,904</u>	<u>8,927,438</u>	<u>8,629,395</u>
Restricted Assets -						
Land Held for Transfer	14,089,286	---	---	---	14,089,286	9,565,779
Total Assets	<u>\$ 21,425,940</u>	<u>\$ 1,158,012</u>	<u>\$ 364,868</u>	<u>\$ 67,904</u>	<u>\$ 23,016,724</u>	<u>\$ 18,195,174</u>
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts Payable	\$ 4,034,042	\$ ---	\$ ---	\$ ---	\$ 4,034,042	\$ 11,201
Accrued Liabilities	---	---	52,407	---	52,407	128,645
Deposits	---	---	---	33,676	33,676	21,167
Total Current Liabilities	<u>4,034,042</u>	<u>---</u>	<u>52,407</u>	<u>33,676</u>	<u>4,120,125</u>	<u>161,013</u>
Fund Balances:						
Reserved for Land Held for Transfer	14,089,286	---	---	---	14,089,286	9,565,779
Unreserved - Designated for Trust Activities	3,302,612	1,158,012	312,461	34,228	4,807,313	8,468,382
Total Fund Balances	<u>17,391,898</u>	<u>1,158,012</u>	<u>312,461</u>	<u>34,228</u>	<u>18,896,599</u>	<u>18,034,161</u>
Total Liabilities and Fund Balances	<u>\$ 21,425,940</u>	<u>\$ 1,158,012</u>	<u>\$ 364,868</u>	<u>\$ 67,904</u>	<u>\$ 23,016,724</u>	<u>\$ 18,195,174</u>

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

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

EXHIBIT F-3

MONTGOMERY COUNTY

Combining Statement of Revenues, Expenditures, and Changes in Fund Balance - EXPENDABLE TRUST FUNDS
For the Fiscal Year Ended June 30, 1989

	Advance Land Acquisition	State Retirement	Leave Reserve	Other	TOTALS	
					Year Ended	
					June 30, 1989	June 30, 1988
Revenues:						
Charges for Service	\$ ---	\$ ---	\$ 3,416,425	\$ ---	\$ 3,416,425	\$ 3,171,190
Interest	525,769	59,951	24,594	4,555	614,869	776,705
Contributions	---	---	---	9,364	9,364	6,165
Sale of Land, Net of Cost	17,576	---	---	---	17,576	---
Miscellaneous	---	386,405	---	---	386,405	361,300
Total Revenues	<u>543,345</u>	<u>446,356</u>	<u>3,441,019</u>	<u>13,919</u>	<u>4,444,639</u>	<u>4,315,360</u>
Expenditures:						
Current Miscellaneous Trust Activities	---	59,124	3,488,395	21,539	3,569,058	3,110,399
Total Expenditures	<u>---</u>	<u>59,124</u>	<u>3,488,395</u>	<u>21,539</u>	<u>3,569,058</u>	<u>3,110,399</u>
Excess of Revenues over (under) Expenditures	<u>543,345</u>	<u>387,232</u>	<u>(47,376)</u>	<u>(7,620)</u>	<u>875,581</u>	<u>1,204,961</u>
Other Financing Sources (Uses):						
Operating Transfers In (Out) - Debt Service Fund - Advance Land Acquisition	<u>(13,143)</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>(13,143)</u>	<u>117,842</u>
Excess of Revenues and Other Sources over (Under) Expenditures and Other Uses	<u>530,202</u>	<u>387,232</u>	<u>(47,376)</u>	<u>(7,620)</u>	<u>862,438</u>	<u>1,322,803</u>
Fund Balances, July 1	<u>16,861,696</u>	<u>770,780</u>	<u>359,837</u>	<u>41,848</u>	<u>18,034,161</u>	<u>16,711,358</u>
Fund Balances, June 30	<u>\$ 17,391,898</u>	<u>\$ 1,158,012</u>	<u>\$ 312,461</u>	<u>\$ 34,226</u>	<u>\$ 18,896,599</u>	<u>\$ 18,034,161</u>

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

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

EXHIBIT F-4

PRINCE GEORGE'S COUNTY

Combining Balance Sheet - EXPENDABLE TRUST FUNDS
June 30, 1989

	Advance Land Acquisition	Public Contributions	Recreation Activities	Sandy Hill	State Retirement	Leave Reserve	Historic Sites	TOTALS	
								Year Ended	
								June 30, 1989	June 30, 1988
ASSETS									
Equity in Pooled Cash and Investments	\$ 3,619,564	\$ 1,310,670	\$ 1,352,002	\$ 1,311,696	\$ 1,158,012	\$ 554,169	\$ 182,521	\$ 9,488,634	\$ 8,322,623
Other Cash	---	---	15,470	---	---	---	1,250	16,720	15,895
Accounts Receivable	---	---	2,408	22,964	---	---	---	25,372	31,907
Due from Other Funds	---	---	---	---	---	---	---	---	136,985
Total Current Assets	<u>3,619,564</u>	<u>1,310,670</u>	<u>1,369,880</u>	<u>1,334,660</u>	<u>1,158,012</u>	<u>554,169</u>	<u>183,771</u>	<u>9,530,726</u>	<u>8,507,410</u>
Land Advanced to Enterprise Funds	1,734,875	---	---	---	---	---	---	1,734,875	1,734,875
Restricted Assets -									
Land Held for Transfer	6,964,627	---	---	---	---	---	---	6,964,627	6,964,651
Other	---	310,402	---	---	---	---	---	310,402	297,821
Total Assets	<u>\$ 12,319,066</u>	<u>\$ 1,621,072</u>	<u>\$ 1,369,880</u>	<u>\$ 1,334,660</u>	<u>\$ 1,158,012</u>	<u>\$ 554,169</u>	<u>\$ 183,771</u>	<u>\$ 18,540,630</u>	<u>\$ 17,504,757</u>
LIABILITIES AND FUND BALANCES									
Liabilities:									
Accounts Payable	\$ ---	\$ 192	\$ 74,146	\$ 31,213	\$ ---	\$ ---	\$ 2,497	\$ 108,048	\$ 42,155
Accrued Liabilities	---	---	40,824	---	---	54,391	---	95,215	140,438
Deposits	---	16,020	---	---	---	---	---	16,020	7,020
Total Current Liabilities	---	16,212	114,970	31,213	---	54,391	2,497	219,283	189,613
Fund Balances:									
Reserved for Land Held for Transfer	8,699,502	---	---	---	---	---	---	8,699,502	8,828,757
Unreserved - Designated for Trust Activities	3,619,564	1,604,860	1,254,910	1,303,447	1,158,012	499,778	181,274	9,621,845	8,486,387
Total Fund Balances	<u>12,319,066</u>	<u>1,604,860</u>	<u>1,254,910</u>	<u>1,303,447</u>	<u>1,158,012</u>	<u>499,778</u>	<u>181,274</u>	<u>18,321,347</u>	<u>17,315,144</u>
Total Liabilities and Fund Balances	<u>\$ 12,319,066</u>	<u>\$ 1,621,072</u>	<u>\$ 1,369,880</u>	<u>\$ 1,334,660</u>	<u>\$ 1,158,012</u>	<u>\$ 554,169</u>	<u>\$ 183,771</u>	<u>\$ 18,540,630</u>	<u>\$ 17,504,757</u>

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

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

EXHIBIT F-5

PRINCE GEORGE'S COUNTY

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - EXPENDABLE TRUST FUNDS
For the Fiscal Year Ended June 30, 1989

	Advance Land Acquisition	Public Contributions	Recreation Activities	Sandy Hill	State Retirement	Leave Reserve	Historic Sites	TOTALS	
								Year Ended	
								June 30, 1989	June 30, 1988
Revenues:									
Charges for Services	\$ ---	\$ ---	\$ ---	\$ 123,770	\$ ---	\$ 3,743,793	\$ ---	\$ 3,867,563	\$ 3,503,337
Recreation Activities	---	---	1,421,990	---	---	---	---	1,421,990	1,173,136
Interest	251,854	150,567	82,533	95,391	59,951	37,906	17,234	695,436	671,879
Contributions	---	159,548	---	---	---	---	73,568	233,116	197,387
Sale of Land, Net of Cost	---	---	---	---	---	---	---	---	7,754
Miscellaneous	---	---	---	---	386,405	---	---	386,405	240,500
Total Revenues	<u>251,854</u>	<u>310,115</u>	<u>1,504,523</u>	<u>219,161</u>	<u>446,356</u>	<u>3,781,699</u>	<u>90,802</u>	<u>6,604,510</u>	<u>5,793,993</u>
Expenditures:									
Current -									
Cultural and Recreational	---	---	1,342,328	---	---	---	---	1,342,328	1,101,096
Miscellaneous Trust Activities	---	78,635	---	221,380	59,124	3,787,047	121,149	4,267,335	3,285,675
Capital Outlay - Land Acquisition and Development	---	---	---	---	---	---	---	---	43,628
Total Expenditures	<u>---</u>	<u>78,635</u>	<u>1,342,328</u>	<u>221,380</u>	<u>59,124</u>	<u>3,787,047</u>	<u>121,149</u>	<u>5,609,663</u>	<u>4,430,399</u>
Excess of Revenues over (under) Expenditures	251,854	231,480	162,195	(2,219)	387,232	(5,348)	(30,347)	994,847	1,363,594
Other Financing Sources (Uses):									
Operating Transfers In (Out) -									
Debt Service Fund - Advance Land Acquisition	11,356	---	---	---	---	---	---	11,356	17,063
Capital Projects Fund	---	---	---	---	---	---	---	---	(23,560)
Total Other Financing Sources (Uses)	<u>11,356</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>11,356</u>	<u>(6,497)</u>
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses	263,210	231,480	162,195	(2,219)	387,232	(5,348)	(30,347)	1,006,203	1,357,097
Fund Balances, July 1	<u>12,055,856</u>	<u>1,373,380</u>	<u>1,092,715</u>	<u>1,305,666</u>	<u>770,780</u>	<u>505,126</u>	<u>211,621</u>	<u>17,315,144</u>	<u>15,958,047</u>
Fund Balances, June 30	<u>\$12,319,066</u>	<u>\$1,604,860</u>	<u>\$1,254,910</u>	<u>\$1,303,447</u>	<u>\$1,158,012</u>	<u>\$ 499,778</u>	<u>\$ 181,274</u>	<u>\$18,321,347</u>	<u>\$17,315,144</u>

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

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

EXHIBIT F-6

Combining Statement of Changes in Assets and Liabilities -
 EMPLOYEES' DEFERRED COMPENSATION AGENCY FUND
 For the Fiscal Year Ended June 30, 1989

	July 1, 1988	Additions	Deductions	June 30, 1989
ASSETS				
Cash and Marketable Securities	\$3,850,754	\$1,231,757	\$135,934	\$4,946,577
Total Current Assets	<u>\$3,850,754</u>	<u>\$1,231,757</u>	<u>\$135,934</u>	<u>\$4,946,577</u>
LIABILITIES				
Accounts Payable	\$3,850,754	\$1,231,757	\$135,934	\$4,946,577
Total Current Liabilities	<u>\$3,850,754</u>	<u>\$1,231,757</u>	<u>\$135,934</u>	<u>\$4,946,577</u>

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



GENERAL ACCOUNT GROUPS

General Fixed Assets Account Group accounts 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 I of the General Purpose Financial Statement 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, 1989

	MONTGOMERY COUNTY	PRINCE GEORGE'S COUNTY	TOTAL
General Fixed Assets:			
Land	\$ 67,658,826	\$ 47,665,439	\$ 115,324,265
Buildings and Improvements	43,199,893	57,768,436	100,968,329
Machinery and Equipment	3,390,928	12,036,266	15,427,194
Construction in Progress	7,027,298	9,096,570	16,123,868
Total General Fixed Assets	<u>\$ 121,276,945</u>	<u>\$ 126,566,711</u>	<u>\$ 247,843,656</u>
Investment in General Fixed Assets From:			
Capital Project Funds:			
General Obligation Bonds	\$ 61,997,565	\$ 44,757,865	\$ 106,755,430
Intergovernmental	32,380,446	57,717,875	90,098,321
General Fund Revenues	3,664,792	12,617,539	16,282,331
Contributions	23,234,142	11,473,432	34,707,574
Total Investments in General Fixed Assets	<u>\$ 121,276,945</u>	<u>\$ 126,566,711</u>	<u>\$ 247,843,656</u>

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

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

EXHIBIT G-2

Schedule of General Fixed Assets -
By Function and Activity
June 30, 1989

COMMISSION TOTAL

<u>Function and Activity</u>	<u>Total</u>	<u>Land</u>	<u>Buildings And Improvements</u>	<u>Machinery And Equipment</u>
General Government	\$ 847,597	\$ ---	\$ 5,038	\$ 842,559
Planning and Zoning	3,374,504	52,138	1,890,782	1,431,584
Parks	<u>227,497,687</u>	<u>115,272,127</u>	<u>99,072,509</u>	<u>13,153,051</u>
Total General Fixed Assets				
Allocated to Functions	231,719,788	<u>\$ 115,324,265</u>	<u>\$ 100,968,329</u>	<u>\$ 15,427,194</u>
Construction in Progress	<u>16,123,868</u>			
Total General Fixed Assets	<u>\$ 247,843,656</u>			

MONTGOMERY COUNTY

General Government	\$ 389,519	\$ ---	\$ 5,038	\$ 384,481
Planning and Zoning	2,532,596	52,138	1,889,236	591,222
Parks	<u>111,327,532</u>	<u>67,606,688</u>	<u>41,305,619</u>	<u>2,415,225</u>
Total General Fixed Assets				
Allocated to Functions	114,249,647	<u>\$ 67,658,826</u>	<u>\$ 43,199,893</u>	<u>\$ 3,390,928</u>
Construction in Progress	<u>7,027,298</u>			
Total General Fixed Assets	<u>\$ 121,276,945</u>			

PRINCE GEORGE'S COUNTY

General Government	\$ 458,078	\$ ---	\$ ---	\$ 458,078
Planning and Zoning	841,908	---	1,546	840,362
Parks	<u>116,170,155</u>	<u>47,665,439</u>	<u>57,766,890</u>	<u>10,737,826</u>
Total General Fixed Assets				
Allocated to Functions	117,470,141	<u>\$ 47,665,439</u>	<u>\$ 57,768,436</u>	<u>\$ 12,036,266</u>
Construction in Progress	<u>9,096,570</u>			
Total General Fixed Assets	<u>\$ 126,566,711</u>			

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

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

EXHIBIT G-3

Schedule of Changes in General Fixed Assets -
By Function and Activity
For the Year Ended June 30, 1989

<u>Function and Activity</u>	<u>COMMISSION TOTAL</u>			General
				Fixed
	July 1, 1988	Additions	Deductions	Assets
				June 30, 1989
General Government	\$ 810,519	\$ 57,538	\$ 20,461	\$ 847,596
Planning and Zoning	2,893,186	503,502	22,183	3,374,505
Parks	206,333,795	21,663,642	499,750	227,497,687
Construction in Progress	16,418,998	12,766,532	13,061,662	16,123,868
Total General Fixed Assets	<u>\$ 226,456,498</u>	<u>\$ 34,991,214</u>	<u>\$ 13,604,056</u>	<u>\$ 247,853,656</u>

<u>MONTGOMERY COUNTY</u>				
General Government	\$ 375,117	\$ 21,555	\$ 7,153	\$ 389,519
Planning and Zoning	2,425,368	119,173	11,945	2,532,596
Parks	106,880,361	4,823,885	376,714	111,327,532
Construction in Progress	5,739,133	4,539,500	3,251,335	7,027,298
Total General Fixed Assets	<u>\$ 115,419,979</u>	<u>\$ 9,504,113</u>	<u>\$ 3,647,147</u>	<u>\$ 121,276,945</u>

<u>PRINCE GEORGE'S COUNTY</u>				
General Government	\$ 435,402	\$ 35,983	\$ 13,308	\$ 458,077
Planning and Zoning	467,818	384,329	10,238	841,909
Parks	99,453,434	16,839,757	123,036	116,170,155
Construction in Progress	10,679,865	8,227,032	9,810,327	9,096,570
Total General Fixed Assets	<u>\$ 111,036,519</u>	<u>\$ 25,487,101</u>	<u>\$ 9,956,909</u>	<u>\$ 126,566,711</u>

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

♦ PART III ♦
STATISTICAL SECTION



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	<u>Culture-Recreation</u>			Park Acquisition And Development	Debt Service	Total
		Planning And Zoning	Park Operations	Recreation			
1980	\$1,671,431	\$3,634,262	\$11,853,898	\$1,717,765	\$5,232,414	\$3,778,764	\$27,888,534
1981	1,779,816	3,936,144	13,326,387	2,092,876	4,517,648	3,598,606	29,251,477
1982	1,775,878	4,462,983	14,947,870	2,458,127	4,338,251	3,525,520	31,508,629
1983	1,881,164	4,708,454	16,049,658	2,537,873	4,503,878	8,944,161	38,625,188
1984	2,016,320	4,920,039	17,273,203	2,710,039	5,400,389	4,764,176	37,084,166
1985	2,105,527	5,284,403	18,213,885	2,809,512	7,095,623	4,654,147	40,163,097
1986	2,380,892	6,389,499	20,304,301	3,195,907	5,496,557	4,090,740	41,857,896
1987	2,113,792	7,968,899	22,444,315	3,539,125	8,802,195	3,928,259	48,796,585
1988	2,803,257	7,657,162	24,298,460	3,971,381	8,841,451	3,881,356	51,453,067
1989	3,191,323	9,843,697	26,292,431	4,335,854	11,140,192	4,204,420	59,007,917

PRINCE GEORGE'S COUNTY

1980	\$1,716,438	\$3,164,392	\$ 9,653,525	\$ 8,159,736	\$2,075,152	\$3,418,738	\$28,187,981
1981	1,571,395	3,364,244	10,621,968	8,240,729	2,152,766	3,289,010	29,240,112
1982	1,662,811	3,766,588	11,421,884	9,235,432	3,641,020	3,220,976	32,948,711
1983	1,769,475	4,038,281	12,854,020	9,936,703	1,877,479	3,120,544	33,596,502
1984	1,838,718	4,177,203	14,892,214	10,855,299	2,626,742	3,073,531	37,463,707
1985	1,948,125	4,580,528	16,852,980	11,599,234	3,848,950	3,060,178	41,889,995
1986	2,251,165	4,854,899	18,538,430	13,141,211	5,889,451	3,615,303	48,290,459
1987	2,087,684	6,386,219	21,702,378	14,958,753	10,938,103	4,474,495	60,547,632
1988	2,917,397	6,752,467	24,411,220	17,651,327	8,859,651	4,515,663	65,107,725
1989	3,250,894	8,079,171	26,263,861	21,435,249	9,688,607	5,469,322	74,187,104

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. 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
1980	\$18,849,549	\$3,425,413	\$1,707,324	\$1,218,979	\$ 306,226	\$25,507,491	\$ ---
1981	21,398,252	3,466,518	1,991,164	1,195,735	478,293	28,529,962	---
1982	23,867,644	3,940,443	1,959,007	1,128,930	974,527	31,870,551	---
1983	25,461,235	3,931,245	2,065,767	1,496,188	1,236,516	34,190,951	8,000,000
1984	25,745,386	4,354,353	2,064,594	2,010,352	1,397,970	35,572,655	---
1985	23,872,554	5,679,836	2,692,270	1,934,996	1,946,508	41,126,164	---
1986	33,401,825	3,309,461	3,280,228	1,494,315	1,543,535	43,029,364	---
1987	33,651,895	7,258,620	3,081,416	1,197,670	2,254,995	47,444,596	---
1988	35,544,904	6,146,386	3,515,830	1,243,005	2,509,444	48,959,569	7,000,000*
1989	40,341,163	7,267,334	3,650,222	1,648,558	2,833,111	55,740,388	---

PRINCE GEORGE'S COUNTY

1980	\$20,832,606	\$2,241,974	\$2,348,593	\$1,188,548	\$ 744,079	\$27,355,800	\$ ---
1981	22,236,967	2,669,906	2,345,394	1,443,239	1,271,028	29,966,534	---
1982	23,883,939	3,433,605	2,102,132	1,222,063	1,824,491	32,466,230	---
1983	26,288,821	1,823,702	2,370,059	924,026	2,507,802	33,914,410	500,000
1984	28,772,368	2,326,914	2,767,922	1,124,732	2,628,610	37,620,546	---
1985	33,955,258	2,934,490	3,096,885	1,402,183	2,587,126	43,975,942	---
1986	38,643,022	2,079,332	3,453,002	2,179,827	3,109,881	49,465,064	13,200,000
1987	39,734,683	2,379,071	3,771,830	1,678,207	3,420,146	50,983,937	---
1988	47,112,582	2,235,777	4,448,097	1,628,760	4,110,242	59,535,458	18,000,000*
1989	55,266,561	1,901,405	5,205,312	2,067,815	4,128,878	68,569,971	---

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

* Bond Anticipation Notes

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

TABLE T-3

Property Tax Levies and Collections
Last Ten Fiscal Years

MONTGOMERY COUNTY

<u>Fiscal Year</u>	<u>Total Tax Levy</u>	<u>Current Tax Collections</u>	<u>Percent of Levy Collected</u>	<u>Prior Years Taxes, Penalties and Interest Collections</u>	<u>Total Collections</u>	<u>Percent of Total Collections to Tax Levy</u>
1980	\$19,019,930	\$18,767,672	99%	\$ 81,877	\$18,849,549	99%
1981	21,234,076	21,131,934	100	266,318	21,398,252	101
1982	24,125,384	23,815,983	99	51,661	23,867,644	99
1983	25,475,065	25,213,887	99	247,348	25,461,235	100
1984	26,148,190	25,666,104	98	79,282	25,745,386	99
1985	29,331,310	28,768,859	98	103,695	28,872,554	98
1986	32,806,421	32,253,808	98	1,148,017	33,401,825	102
1987	33,372,183	33,498,436	100	153,459	33,651,895	101
1988	35,728,020	35,235,924	99	308,980	35,544,904	100
1989	41,020,865	40,362,180	98	(21,017)	40,341,163	98

PRINCE GEORGE'S COUNTY

1980	\$20,401,519	\$20,045,414	98%	\$ 787,192	\$20,832,606	102%
1981	22,039,264	21,813,172	99	423,795	22,236,967	101
1982	24,005,022	23,633,462	98	250,477	23,883,939	99
1983	26,405,816	25,882,573	98	406,248	26,288,821	100
1984	28,950,234	28,400,754	98	371,614	28,772,368	99
1985	33,506,282	33,335,142	99	620,116	33,955,258	101
1986	38,165,706	37,878,330	99	764,692	38,643,022	101
1987	39,823,829	39,534,382	99	200,301	39,734,683	100
1988	47,012,349	46,501,303	99	611,279	47,112,582	100
1989	55,030,287	54,665,968	99	600,593	55,266,561	100

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

TABLE T-4

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

MONTGOMERY COUNTY

Fiscal Year	Real Property		Total (1)		Ratio of Total Assessed To Total Estimated Actual Value
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	
1980	\$ 6,895,509	\$18,007,346	\$ 7,762,746	\$18,874,583	41.13%
1981	7,404,000	21,133,659	8,353,603	22,083,262	37.83
1982	8,224,090	24,092,371	9,269,631	25,137,912	36.88
1983	9,106,306	26,814,809	10,232,993	27,941,497	36.62
1984	10,135,735	27,767,212	11,504,266	29,135,742	39.49
1985	11,221,679	30,493,694	12,774,019	32,046,033	39.86
1986	12,547,762	34,190,086	14,341,376	35,983,700	39.86
1987	13,855,361	43,298,002	15,861,548	45,304,190	35.01
1988	15,365,458	48,017,060	17,538,969	50,190,570	34.94
1989	16,968,939	59,540,137	19,377,747	61,948,945	31.28

PRINCE GEORGE'S COUNTY

1980	\$4,773,254	\$10,327,759	\$ 5,548,776	\$11,103,282	49.97%
1981	4,959,933	10,867,358	5,786,091	11,693,516	49.48
1982	5,230,966	11,915,989	6,138,611	12,823,635	47.87
1983	5,558,402	13,282,050	6,667,191	14,390,839	46.33
1984	5,930,711	14,501,902	7,154,721	15,725,912	45.50
1985	6,389,607	15,649,987	7,747,204	17,007,585	45.55
1986	6,975,383	17,061,670	8,459,207	18,545,495	45.61
1987	7,586,915	18,521,151	9,212,810	20,147,046	45.73
1988	8,338,387	20,445,244	10,077,915	22,184,772	45.43
1989	9,212,349	22,891,531	11,075,110	24,754,291	44.74

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

(2) 000's omitted.

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

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

TABLE T-5

Property Tax Rates - All Overlapping Governments
Last Ten Fiscal Years

M-NCPPC TAXES

MONTGOMERY COUNTY

Fiscal Year	Administration	Park Operation	Park Maintenance	Advance Land Acquisition	Total	Countywide Property Taxes	
						Within County	Total
1980	\$.0700	\$.1770	\$.0200	\$.0100	\$.2770	\$2.6700	\$2.9470
1981	.0700	.1870	.0200	.0100	.2870	2.6950	2.9820
1982	.0730	.1900	.0200	.0100	.2930	2.6750	2.9680
1983	.0670	.1840	.0200	.0100	.2810	2.6700	2.9510
1984	.0650	.1750	.0200	--	.2600	2.6500	2.9100
1985	.0670	.1700	.0200	.0040	.2610	2.5050	2.7660
1986	.0670	.1700	.0200	.0040	.2610	2.4750	2.7360
1987	.0660	.1530	.0200	.0040	.2430	2.4930	2.7360
1988	.0660	.1440	.0200	.0030	.2330	2.5620	2.7950
1989	.0700	.1500	.0200	.0020	.2420	2.5070	2.7490

PRINCE GEORGE'S COUNTY

Fiscal Year	Administration	Park Operation	Recreation	Advance Land Acquisition	Total	Countywide Property Taxes	
						Within County	Total
1980	\$.0762	\$.2162	\$.0872	\$.0101	\$.3897	\$3.3650	\$3.7547
1981	.0775	.2256	.0931	.0080	.4042	3.0205	3.4247
1982	.0794	.2350	.0928	.0070	.4142	2.9350	3.3492
1983	.0825	.2400	.0910	.0065	.4200	2.9650	3.3850
1984	.0774	.2521	.0948	.0057	.4300	2.8750	3.3050
1985	.0814	.2764	.0971	.0051	.4600	2.6850	3.1450
1986	.0842	.2891	.1020	.0047	.4800	2.6650	3.1450
1987	.0870	.2669	.1020	.0041	.4600	2.6550	3.1150
1988	.0896	.3078	.0990	.0036	.5000	2.6450	3.1450
1989	.0968	.3212	.1139	.0031	.5350	2.6450	3.1800

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 Bonded Debt
To Assessed Value and Net Bonded Debt Per Capita
Last Ten Fiscal Years

MONTGOMERY COUNTY

<u>Year</u>	<u>Population</u>	<u>Assessed Value (1)</u>	<u>Net Bonded Debt (2)</u>	<u>Ratio of Net Bonded Debt to Assessed Value</u>	<u>Net Bonded Debt Per Capita</u>
1980	580,460	\$ 6,750,900	\$27,460	0.41%	\$47.31
1981	590,530	7,350,000	25,555	0.35	43.28
1982	598,530	8,188,900	28,610	0.35	47.80
1983	608,240	9,014,300	29,595	0.33	48.65
1984	627,510	10,042,400	27,310	0.27	43.52
1985	643,890	11,168,000	25,005	0.22	38.83
1986	664,570	12,530,500	22,670	0.18	34.11
1987	684,200	13,811,500	20,370	0.15	29.77
1988	700,000	15,291,500	25,065	0.16	35.81
1989	716,400	16,914,200	22,700	0.13	31.69

PRINCE GEORGE'S COUNTY

1980	665,100	\$ 5,181,000	\$25,977	0.50%	\$39.06
1981	671,400	5,316,000	24,386	0.46	36.32
1982	672,200	5,725,000	22,760	0.40	33.86
1983	674,500	6,102,800	21,650 (3)	0.35	32.10
1984	675,500	6,507,100	19,990 (3)	0.31	29.46
1985	676,300	7,080,700	18,230 (3)	0.26	26.96
1986	680,100	7,715,800	29,670 (3)	0.39	43.63
1987	686,400	8,372,300	27,410 (3)	0.33	39.93
1988	696,500	9,087,300	43,150 (3)	0.47	61.95
1989	708,000	10,176,441	40,790 (3)	0.40	57.61

- 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, and \$5,000,000 of Montgomery County Bond Anticipation Notes sold in 1982, defeased in 1983 and retired in 1985. (000's omitted).
 (3) Includes Park Acquisition and Development Bonds, Series F-2, recorded in the Property Management Internal Service Fund.

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

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

TABLE T-7

Computation of Legal Debt Margin
Park Acquisition and Development Bonds
As of June 30, 1989

Park Acquisition and Development Bonds
Guaranteed by Montgomery County

Assessed Valuation - Metropolitan District for fiscal year ending June 30, 1989.....	\$16,914,200,000
Annual Revenue from 9 cents mandatory park tax levied for each \$100 of assessed valuation.....	\$ 15,222,780
Legal Debt Margin -	
Revenue available from 9 cents mandatory park tax over next thirty years.....	\$ 456,683,400
Debt service over next thirty years on \$22,700,000 bonds and notes issued and outstanding at June 30, 1989.....	32,547,264
Amount of tax available for debt service on future bonds.....	\$ 424,136,136

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

Assessed Valuation - Metropolitan District for fiscal year ending June 30, 1989.....	\$10,176,441,220
Annual Revenue from 10 cents mandatory park tax levied for each \$100 of assessed valuation.....	\$ 10,176,441
Legal Debt Margin -	
Revenue available from 10 cents mandatory park tax over next thirty years.....	\$ 305,293,237
Debt service over next thirty years on \$40,790,000 bonds and notes issued and outstanding at June 30, 1989.....	63,423,577
Amount of tax available for debt service on future bonds.....	\$ 241,869,660

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

TABLE T-8

Computation of Direct and Overlapping Debt
June 30, 1989

	MONTGOMERY COUNTY	PRINCE GEORGE'S COUNTY	TOTAL DEBT OUTSTANDING
Direct Debt Outstanding	\$ 24,940,000	\$ 42,575,000	\$ 67,515,000
Overlapping Debt			
Montgomery County Debt	724,650,000 (1)	---	724,650,000
Prince George's County Debt	---	268,270,000 (1)	268,270,000
Washington Suburban Sanitary Commission Debt	875,953,259	582,824,741	1,458,778,000
Montgomery County Revenue Authority Debt	16,508,788	---	16,508,788
Prince George's County State of Maryland Participation Loans	---	37,104,825	37,104,825
Total Overlapping Debt	<u>1,617,112,047</u>	<u>888,199,566</u>	<u>2,505,311,613</u>
Total Direct and Overlapping Debt	<u>1,642,052,047</u>	<u>930,774,566</u>	<u>2,572,826,613</u>
Less Self Supporting Debt			
Montgomery County Debt	53,700,000	---	53,700,000
Prince George's County Debt	---	9,185,000	9,185,000
Washington Suburban Sanitary Commission Debt	873,775,759	526,057,241	1,399,833,000
Montgomery County Revenue Authority Debt	16,508,788	---	16,508,788
Prince George's County State of Maryland Participation Loans	---	37,104,825	37,104,825
Total Self Supporting Debt	<u>943,984,547</u>	<u>572,347,066</u>	<u>1,516,331,613</u>
Net Direct and Overlapping Debt	<u>\$ 698,067,500</u>	<u>\$ 358,427,500</u>	<u>\$1,056,495,000</u>

Note: (1) Overlapping debt does not include the debt of towns, cities and villages aggregating \$40,056,124 in Montgomery County and \$29,947,803 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 YearsMONTGOMERY AND PRINCE GEORGE'S COUNTIES

<u>Year</u>	<u>Population</u>	<u>Per Capita Income</u>	<u>Labor Force</u>	<u>Unemployment Rate</u>	<u>Registered Pupils</u>
1980	1,245,530	\$12,415	697,970	3.6%	233,822
1981	1,261,960	13,730	705,516	4.1	223,949
1982	1,270,730	14,757	719,900	5.2	214,905
1983	1,282,740	15,674	729,960	4.2	207,039
1984	1,303,010	17,196	767,295	3.3	200,631
1985	1,320,190	18,554	781,875	2.8	197,534
1986	1,344,670	19,649	791,735	2.8	195,866
1987	1,370,600	21,094	801,855	3.0	197,026
1988	1,396,500	27,890 (1)	825,856	3.2	200,196
1989	1,424,400	29,000 (1)	860,596	3.2	202,659

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

(1) Montgomery County only.

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

TABLE T-10

Ratio of Annual Debt Service Expenditures for
General 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>
1980	\$2,250,000	\$1,524,036	\$3,774,036	\$27,888,534	13.53%
1981	2,185,000	1,410,096	3,595,096	29,251,477	12.29
1982	2,225,000	1,295,653	3,520,653	31,508,629	11.17
1983	2,295,000	1,646,094	3,941,094	33,625,188	11.72
1984	2,565,000	2,198,375	4,763,375	37,084,166	12.84
1985	2,585,000	2,068,121	4,653,121	40,163,097	11.59
1986	2,615,000	1,475,160	4,090,160	41,857,896	9.77
1987	2,580,000	1,347,729	3,927,729	48,796,585	8.05
1988	2,585,000	1,293,281	3,878,281	51,453,067	7.54
1989	2,645,000	1,541,615	4,186,615	59,007,917	7.10

PRINCE GEORGE'S COUNTY

1980	\$1,813,000	\$1,602,397	\$3,415,397	\$28,187,981	12.12%
1981	1,796,000	1,489,670	3,285,670	29,240,112	11.24
1982	1,841,000	1,376,748	3,217,748	32,948,711	9.77
1983	1,835,000	1,282,991	3,117,991	33,596,502	9.28
1984	1,885,000	1,187,654	3,072,654	37,463,707	8.20
1985	1,985,000	1,074,294	3,059,294	41,889,995	7.30
1986	1,985,000	1,627,054	3,612,054	48,290,459	7.47
1987	2,495,000	1,976,939	4,471,939	60,547,632	7.39
1988	2,495,000	2,016,142	4,511,142	65,107,725	6.93
1989	2,595,000	2,831,700	5,426,700	74,187,104	7.31

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.

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

TABLE T-11

Property Value, Construction, and Bank Deposits

Last Ten Years
(Dollars In Millions)

MONTGOMERY COUNTY (1)

<u>Year</u>	<u>Total Number Of Building Permits</u>	<u>Residential Construction Value (2)</u>	<u>Commercial Construction Value (2)</u>	<u>Bank Deposits</u>	<u>Total Estimated Real Property Value</u>
1980	7,665	\$288	\$109	\$1,929	\$18,007
1981	8,066	298	160	2,012	21,134
1982	8,890	351	173	2,090	24,092
1983	12,119	256	158	2,601	26,815
1984	13,229	452	141	2,979	27,767
1985	13,975	548	175	3,703	30,494
1986	16,817	734	266	4,619	34,190
1987	17,237	757	767	4,822	43,298
1988	17,003	877	431	5,999	48,017
1989	16,078	923	395	*	59,540

PRINCE GEORGE'S COUNTY

<u>Fiscal Year</u>	<u>Residential Building Permits Issued</u>	<u>Residential Construction Value (3)</u>	<u>Commercial Construction Value (3)</u>	<u>Bank Deposits</u>	<u>Total Estimated Real Property Value</u>
1980	1,741	\$ 73	\$ 87	\$1,562	\$10,328
1981	1,673	79	143	1,627	10,867
1982	894	29	31	1,671	11,916
1983	2,507	167	123	1,895	13,282
1984	1,047	38	17	2,067	14,502
1985	2,953	149	161	2,274	15,650
1986	3,900	205	214	2,651	17,062
1987	4,238	255	313	2,916	18,521
1988	4,398	286	346	3,095	20,521
1989	4,663	310	267	*	22,900

Note: (1) For Montgomery County the years 1980 through 1982 are on a calendar year basis; 1983 through 1989 are on a fiscal year basis.

(2) Estimated market value of new construction added to the real property tax base.

(3) 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, 1989

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	\$ 506,006,100	2.61%	\$ 20,969,330	\$ 485,036,770
International Business Machines Corp.	356,018,240	1.84	62,087,770	293,930,470
C&P Telephone Company	309,611,650	1.60	17,879,040	291,732,610
Washington Gas Light Company	96,711,070	.50	4,892,710	91,818,360
Woodward & Lothrop	48,659,030	.25	23,062,500	25,596,530
R & R Metro Associates	46,703,390	.24	46,703,390	---
Democracy Associates	42,681,020	.22	42,253,860	427,160
Government Employees Insurance Co.	42,324,100	.22	24,610,280	17,713,820
Airline Foods	41,176,220	.21	41,176,220	---
Albert & R. Abramson, et. al.	38,865,680	.20	38,865,680	---
Total	<u>\$ 1,528,756,500</u>	<u>7.89%</u>	<u>\$322,500,780</u>	<u>\$1,206,255,720</u>
Total Assessable Base	<u>\$19,377,746,750</u>	<u>100.00%</u>		

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	\$ 708,925,810	6.40%	\$ 12,043,620	\$ 696,882,190
C&P Telephone Company	202,848,410	1.83	2,012,640	200,835,770
Washington Gas Light Company	76,297,420	.69	325,180	75,972,240
Giant Foods Incorporated	47,969,410	.43	15,311,070	32,658,340
Baltimore Gas & Electric Company	42,259,600	.38	510,610	41,748,990
Greenbelt Homes, Incorporated	28,443,469	.26	28,196,029	247,440
John H. Hechinger (Hechinger Co.)	26,623,060	.24	12,865,670	13,757,390
Digital Equipment Corporation	23,065,160	.21	4,753,960	18,311,200
Carrollton Ent. Ltd. Partnership	21,458,930	.19	21,458,930	---
Safeway Stores, Inc.	21,453,760	.19	5,827,570	15,626,090
Total	<u>\$ 1,199,345,029</u>	<u>10.83%</u>	<u>\$103,305,379</u>	<u>\$1,096,039,650</u>
Total Assessable Base	<u>\$11,075,109,780</u>	<u>100.00%</u>		

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

THE HARTLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

SCHEDULE OF INSURANCE IN FORCE
AS OF JUNE 30, 1989

TABLE T-11

TYPE OF COVERAGE AND NAME OF COMPANY	POLICY NUMBER	POLICY PERIOD FROM	TO	LIABILITY LIMITS	ANNUAL PREMIUM	
o Worker's 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				Self-Insured in Conjunction with Montgomery County Self-Insurance Fund		
o Public Official Liability					\$10,000,000 combined single limit of Bodily Injury and Property Damage	
o Police Professional Liability					Comprehensive & Collision	
o Automobile Physical Damage					\$1,000 deductible each loss	
o Exhibition Floater Continental	IMC148319	07/01/88	07/01/89	\$100,000 all risk on display (blanket aggregate); \$10,000 any one item, \$100 deductible; \$25,000 per vehicle in transit	\$ 250	
o Boiler and Machinery Chubb Insurance	78261946	04/01/89	04/01/90	Actual cash value, broad form coverage per scheduled listing with \$10,000 S.I.R. per occurrence \$3,000 deductible per occurrence	\$ 11,286	
o Data Processing Equipment American Home Assurance	D4502713	04/15/89	04/15/90	\$7,007,179 all risk, \$100 deductible per occurrence	\$ 4,348	
o All Risk Real & Personal Property Contractor's Equipment & Difference in Conditions Continental	SFC2982239	11/11/88	11/11/89	\$80,000,000 loss-limit \$100,000 S.I.R. per occurrence \$1,000 deductible per occurrence	\$ 20,602	
o Airport Liability including Products, Hangar Keeper's and Non-Owned Aircraft Associated Aviation Underwriters	APL22369	01/18/89	01/18/90	\$10,000,000 per occurrence; \$10,000,000 per completed operations \$10,000,000 each aircraft; \$ 5,000,000 each loss; \$1,500 deductible	\$ 23,765	
o Owned Aircraft Liability and Physical Damage Associated Aviation Underwriters	1FHL24022	01/18/89	01/18/90	\$2,000,000 per occurrence; in motion deductible - \$500 Not in motion deductible - \$100	\$ 5,318	
o Fine Arts Floater (Duvall Tool Collection) Hartford	42MSAP2002	05/25/89	05/25/90	\$50,000; \$250 deductible	\$ 1,130	
o Public Employees Blanket Bond Peerless Insurance	F 88 74 91	07/01/87	07/01/90	\$100,000	\$ 14,063	
o Public Official Bond (Secretary-Treasurer) Fidelity & Deposit Company	596 14 77-B	07/01/87	07/01/90	\$200,000	\$ 2,160	
o Public Official Bond (Executive Director) Fidelity & Deposit Company	30 17 65 72	07/01/88	07/01/89	\$50,000	\$ 175	
o Depositors Forgery Bond Fidelity & Deposit Company	948 10 95-1	07/01/87	07/01/90	\$50,000	\$ 1,325	
o Commercial Inland Marine (Police Horses) Aetna Casualty & Surety Company	05JRF02919FCA	03/08/89	03/08/90	\$79,000	\$ 214	
o Fine Arts Floater (Marietta Manor) Hartford	4MSAP1643	03/24/89	03/24/90	\$56,909; \$250 deductible	\$ 626	
o Travel Accident INA	ABL648849	07/01/88	07/01/89	\$50,000 Prin. Sum \$500,000 per accident	\$ 200	
					<u>\$ 85,362</u>	

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

TABLE T-14

EMPLOYEES' RETIREMENT SYSTEM
REQUIRED SUPPLEMENTARY INFORMATION
(in millions of dollars)

	FY 1981	FY 1982	FY 1983	FY 1984	FY 1985	FY 1986	FY 1987	FY 1988	FY 1989
PART I. ANALYSIS OF FUNDING PROGRESS									
1. Net Assets Available for Benefits	\$28.6	\$31.9	\$49.0	\$50.7	\$67.1	\$89.6	\$104.6	\$109.6	\$130.5
2. Pension Benefit Obligation	\$46.7 (1)	\$49.3	\$58.9	\$67.1	\$72.7 (2)	\$83.3	\$96.5 (3)	\$106.9	\$124.7
3. Percentage Funded (line 1 divided by line 2)	61%	65%	83%	76%	92%	108%	108%	103%	105%
4. Net Assets in Excess of (Unfunded) Pension Benefit Obligation (line 1 less line 2)	(\$18.1)	(\$17.4)	(\$9.9)	(\$16.4)	(\$5.6)	\$6.3	\$8.1	\$2.7	\$5.8
5. Annual Covered Payroll	\$20.0	\$22.6	\$24.7	\$26.8	\$29.3	\$32.3	\$40.2	\$44.9	\$47.0
6. Net Assets in Excess of (Unfunded) Pension Benefit Obligation as a Percentage of Covered Payroll (line 4 divided by line 5)	(91%)	(78%)	(40%)	(61%)	(19%)	20%	20%	6%	12%
7. Commission Contribution vs. a percentage Covered Payroll	16.7%	18.0%	15.9%	15.0%	14.3%	14.1%	12.0%	12.6%	13.4%
PART II. REVENUES BY SOURCE AND EXPENSES BY TYPE									
A. Revenues by Source:									
Employer Contributions	\$3.3	\$4.1	\$3.9	\$4.0	\$4.2	\$4.5	\$4.8	\$5.6	\$6.3
Employee Contributions	1.1	1.2	1.3	1.3	1.3	1.4	1.5	1.8	2.0
Investment Income (Loss)	4.1	3.2	4.7	(1.7)	12.9	19.2	11.6	0.6	16.3
TOTAL	\$8.5	\$8.5	\$9.9	\$3.6	\$18.4	\$25.1	\$17.9	\$8.0	\$24.6
B. Expenses by Type									
Benefit payments	\$0.7	\$0.9	\$1.1	\$1.4	\$1.7	\$2.1	\$2.4	\$2.8	\$3.0
Administration Expenses	0.3	0.2	0.2	0.2	0.2	0.3	0.3	0.3	0.4
Refunds of Employee Contributions	0.2	0.2	0.3	0.3	0.2	0.2	0.2	0.1	0.2
TOTAL	\$1.2	\$1.3	\$1.6	\$1.9	\$2.1	\$2.6	\$2.9	\$3.2	\$3.6

Analysis of the dollar amounts of net assets available for benefits, pension benefit obligation, and net assets in excess of (unfunded) pension benefit obligation in isolation can be misleading. Expressing the net assets available for benefits as a percentage of the pension benefit obligation provides one indication of the Employees' Retirement System (ERS) funding status on a going-concern basis. Analysis of this percentage over time indicates whether the system is becoming financially stronger or weaker. Generally, the greater this percentage, the stronger the ERS. Trends in assets in excess of (unfunded) pension benefit obligation and annual covered payroll are both affected by inflation. Expressing the net assets in excess of (unfunded) pension benefit obligation as a percentage of annual covered payroll approximately adjusts for the effects of inflation and aids analysis of ERS's progress made in accumulating sufficient assets to pay benefits when due. Generally, the smaller the negative percentage or the larger the positive percentage, the stronger the ERS. Table 14 includes all years for which an actuarial valuation was performed.

(1) Amount reflects a decrease of \$774,000, resulting from a change in actuarial assumptions.

(2) Amount reflects a decrease of \$310,000, resulting from a change in actuarial assumptions.

(3) Amount reflects an increase of \$1,243,000, resulting from a change in actuarial valuation methods.

ENTERPRISE SEGMENT INFORMATION

Condensed Schedule of Revenues and Expenses
For the Fiscal Year Ended June 30, 1989

Recreational FacilitiesMONTGOMERY COUNTY

	<u>Conference Centers</u>	<u>Golf Courses</u>	<u>Ice Rinks</u>	<u>Park Facilities</u>	<u>Indoor Tennis</u>
Operating Revenues	\$ 264,000	\$ 2,824,709	\$ 1,127,803	\$ 734,886	\$ 254,127
Operating Expenses Before Depreciation	386,543	2,282,535	808,171	422,459	165,782
Operating Income (Loss)					
Before Depreciation	(122,543)	542,174	319,632	312,427	88,345
Depreciation	69,015	96,586	28,655	59,979	16,129
Operating Income (Loss)	(191,558)	445,588	290,977	252,448	72,216
Nonoperating Revenues (Expenses)	(509)	108,034	32,682	16,354	74,007
Operating Transfers In (Out)	25,000	---	(537,000)	---	---
Net Income (Loss)	<u>\$ (167,067)</u>	<u>\$ 553,622</u>	<u>\$ (213,341)</u>	<u>\$ 268,802</u>	<u>\$ 146,223</u>

PRINCE GEORGE'S COUNTY

	<u>Airport</u>	<u>Aquatics</u>	<u>Equestrian Center</u>	<u>Golf Courses</u>	<u>Ice Rinks</u>	<u>Regional Parks</u>
Operating Revenues	\$ 331,211	\$ 646,341	\$ 442,865	\$ 1,240,068	\$ 522,733	\$ 593,880
Operating Expenses Before Depreciation	433,915	1,305,804	1,297,848	1,235,903	596,291	732,198
Operating Income (Loss)						
Before Depreciation	(102,704)	(659,463)	(854,983)	4,165	(73,558)	(138,318)
Depreciation	12,709	222,972	49,927	70,868	82,195	51,039
Operating Income (Loss)	(115,413)	(882,435)	(904,910)	(66,703)	(155,753)	(189,357)
Operating Transfers In (Out)	58,300	755,600	559,300	243,700	51,800	80,800
Net Income (Loss)	<u>\$ (57,113)</u>	<u>\$ (126,835)</u>	<u>\$ (345,610)</u>	<u>\$ 176,997</u>	<u>\$ (103,953)</u>	<u>\$ (108,557)</u>

Photos:

Cover	Theresa Banks Pool
Page 4	"Traveling Teens" Program, Patuxent River Park
Page 25	Dedication of the Agricultural History Farm Park
Page 63	M-NCPPC Park Police
Page 71	Publick Playhouse, Hyattsville
Page 74	The Activity Center at Agricultural History Farm Park
Page 77	Fishing at Lake Needwood
Page 81	Computer Camp
Page 85	Prince George's County Fair
Page 92	The miniture train at Wheaton Regional Park
Page 96	Harmony Hall Arts Center

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