

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

# Annual Comprehensive Financial Report



FOR THE FISCAL YEAR  
ENDED JUNE 30, 2021

**ANNUAL COMPREHENSIVE FINANCIAL REPORT**

**of**

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

**For the Fiscal Year Ended June 30, 2021**

**Commissioners**

Elizabeth M. Hewlett, Chair of the Commission  
Casey Anderson, Vice-Chair of the Commission  
Dorothy F. Bailey  
Gerald R. Cichy  
William M. Doerner  
Manuel R. Geraldo  
Natali Fani-Gonzalez  
Tina E. Patterson  
A. Shuanise Washington  
Partap Verma

**Officers**

Asuntha Chiang-Smith, Executive Director  
Joseph C. Zimmerman, Secretary-Treasurer  
Adrian R. Gardner, General Counsel

**Department Directors**

Andree Checkley, Prince George's County Director of Planning  
Bill Tyler, Prince George's County Director of Parks and Recreation

Gwen Wright, Montgomery County Director of Planning  
Mike Riley, Montgomery County Director of Parks

Asuntha Chiang-Smith, Department of Human Resources and Management  
Joseph C. Zimmerman, Department of Finance  
Adrian R. Gardner, Legal Department

***Prepared by the Department of Finance***

Joseph C. Zimmerman, Secretary-Treasurer

***Finance Directors***

Abbey Rodman, Corporate Accounting  
Stacey Pearson, Corporate Procurement  
Chip S. Bennett, Corporate Business Services  
and Finance Administration

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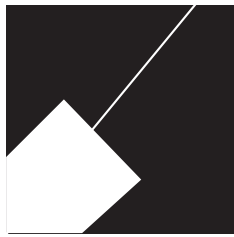
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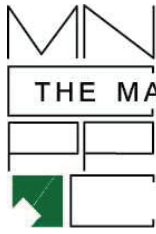


PART I

# Introductory Section



Meadowbrook Covered Stables Riding Rink.



THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

6611 Kenilworth Avenue • Riverdale, Maryland 20737

December 29, 2021

**Commissioners:**

The Annual Comprehensive Financial Report (Report) of The Maryland-National Capital Park and Planning Commission (“the Commission”) for the fiscal year ended June 30, 2021 is hereby submitted. The Report implements early the Government Accounting Standards Board (GASB) Statement number 98, “The Annual Comprehensive Financial Report” which changes the name of the Report. This Report was prepared by the Commission’s Finance Department, in accordance with the Land Use Article of the Annotated Code of Maryland, Sections 15-115 and 15-116. Responsibility for the completeness and reliability of all the information presented, including all disclosures, rests with the Commission. I assert that to the best of my knowledge and belief, the data, as presented, is accurate in all material respects and is reported in a manner designed to present fairly the financial position and changes in financial position of the governmental activities, business-type activities and various funds of the Commission in accordance with Generally Accepted Accounting Principles (GAAP) in the United States of America. All disclosures necessary to enable the reader to gain an understanding of the Commission’s financial activities have been included.

To provide a reasonable basis for making these representations, management of the Commission has established 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 is compiled to allow for the preparation of financial statements in conformity with GAAP. 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 evaluation of costs and benefits requires business judgment by management.

State statutes require an annual audit by independent Certified Public Accountants. The Commission selected the accounting firm of SB & Company, LLC. The goal of the independent audit was to provide reasonable assurance that the financial statements of the Commission for the fiscal year ended June 30, 2021 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent public accountants concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the Commission’s financial statements for the fiscal year ended June 30, 2021 are fairly presented in conformance with GAAP. The independent public accountants report is presented as the first component of the Financial Section of this Report.

This year the Commission is required to undergo a Single Audit in conformity with the provisions of the Title 2 United States Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*. The Commission is required to file a Uniform Financial Report with the Maryland State Department of Legislative Services by January 1 of each year.

Management’s discussion and analysis (MD&A) immediately follows the independent auditor’s report and provides a narrative introduction, overview and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

**The 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 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 manages the

recreation programs for Prince George's County.

The annual budget serves as the foundation for the Commission's financial planning and control. The Commission maintains budgetary controls to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Montgomery County and Prince George's County governments. Activities of the General Fund, which include a transfer for debt service expenditures, are included in the annual appropriated budget. Project length financial plans are adopted for the Capital Projects Funds. The level of budgetary control (the level at which expenditures cannot legally exceed the appropriated amount) is established within each individual account in the General Fund. Budget-to-actual presentations for all five accounts of the General Fund are presented in Note 6 in the basic financial statements.

The Commission maintains an Inspector General's Office that reports to the Chair and Vice-Chair of the Commission. The staff performs internal audits throughout the Commission's offices and facilities. 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.

### **Factors Affecting Financial Condition**

The Commission's financial condition is positive as a result of a stable primary revenue source, property taxes, and the Commission's conservative fiscal management policies. The assessable base increased in Prince George's County and decreased in Montgomery County in FY 2021. Collections, including interest and penalties as a percent of the levy, are consistently above 99%. The Commission prepares quarterly financial projections to help guide current year expenditures based upon anticipated revenue sources. In addition, the Commission maintains a comprehensive fund balance policy to provide a cushion against unforeseen expenditures or revenue shortfalls in each fund. As of June 30, 2021, the Commission's General Fund budget basis ending fund balance was \$217.4 million which was within policy guidelines.

Along with the Commission's internal financial management policies, spending affordability guidelines continue to be provided by Montgomery County Government for the Commission's Montgomery County operations, and by a Spending Affordability Committee for the Commission's Prince George's County operations.

Montgomery and Prince George's Counties are adjacent to Washington, D.C. and both counties have an economic base that is centered on vital government bureaus, major corporations and higher educational institutions. Maryland remains the wealthiest state in the nation, according to the latest 2020 U. S. Census data. The State's median household income for 2020 was \$86,738, an increase of \$1,933 from the previous year.

Like other jurisdictions across the nation both counties were impacted by the current fiscal environment related to the Covid-19 pandemic. As of June 30, 2021, the nation's unemployment rate was 5.9 percent, whereas Montgomery and Prince George's rates were 6.4 percent and 8.3 percent, respectively. These counties have maintained a combined population base of approximately 2.0 million people and have over 1.0 million employed as of fiscal year 2021.

More detailed information on the financial outlook is provided in the Management's Discussion and Analysis section of this Report.

### **Long-term Financial Planning**

The Commission prepares a six-year projection of results for its Prince George's County operations, which is reviewed with the Prince George's County Spending Affordability Committee. A high-level long-term plan is prepared for its Montgomery County operations by Montgomery County government, with Commission input.

The Commission's fund balance policy requires a minimum of 3%, Montgomery County, and 5% for Prince Georgia's County FY2021 expenditures be maintained for contingencies

Unassigned fund balance for Montgomery County totaled \$7.0 million and for Prince George's County totaled \$201.8 million.



## **Major Initiatives**

The Commission enjoyed another successful program year in fiscal year 2021, despite Covid-19 pandemic-related closures. The major accomplishments of the Commission are set forth in the Program Highlights section of this Report.

## **Other Information**

**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, 2020. The Commission has received this award continuously since fiscal year 1973. In order to be awarded a Certificate of Achievement, the Commission must publish an easily readable and efficiently organized Report . This Report satisfied both GAAP and applicable legal requirements.

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

In addition, the Commission also received the GFOA's Award for Distinguished Budget Presentation for its annual budget for fiscal year 2021. The Commission has received this award continuously since fiscal year 1987. In order to qualify for the Distinguished Budget Presentation Award, the Commission's budget document was judged to be proficient in several categories including policy documentation, financial planning and organization.

## **Acknowledgments**

The preparation of this Annual Comprehensive Financial Report on a timely basis was made possible by the dedicated service of the entire staff of the Finance Department. Each member of the Department has my sincere appreciation for the contributions made in the preparation of this Report. Special thanks are expressed to retired Secretary-Treasurer Joseph C. Zimmerman, Abbey Rodman, Corporate Accounting Director, and the entire Accounting Division staff. I would also like to thank and express my appreciation to the Commissioners for their interest and support in planning and conducting the financial operations of the Commission in a responsible manner.

Respectfully submitted,



Gavin Cohen (Dec 29, 2021 12:34 EST)

Gavin Cohen,  
Secretary-Treasurer



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Maryland-National Capital Park  
and Planning Commission**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

June 30, 2020

*Christopher P. Morill*

Executive Director/CEO

## 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. As of October 1, 2012, Article 28 of the Annotated Code of Maryland is recodified under Division II, Land Use Article, Maryland Annotated Code.

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. The Commission is also empowered to prepare and administer a general plan for the physical development of a larger Regional District in the same area.

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

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

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

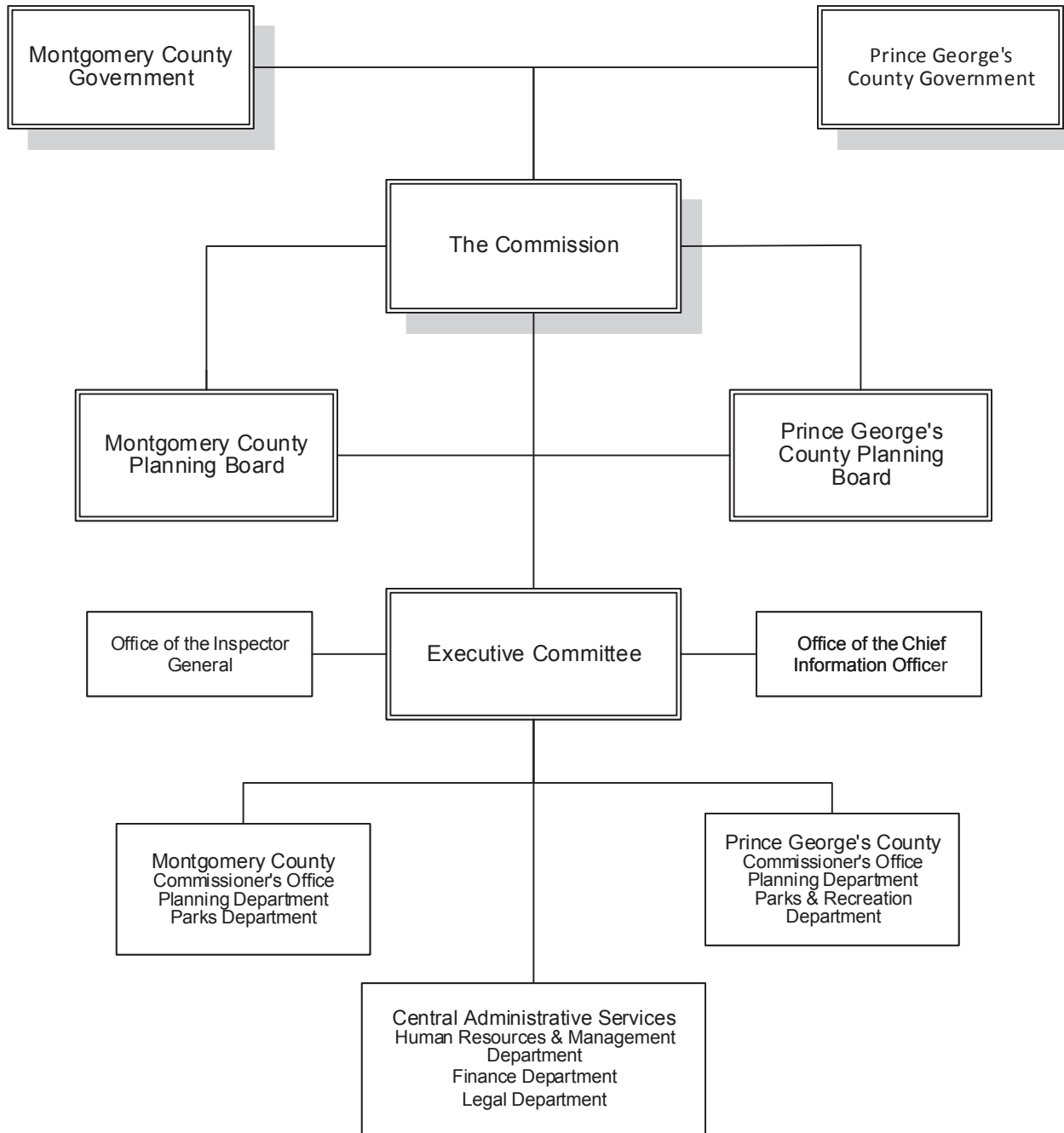
The Commission coordinates and acts on matters of interest to both Counties. Two regional offices are maintained, one in each County. The Commission meets once each month regularly, the site of the meetings alternating between the two regional offices. The members of the Commission from each County serve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

The Commission administers a park system that currently contains over 66,000 acres. It is composed of stream-valley parks, large regional parks, neighborhood parks and park-school recreational areas. At June 30, its staff consisted of over 2,200 career employees - planners, park and recreation administrators, park police and administrative staff. In addition, it employs approximately over 3,600 seasonal workers, primarily for its numerous park and recreation programs.

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

# THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

## ORGANIZATION CHART





# Fiscal Year 2021 PROGRAM HIGHLIGHTS

## SUMMARY

The Maryland-National Capital Park and Planning Commission provides award-winning services and programs to our bi-county region of over 2 million in population. This past year presented many challenges as communities across the United States, including our bi-county region, worked to stabilize the outbreak of COVID-19. While challenging, the Commission continued its mission to manage physical growth, plan communities, protect and act as stewards of our bi-county region's natural, cultural, and historic resources, and provide experiences through parks and recreational services and programs. This fiscal year, the Commission focused on providing innovative ways to support, engage, and enrich its communities while maintaining safe and healthy environments. Our Planning Departments continued to provide planning functions that support and contribute to the bi-county regions economic development, including providing planning services, reviewing development applications, and continuing critical work on planning projects, such as, Thrive Montgomery 2050, the County's general plan, and the Prince George's Countywide Map Amendment, a companion piece to the County's NEW Zoning Ordinance and Subdivision Regulations. Our Parks systems became crucial outlets during the pandemic providing safer ways to recreate and stay active through hosting more outdoor events and activities, such as Montgomery Parks' Activation Program and expanding our trails including the College Park Woods Connector trail, a half-mile connector across the University of Maryland between the neighborhood of College Park Woods and the Paint Branch Trail. As our communities' needs became greater, the Commission hosted daily "Grab & Go" food distribution events for the community, in particular underserved groups, including seniors and youth and facilitated health care services by partnering with the Counties' Health Departments to provide COVID-19 Testing Centers, "Pop-up Testing" locations and vaccination centers, and kept our parks and trails open to provide outlets for physical and mental fitness. We are committed to making a difference in the lives of our residents, patrons, and visitors offering stellar services and programs that expands the quality of life for all.

## PRINCE GEORGE'S COUNTY PLANNING DEPARTMENT

**Modernizing Zoning and Subdivision Ordinances.** The Prince George's County Council initiated a Countywide Map Amendment on July 23, 2019 to rezone approximately 320,000 properties to reflect the zones adopted in the new Zoning Ordinance passed by the Council on October 23, 2018. This major effort continued through Fiscal Year 2021, as did ongoing drafting of technical legislation to ensure a successful roll-out of the adopted Zoning Ordinance and Subdivision Regulations. Dedicated and focused education of Planning Department staff became a prominent part of the work program and remains ongoing.

**Building a Headquarters Office to streamline services and support Downtown Largo.** The new M-NCPPC Prince George's County Headquarters will be adjacent to the Largo Metro Station (Grand Boulevard and Lottsford Road) and is anticipated to open in FY2025. Approximately 600 government employees will be relocating to the new building in downtown Largo. The green space outside of the building will provide much needed public space for residents and visitors to gather and enjoy programming throughout the year. This location will bring all planning and parks administration Commission functions under "one roof" to create new opportunities for collaboration and greater efficiencies.

**Planning for Quality Communities.** The Community Planning Division currently has three operational sections: The Neighborhood Revitalization Section, the Long-Range Planning Section, and the Placemaking Section. Community Planning's accomplishments during the year included approval of two Planning Municipal Assistance to Communities (PMAC) project with ten active PAMC projects. The Planning Department continued to assist communities with preparing Sustainable Communities Designation applications for the Maryland Department of Housing and Community Development's Sustainable Communities Program. The Department is preparing updates to three sector and master plans and preparing numerous studies to enhance communities and the public realm such as the Cultural Arts Study and the Largo Wayfinding and Branding Study.

**Providing Planning Support for Public Facilities and Services.** The Planning Department supported the County's analysis of water and sewer category changes by reviewing and providing comments on applications received for the quarterly cycles during the fiscal year. The Department continues to review and monitor the adequacy of public facilities through the development review process.

**Developing Efficient Transportation Systems.** The Planning Department continues its work on replacing the current traffic forecasting model with a new model that meets national best practice standards, ensures transportation adequacy and sufficient circulation for ongoing development review cases, and assists the Maryland Department of Transportation and Prince George's County. Additionally, the Transportation section has initiated an update to the Countywide Master Plan of Transportation. Planning staff has continued to support coordination through the Active Transportation Advisory Group (ATAG) and they have also been active in reviewing and providing input on major State projects like the Baltimore-Washington Superconducting Magnetic Levitation Project (SCMAGLEV) and the I-495/I-270 Managed Lanes Project.

**Preserving and Protecting Historic Properties.** The Planning Department continues to support the Historic Preservation Commission (HPC) through the review of Historic Area Work Permits, preservation tax credits, and ongoing property documentation. The Department also supported the Planning Board and the HPC through the review of development referrals affecting historic properties, the review and issuance of grants to rehabilitate historic structures, and the review and approval of non-capital grants for preservation outreach, property documentation and other non-bricks-and-mortar projects.

**Preserving and Protecting the Environment.** The Planning Department continues to oversee the county's woodland conservation program in compliance with the State's Forest Conservation Act. The Department also supports the Chesapeake Bay Critical Area program and plans for long-term environmental protections through the implementation of the Countywide Resource Conservation Plan (2017).

**Supporting Economic Growth.** The preparation of the update of the of Prince George's County's Comprehensive Economic Development Strategic Action Plan continued. The Strategic Plan will guide the County's future land use decisions to attract investments, build its commercial tax base, fund critical services, grow its high-quality job base, and improve the quality of life of existing and future residents.

**Advancing Information Technology.** The Information Management Division supported users transitioning to a remote work environment. This involved the acquisition of new equipment, expansion of the virtual private network (VPN), and the full implementation of remote collaboration tools (Microsoft Teams and GoToMeeting). Additional security enhancements included implementing multi-factor authentication, improving the security of the wireless network, supporting independent vulnerability analysis, and taking steps to increase the security environment. The GIS section also partnered with the County to incorporate high resolution street level imagery into its environment. Approximately 30,000 data downloads were supported. There were over 195,000 page-views of the PGAtlas application and another 50,000-page views of other ArcGIS Online mapping applications.

**Promoting Responsible Development.** The Department received over 475 applications for zoning map amendments, special exceptions, conceptual and detailed site plans, departures, alternative compliance and preliminary plans, and final plats of subdivision which were analyzed for conformance with County plans, policies and development regulations. Additionally, the Department processed 12,266 applications for permit review and the Planning Information Services processed a total of 2,561 telephone inquiries, 18,466 written inquiries and 0 office visitors.

## **PRINCE GEORGE'S COUNTY DEPARTMENT OF PARKS AND RECREATION**

**Delivering State-of-the-Art Facilities.** The Department of Parks and Recreation in Prince George's County remains committed to providing state-of-the-art facilities that meet the changing needs of its growing, diverse community and moves forward the Department's efforts to promote diversity, equity, and inclusion. The Department opened the Southern Regional Aquatic Wellness Center (SRAWC) in Fort Washington, MD, which features three bodies of water: a warm-water pool, leisure/lap pool, and spa. This 13,000 square foot jewel in the southern area of the county adds a second multigenerational

facility to the Department's portfolio. It provides greater access to opportunities for individuals with disabilities and seniors by offering water wheelchairs and water walkers, an accessible pool life and the first adult size changing station for residents with complex and multiple disabilities. This facility symbolizes the importance of providing universal and inclusive design when delivering services to the community. The Department also completed the College Park Woods Connector trail, a half-mile connector across the University of Maryland between the neighborhood of College Park Woods and the Paint Branch Trail. This trail will increase bicycle safety by providing a car-free bicycling and walking alternative to busy Metzerott Road and an at-grade crossing of University Boulevard in Prince George's County.

**Maintaining Quality Service during the Pandemic.** The Department's aquatics team was recognized as the Best of the Best for its COVID-19 Response and Reopening Plan by Aquatics International Magazine. The Department received this recognition for its work in increasing safety, inclusion and satisfaction among visitors, community and staff at the Department's pools during the pandemic. The Department's aquatics team was also credited with saving the life of a Prince George's County resident who suffered a heart attack while swimming at the Prince George's Sports and Learning Complex. The team's swift response was vital to sustaining the life of a local pastor.

**Innovative Teen Programming.** Programming for teens continued despite the pandemic. The Department hosted a virtual teen art summit that featured a virtual meet and greet with a Broadway star and teen professional development opportunities in theatre, visual arts, dance, and video. It continued its support of teen artists by hosting a summer concert series, Young, Talented and Black, that featured local teen performers and also increased equitable sports programming for girls by offering clinics in volleyball, basketball and lacrosse.

**Protecting the Environment.** The Department partnered with Pepco to help residents reduce their carbon footprint and launched an app called EcoCred to provide a user-friendly way to be better stewards of the environment. The app helps residents discover simple daily actions that can make a difference in reducing their carbon footprint. The Department also delivered its solar field at Randall Farm, launched its first all-electric mowing unit for turf maintenance, and moved forward its work in significantly reducing the number of harmful pesticides used on its properties.

**Making Partnerships Count.** The Department's Resource Development team established key partnerships and sponsorships to help fund vital programming that supported families during the midst of the pandemic. This included \$145,102 in sponsorships, \$21,967 in donations from individuals and \$10.8 million in grants. The Department's partnership with Amerigroup resulted in scholarships for summer camp and 50 crockpots, dry goods and gift cards to help families during Thanksgiving.

**Service to the Community.** The Department provided a grab n go meal service that provided 77,000 meals for youth and 167,000 meals for seniors. The Department's facilities were also used to offer vaccinations and COVID testing in support of the County's work to address the COVID-19 pandemic. Park Police also continued its level of service by providing appropriate training, expertise and assistance in search and rescue, collaborating with the county on vision zero and supporting local and regional jurisdictions during times of civil unrest. In Prince George's, crimes on park property declined from 237 in 2019 to 138 in 2020.

## **MONTGOMERY COUNTY DEPARTMENT OF PARKS**

**Keeping Parks Open to the Public.** The Parks Department instituted Montgomery Parks' Activation Program to host its own events in the parks, in addition to those events that are regularly produced by community partners. Despite COVID-19 event and gathering restrictions, Parks put together many events and programs to encourage the community to take a health break in the parks as a part of COVID-19 lifestyle and work changes.

**Developing World-Class Trails.** The Parks Department developed a plan to gain world-class trail status by focusing on the user experience, mastering the fundamentals of network connectivity and design features, and completing some signature projects over the next few years. A new mountain biking instructional program, Roots to Rocks, launched this year for children seeking entry-level instruction in a safe and controlled atmosphere.



**Instituting a Safe and Healthy work environment.** As COVID-19 impacted the Department, Montgomery Parks employees transitioned to teleworking from the safety of their homes. The Department pivoted to provide resources employees needed to continue work safely by replacing hundreds of desktops with laptops, providing hundreds of users with Virtual Private Network (VPN) access, and promoting the features and functionality of Microsoft Teams. Enhanced tools for collaboration and communication while physically distanced, eliminating the need to travel for meetings, resulting in enhanced efficiency and productivity. To complete the transition to Microsoft Teams, the Parks Department also migrated all Montgomery Parks employees to Microsoft Teams telephony. To improve safety of Commission employees and park users, Vital Link Mutare Text Alert was launched which ensured targeted audiences get critical, fully encrypted communication, with the ability to securely share photos, video, audio, and file attachments. Park Police dispatchers have replaced simple emails with this texting tool for events including flash flooding, major park safety incidents or risks, and even the threat of an active shooter.

**New Maintenance Dashboard created.** Parks created several new dashboards to ensure efficiency and accurate project updates. The CIP and Major Maintenance Dashboard allows staff to accurately count the number of active projects within Facilities Management. The Alternatives to Pesticides Dashboard visualizes the cost and time associated with using alternative pesticides in our Park system for ease in tracking and reporting throughout the year across maintenance areas, programs, and divisions to produce the required Maryland Department of Agriculture (MDA) report. The Playground Inspection Dashboard allows staff to easily access data regarding the quality of the amenity and its last inspection date. The dashboard is mapped and able to locate all playgrounds within our Park system.

**Recycling and Reusing Resources.** The Northern and Southern Parks Divisions used recycled materials to create lumber for replacement trailer deck boards, fence boards, snow and tree stakes, posts, wood chips for dog parks, landscape mulch, and firewood. Removed trees are also being used by Friends of the Farm to demonstrate the antique sawmill at the Agricultural History Farm Park. Resulting lumber and the boards were stored on site and used to do repairs and restoration of many of the parks historic structures. The Department's Green Waste Recycling Program used landscape debris, logs, invasive plants, dead and hazardous trees, and other green waste to produce compost and wood chips that were used for maintenance efforts, preservation work, and renovation projects. In continuing with the use of cover crops in 2020, staff planted pumpkins and gourds to support nature centers and their programs with the harvest, but with less programming due to COVID-19. The Parks Department was able to donate nearly 2,500 pumpkins and gourds, as well as hundreds of pounds of Daikon radish, to HarvestShare. The crops were distributed to organizations in the community that provide food assistance to those in need.

**Athletic Fields maintenance.** The Athletic Field Team installed irrigation on Wheaton Regional Ballfield #1 last year. Irrigation will allow for proper field coverage during the dry summer months. Irrigating ballfields helps maintenance teams shift their focus to other site improvements and maintenance needs for athletic field maintenance. Northern and Southern Parks Divisions improved the health and playability of the Department's fields by shifting play areas throughout the year to reduce the amount of wear and traffic within one playing field. The shift takes advantage of the aggressive growth characteristics of the Bermuda grass turf, resulting in healthier turf, reduced soil compaction, safer playing conditions for users, reducing the need for major renovations and field closures.

## **MONTGOMERY COUNTY PLANNING DEPARTMENT**

**Keeping Montgomery County thriving for the next 30 years.** Thrive Montgomery 2050, the update to the County's General Plan, completed its Planning Board review in April 2021 after a two-year robust outreach and equitable engagement phase including a comprehensive virtual engagement strategy in 2020 during the COVID-19 pandemic. The plan is focused on three outcomes: Economic Health, Community Equity, and Environmental Resilience. The first three chapters lay out the foundation for the county's growth at three different scales. This includes Compact Growth, which defines growth from a regional and countywide perspective; Complete Communities, which lays out the vision for communities and neighborhoods; and Design, Arts and Culture, which provides guidance at the ground level, down to the design of blocks and buildings. The other three chapters—transportation, housing, and parks and recreation—define infrastructure and

services needed to support this pattern of growth defined in the first three chapters. The Montgomery County Council is currently undertaking its review of the Thrive Montgomery Planning Board Draft.

**Making housing more attainable in Montgomery County.** The Attainable Housing Strategies initiative launched at the direction of the Montgomery County Council on March 4, 2021 to “consider zoning reforms that would allow greater opportunities for Missing Middle Housing in Montgomery County.” As part of this initiative, Montgomery Planning staff reviewed zoning and planning policies and conducted community outreach to come up with a comprehensive strategy for providing options for residents to find homes at the right sizes, locations and price points for their needs in Montgomery County. This effort included Missing Middle Housing, which refers to a range of building types such as duplexes, triplexes and quadplexes that are compatible in scale, form and construction with single-family homes, but offer multiple housing units. Staff conducted a comprehensive engagement strategy to obtain community feedback before initial recommendations were presented to the Planning Board in July 2021. Following the Planning Board’s review, final recommendations for zoning code changes will be transmitted to the County Council later in 2021.

**Infrastructure review to support Montgomery County’s growth and preserve our excellent quality of life.** The updated Growth and Infrastructure Policy (GIP) was unanimously adopted by the Montgomery County Council on November 16, 2020. The GIP is the tool by which the county ensures its essential public facilities, particularly schools and transportation systems, keep pace with development. It tests the county’s infrastructure for adequacy based on projected capacity, growth, and future development and is used by the Planning Board to inform its decisions on development projects. One of the biggest changes to this quadrennial policy is the ending of residential development moratoria that have proven ineffective in matching school capacity to the county’s needs and prevented the creation of new housing to help meet the county’s housing supply gap. In lieu of moratoria, the GIP now requires developers to make additional payments, Utilization Premium Payments, as determined by the Annual School Test in areas of the county with over-crowded schools if they want to build new housing in those areas.

**Committing to systemically dismantle institutional racism in planning and land use work through the Equity Agenda in Planning.** Building from initial work that began in 2018, the department launched the Equity in Master Planning Framework in 2020 to create internal policies and trainings for staff to develop an approach and guidelines for considering racial equity and social justice goals in the master planning process. It also included an action plan to meet the requirements of Montgomery County’s Racial Equity and Social Justice Act, passed in 2019. Over the past fiscal year, some of this work has included:

- **Created the Equity Focus Areas Analysis tool and story map.** Equity Focus Areas are parts of Montgomery County that are characterized by high concentrations of lower-income people of color, who may also have limited English proficiency. Montgomery Planning created a tool to identify and map these areas to bring racial and social inequity considerations into the master planning process. The story map of this analysis won a 2021 Data Viz Award from the Association of Public Data Users.
- **Renamed three Potomac streets identified as having full name matches with Confederate soldiers to honor local African American historical figures.** In June 2021, Montgomery Planning renamed three streets as part of the M-NCPPC Street and Parks Facilities Renaming project. The streets formerly known as J.E.B. Stuart Road and J.E.B. Stuart Court were renamed Geneva Mason Road and Geneva Mason Court, respectively. The street formerly known as Jubal Early Court was renamed William Dove Court. The project began in June 2020 after the Montgomery County Council sent a letter to the Planning Board and the County Executive requesting “a comprehensive review of all County owned and maintained street names and public facilities to determine all those named for Confederate soldiers or those who otherwise do not reflect Montgomery County values.”
- **Launched the Silver Spring Downtown and Adjacent Communities Plan and Fairland and Briggs Chaney Master Plan with a focus on equity.** Named the fourth most culturally diverse location in the U.S., Silver Spring is home to many people who are culturally, racially, ethnically, age, and socio-economically diverse. Fairland and Briggs Chaney are diverse suburban communities located outside the Capital Beltway in the eastern most portion of Montgomery

County. As part of the planning framework, equity will be woven through all parts of these master plans, especially equitable engagement.

**Setting Montgomery County's standard for sustainable mixed-use design with the M-NCPPC Wheaton Headquarters.** The M-NCPPC Wheaton Headquarters at 2425 Reedie Drive, Wheaton, MD 20902 was named one of the Urban Land Institute's 23 finalists for the Americas Awards for Excellence in 2021. It also received an Award of Merit from Engineering News-Record MidAtlantic in the Government Public Building category and an award from NAIOP as the best sustainable building in the DC/Maryland area for 2021.

**Responding to the Managed Lanes Study review as stewards of the natural and built environment.** As a cooperating agency on the state's Managed Lanes Study, and a major landowner of the study area, M-NCPPC is working to determine the parkland and other impacts of the selected preferred alternative for expanding the I-495 Beltway so that appropriate avoidance and mitigation techniques can be implemented. This continues to involve a tremendous amount of research, analysis, and outreach to try to provide feedback and guidance to Maryland Department of Transportation State Highway Administration (MDOT SHA). If the project moves forward, M-NCPPC will have to review a mandatory referral and negotiate a Programmatic Agreement for mitigation of parkland and other impacts.

**Continuing and finishing work on countywide and geographically specific master and sector plans.** This includes Silver Spring Downtown and Adjacent Communities Plan, Corridor Forward: I-270 Transit Plan, Shady Grove Minor Master Plan Amendment, Pedestrian Master Plan, Rustic Roads Functional Master Plan, Germantown Plan for the Town Sector Zone Master Plan, Ashton Village Sector Plan, Great Seneca Science Corridor Minor Master Plan Amendment and the Fairland and Briggs Chaney Master Plan.

**Conducting and completing special studies in support of improving housing and the local economy.** Montgomery Planning conducted a series of studies such as the Preservation of Affordable Housing, Housing Needs Assessment and Residential Development Capacity Analysis, the Advancing the Pike District Study and Retail in Diverse Communities Study.

**Providing FY21 regulatory reviews and permits.** For FY21, Montgomery Planning received 240 regulatory plans for review and 95 site and sketch plans for review.

## **Department of Human Resources and Management**

The Department of Human Resources and Management (DHRM) provides programs that support the talented and diverse workforce as they serve county residents and the Commission's patrons. The Department is led by the Executive Director and includes the Corporate Budget, Corporate Human Resources, and Corporate Policy and Management Operations Divisions. In addition to serving as the head of the Department, the Executive Director carries out corporate governance for the agency (including implementation of the Merit System) and serves as the public representative for the Commission. The Department's expertise includes ensuring fair and transparent workplace practices, public accountability standards, fiscally responsible budgeting, and the protection of Commission employees, patrons, and assets.

**Program and Service Improvements.** As detailed below, there were several new initiatives and notable updates to Commission-wide programs and policies to strengthen internal controls, contain costs, address organizational development concerns, confront the COVID-19 pandemic, promote a workplace of excellence, and enhance public accountability.

**Workforce Development.** The Department is continuing its comprehensive position classification and compensation study to ensure the Commission attracts and retains a highly skilled workforce; promoting diversity, equity and inclusion through workplace policies/ initiatives, and the employee-led Diversity Council; and, providing training for career development, compliance with Commission policies/ regulatory requirements, and workplace safety/wellbeing. Other examples of workforce development include the Commission-wide Communicate with Confidence Program and the Apprenticeship Program, both of which are administered by the Department.

The COVID-19 pandemic has created significant challenges in personnel staffing however, the Commission has been successful in rapidly implementing remote recruitment and new employee onboarding capabilities to address health and

safety concerns. The Department also has been working on enhancing the ability to face future challenges by working in partnership with Montgomery College to develop a Commission-wide Succession Plan. The scope of work was approved, which will identify and develop a Commission-wide pipeline of new leaders and trained professionals, as well as establish a training curriculum to develop necessary knowledge, skills and abilities requisite to lead a diverse and resilient workforce. The assignment of a permanent position to manage this program after it becomes fully operational this fiscal year, will ensure the continuity of succession planning across the Commission. Additionally, a new Diversity, Equity and Inclusion (DEI) Specialist position has been established to ensure every facet of the agency reflects our DEI mission, and that equity and fairness are reflected in all processes and procedures.

**Workplace Safety.** The Commission-wide Risk Management and Workplace Safety Office is responsible for ensuring Commission facilities and programs are safe for employees and patrons, protecting agency assets, and ensuring compliance with federal and state safety regulations. These goals are met through proactive risk assessments, development and delivery of a safety training program, coordination of COOP plans and public health concerns, compliance reviews, administration of liability and workers' compensation programs, and management of agency wide safety programs. Throughout 2021, the Office monitored, tracked and updated COVID-19 protocols to address new developments in the pandemic, educate the workforce, and mitigate the spread of COVID-19.

**Labor Relations.** The team administered labor agreements and union grievances, and successfully conducted collective bargaining negotiations with two unions representing approximately 800 positions. Negotiations included reaching an agreement with the Fraternal Order of Police (FOP) on economics and a 3-year contract agreement with the Municipal and County Government Employees Organization/UFCWU Local 1994 (MCGEO) Union. Additionally, several bargaining sessions were held with the FOP and MCGEO over working conditions related to the COVID pandemic for the period of July 1, 2020 through June 30, 2021. These sessions also successfully resulted in agreements.

**Employee Benefits.** This team manages group health insurance and benefit plans for all full-time and part-time career employees, retirees, term-contract employees, and seasonal/intermittent employees who average 30+ hours per week. Benefit plans remained competitive and cost effective, with emphasis on access and quality care. The agency's robust health and wellness program continued to be strengthened to support employees in prioritizing their health to reduce overall health care costs. The Benefits Office presented employees with various, enhanced behavioral health programs to assist with depression and anxiety brought on by the pandemic, including an award-winning video produced to educate employees about their behavioral health benefits.

**Fiscal Responsibility.** The Corporate Budget Office provides salary projections, long range fiscal planning, labor cost modeling, and cost allocations. The Office also streamlines budget activities across the agency to strengthen tracking, cost containment, oversight, and increase transparency. For the 36th consecutive year, the Distinguished Budget Presentation Award from the Government Finance Officers' Association (GFOA) for the annual Budget publications was earned.

## Department of Finance

The Department of Finance provides fiscal management and oversight of all Commission financial activities. Services include providing financial guidance to operating departments; financial reporting and policy development; processing of payroll, disbursements; central purchasing; investment management; and debt issuance.

**Corporate Financial Management.** The Department provides financial guidance to operating departments on proposed and existing public, private partnerships, funding approaches for various projects, and long-term fiscal strategy. During FY 2021, the Department coordinated the sale of three Montgomery County Park Acquisition and Development Refunding Bonds totaling \$16.4 million, issued as Direct Placement Bonds. As a result of the refundings, a net present value savings of \$919,199 was realized. The Department also coordinated the sale of a \$19.1 million Prince George's County Park Acquisition and Development Refunding Bond, issued as a Direct Placement Bond. As a result of the refunding, a net present value savings of \$1,790,371 was realized.

**Automating/Streamlining Efforts.** Enterprise Resource Planning (ERP) system program efforts continue with a focus on improved reporting, automating accounts payable processing, automating seasonal staff timekeeping, contract management, and strategic sourcing. The Seasonal Payroll Automation Project successfully transitioned nearly all Prince George's Parks & Recreation seasonal staff from paper to electronic timecards and a scheduling solution is in full swing to provide managers with the tools needed to manage many complex seasonal work programs. This has had a dramatic impact on improved efficiency both for the Prince George's Parks & Recreation and the Department of Finance. This solution is expected to be fully implemented by the spring of 2022.

**Outreach to Minority, Female and Disabled Vendors.** The Department's Purchasing Division continues to expand its outreach efforts in trade and procurement events. These events reflect the increasing diversity of the two Counties. The Commission achieved an MFD utilization rate of 16% which equated to \$13 million of procurement with MFD firms.

**Financial Reporting.** For the 47th consecutive year, the Commission received the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association of the United States and Canada for the FY 2020 Annual Comprehensive Financial Report (ACFR), prepared by the Finance Department.

## **Office of General Counsel**

The Office of the General Counsel (OGC or Legal Department) provides a comprehensive program of legal services to the Commission, supporting almost every facet of the Commission's work program. The OGC guides the Commission's internal corporate operations; advises staff and the Planning Boards as they navigate their important quasi-judicial and regulatory responsibilities; advocates on the Commission's behalf in litigation before the state and federal courts; and participates in cross-functional teams assembled periodically to develop creative solutions to new challenges facing the Commission.

**Protecting the Public Interest in Litigation.** During FY 2021, the OGC registered 28 new litigation cases and closed 15 cases – ending the year with 34 cases pending in state and federal courts. The cases closed during the year covered a variety of conventional disputes, including 2 ordinary tort claims, 2 employment claims, 2 workers compensation appeals, 11 administrative land use appeals, 1 contract dispute, and 1 miscellaneous matter. The Commission litigation team consistently delivered successful results and handled a number of complex matters including construction, employment, and unique workers compensation and liability matters, and continued to move cases forward, all while adapting to the court and other litigation process changes and limitations associated with the virus. The OGC provided advice for a myriad of novel legal and compliance issues arising in response to the novel coronavirus.

**Proactive Legal Support for Commission Policy Makers.** OGC staff are part of the Equity Peer Review Group which applies the lens of racial equity and social justice to all master plans and has reviewed and commented on over 10 such plans including the Great Seneca Science Corridor Plan Amendment, the Silver Spring Downtown & Adjacent Communities Sector Plan and the Rustic Roads Plan, to name a few. Further, the OGC counseled Planning Staff regarding the Street Renaming Project which has successfully renamed three streets which were previously named after Confederate soldiers or those who otherwise did not reflect Montgomery County values. The OGC will continue to be part of the Thrive Montgomery 2050 comprehensive update to the County's General Plan as it is reviewed and discussed over the next year by the District Council.

**Building Quality of Life – One Transaction at a Time.** Commission attorneys represented staff and the Planning Boards in the negotiation and development of dozens of complex agreements, memoranda of understanding, and policies related to the Commission's park and recreation functions. Examples of important projects initiated or completed during FY 2021 include: the completion of the Recreation Use Agreement with the Green Branch Management Group for the Liberty Sports Park; acquisition of property in Largo, Maryland for a new building site; successful completion of the Parker land exchange; ongoing negotiations with University of Maryland College Park for the use of Paint Branch Driving Range for track and field; Completion of the Wheaton Regional Headquarters agreements, including the condominium documents, lease, and other use agreements with Montgomery County; ongoing land exchange negotiations with Prince George's County Board of Education for Glenridge Park; negotiations with Bowie Baysox for long term lease a Prince George's Stadium; legal support for updating the Commission's MBE and purchasing policies; and providing ongoing legal support as the Commission

continues to manage COVID19 related issues (i.e. property management; partial openings; vaccine mandates and template forms to address the evolving situation).

**Legislative Support.** The Legal Team helped to amend the County's Forest Conservation Law to clarify the preferred sequence of afforestation and reforestation, mitigation banking and fee-in-lieu; increased maintenance agreements from 2 to 5 years; and, required Tree Save Plans to protect significant, specimen and champion trees. This was before the Office of the Attorney General issued an opinion which then triggered State legislation regarding the ability of the County to use existing forest as a mitigation banking option. Support was provided to the Deputy General Counsel regarding work on this State legislation. The Legal Team also aided Staff in analyzing and proposing a new Growth and Infrastructure Policy ("GIP") which is revolutionary in allowing payments instead of moratoriums to fund school improvement projects and considers all modes of transportation (vehicle/pedestrian/bicycle) when determining transportation adequacy for proposed developments. Efforts the OGC made in Annapolis to secure adoption of HB 980 thereby paved the way for the expected adoption before the end of the year of the first County-wide zoning and subdivision laws in a generation. In support of this monumental accomplishment, OGC drafted corrective legislation, represented the Commission at public hearings, and advised decision makers on all aspects of the new law.

### **Office of the Chief Information Officer**

The Office of the Chief Information Officer (OCIO) develops the Information Technology architecture and recommends information technology policies for the Commission. Policies are reviewed by the Information Technology Council. The Information Technology Council and the Chief Information Officer (CIO) provide Commission Governance for enterprise-wide project efforts. The CIO is responsible for strategic planning for the enterprise-wide IT systems in collaboration with the departments to meet business needs. The CIO also functions as the Commission's Chief Information Security Officer. The CIO has taken appropriate steps to advance Enterprise IT (EIT) infrastructure governance and in the development of the structure of how these steps relate to the IT responsibilities of the departments. The CIO is developing a comprehensive strategy to deliver EIT services to achieve benefits such as economies of scale, efficiencies, better service, stronger security, etc. The Departmental Chief Technology Officers have a dotted line reporting relationship to the Chief Information Officer.

**During FY21, some major projects commenced.** The work on digital transformation of key business processes and the automation of paper-based Performance evaluations was initiated. The Performance evaluation digitization project will bring standardization of forms and processes and will also enhance the workflows, transparency and efficiency in completing performance evaluations. The project will integrate the workflow to work with the ERP system to ensure timely and flawless updates to employee records. The workflow enables routing and sign off by designated supervisors in a wholly digital and automated environment. The implementation of the advanced scheduler provides flexibility for employees to collaborate, and swap scheduled shifts, and for supervisors to process approvals - all on the mobile app. The result is automation and integration that will bring scheduling efficiencies and better services to the community.

**Fiscal year 2021 has seen continued success** in strengthening the Commission's cybersecurity stance through explicit enhancements to ensure the Commission stays up to date in the face of increased cybersecurity threats and breaches. Enhancements to the security of the Office 365 environment ensured that users are secured and provided the tools necessary to protect Commission's intellectual property and other data assets. The Security Awareness Training program has been in place for several years and has shown improved employee awareness of current security threats, which is a must have for the first line of defense against intruders. This initiative has proven to be very effective in reducing the Commission's IT security risks.

**The OCIO constantly acts to review and implement recommendations made by the Office of Inspector General.** This year's recommendations regarding the Commission's information technology environment were evaluated and ranked, resulting in an implementation plan that was developed to ensure timely implementation. Governance related gaps were identified, and recommendations were weighed in the formation of policies and policy enhancements. The focus of the department is to ensure that the integrity and confidentiality of the Commission's data is protected - under all circumstances.

Additionally, the OCIO will continued to work with the Information Technology Council to set project priorities and to ensure that projects are aligned with the Commissions goals and objectives.

## **Office of the Inspector General**

**The primary focus** of the Commission's Office of the Inspector General is to provide the Board and Department Heads with objective information to assist them in determining whether Commission operations are adequately controlled and whether the required high degree of public accountability is maintained over public funds and to improve the efficiency and effectiveness of the Commission. To accomplish this, in fiscal year 2021 more than 24 audits, investigations, and reviews were performed. In addition, a variety of consulting services were provided to ensure the reliability and integrity of financial records, compliance with established policy and procedures, accountability and protection of Commission assets and the achievement of program objectives.

## **Merit System Board**

The Merit System Board is the agency's impartial Board responsible for overseeing the Commission's Merit System, upholding employee rights guaranteed under the Merit System, recommending employment and compensation policies, and serving as the final administrative appellate body for employment matters pertaining to non-represented career employees.

## **Employees' Retirement System**

The Employee's Retirement System (ERS), administered by an 11-member Board of Trustees, in accordance with the Trust Agreement between the Board and the Commission, is a contributory defined benefit pension system with five plans, qualified under the Internal Revenue Code Section 401(a). The administrative operations are the responsibility of the ERS Staff and Board-appointed Administrator, who reports directly to the Chairman of the Board of Trustees. ERS Trust Fund assets closed the year with a fair market value of \$1.1 billion. For the one year ending June 30, 2021 the ERS posted 21.5% net of fee return, and for the three and five years ended June 30, 2021, the ERS posted net of fee return of 9.6% and 10.3%, respectively. The Board of Trustees actions for the year included approval of a reduction in the investment return assumption from 6.80% to 6.75% effective July 1, 2021, selection of HarbourVest Credit Opportunity Fund II, LP, a private credit strategy; approval of a transition from Loomis Sayles Full Discretion Trust to the Loomis Sayles US High Yield Bond Trust, and approval of a third private equity commitment with Wilshire Private Markets.

As a result of the new pension system implementation in 2021 with Levi, Ray & Shoup, Phase 2, a document imaging solution with viewing, scanning and storing capabilities, is well underway with completion by December 31, 2021. Phase 3, Member Direct, a self-service portal for members to view account information and perform benefit estimate calculations is in progress and expected to rollout in FY2022.

Additional initiatives and accomplishments for fiscal year 2021 included awarding a new Auditing Services Agreement to SB & Company, LLC for three years from May 4, 2021 to May 4, 2024; approving an amended fee schedule with the Northern Trust Company effective July 1, 2021 to June 30, 2025; and approving new economic and demographic assumptions as a result of a five-year experience study.

The ERS has continued comprehensive communications to all members via an Annual Report, Annual Comprehensive Financial Report (ACFR), Annual Statements, website, and a temporary transition to virtual counseling for participants.

PART IIA

# Financial Section

BASIC FINANCIAL STATEMENTS



Southern Regional Aquatic and Therapy Center.





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## REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS

Board of Commissioners  
The Maryland-National Capital Park and Planning Commission  
Riverdale, Maryland

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Maryland-National Capital Park and Planning Commission (the Commission), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

The Commission's management is responsible for the preparation and fair presentation of these basic financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditor's Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.



### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, the aggregate remaining fund information of the Commission, as of June 30, 2021, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Other Matters***

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the schedules of required supplementary information for defined benefit pension plans, and the schedules of required supplementary information for Other Postemployment Benefits, as referenced in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with evidence sufficient to express an opinion or provide any assurance.

#### *Supplementary and Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Commission's basic financial statements. The introductory section, statistical section, and supplementary data listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplementary data is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.



**S B & COMPANY, LLC**  
KNOWLEDGE • QUALITY • CLIENT SERVICE

The introductory section and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Owings Mills, Maryland  
December 29, 2021

*S B & Company, LLC*

## MANAGEMENT'S DISCUSSION AND ANALYSIS

As the management of The Maryland-National Capital Park and Planning Commission ("the Commission"), we offer readers of the Commission's financial statements this narrative overview and analysis of the financial activities for the Commission for the fiscal year ended June 30, 2021.

The Commission is a body corporate of the State of Maryland established by the 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 a defined Metropolitan District of 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 major source of funding for the Commission's primary services are five property taxes levied on an individual County basis:

- Montgomery County:
  - Administration tax - general administration and planning
  - Park tax - park operations and debt service for park acquisition and development bonds
- Prince George's County:
  - Administration tax - general administration and planning
  - Park tax - park operations and debt service for park acquisition and development bonds
  - Recreation tax - the recreation program

Five separate accounts are maintained within the General Fund to account for the Commission's primary services. Revenues and expenditures that can be specifically identified with a county are recorded in the appropriate account. Expenses that apply to both counties are allocated to the appropriate accounts. Debt is issued on a county basis, not for the Commission as a whole. General obligation debt is guaranteed by the Commission and by the county government for which the proceeds will be expended. Due to this unique arrangement, certain financial information provided in this discussion and analysis, as well as in the summaries presented in Note 6 of the Notes to the Financial Statements, have been provided by county to reflect the financing constraints within each county. Other funds and accounts are maintained on a Commission-wide or on a separate county basis as necessary and appropriate.

### Financial Highlights

- The assets and deferred outflows of resources of the Commission exceeded its liabilities and deferred inflows of resources at June 30, 2021 by \$1,289.1 million (net position). Of this amount, \$160.7 million is unrestricted and may be used to meet the Commission's ongoing obligations.
- The Commission's net position grew by \$239.5 million during fiscal year 2021. This is a result of an increase in cash and other current assets of \$41.8 million, an increase in capital assets of \$175.0 million, and a decrease in the deferred outflow of resources (mainly due to pension deferrals) of \$42.3 million. These are offset by a decrease in liabilities of \$148.5 million (mainly due pension and other post-employment benefits) and an increase in the deferred inflow of resources (mainly due to pension deferrals) of \$83.5 million.
- As of June 30, 2021, the Commission's governmental funds reported combined ending fund balances of \$451.1 million, a decrease of \$19.2 million. Of this amount, \$202.2 million is unassigned, \$133.0 million is assigned, \$103.5 million is committed, \$11.0 million is restricted, and \$1.4 million of fund balance is nonspendable.
- The Commission's General Fund balance at June 30, 2021, is \$287.9 million, a decrease of \$32.3 million during the year. The unassigned fund balance of \$208.8 million is approximately 41.1% of fiscal year 2021 expenditures and transfers out.
- The Montgomery County Capital Projects Fund balance as of June 30, 2021 is \$16.5 million, a decrease of \$3.9 million primarily due to the spend down of bonds previously issued.
- The Prince George's County Capital Projects Fund balance as of June 30, 2021, is \$130.6 million, an increase of \$18.8 million primarily due to transfers from other funds.
- The assets plus deferred outflows of the enterprise funds exceeded liabilities and deferred inflows by \$183.2 million, an increase of \$133.2 million. The Wheaton Headquarters Fund had an increase of \$131.3 million, the Prince

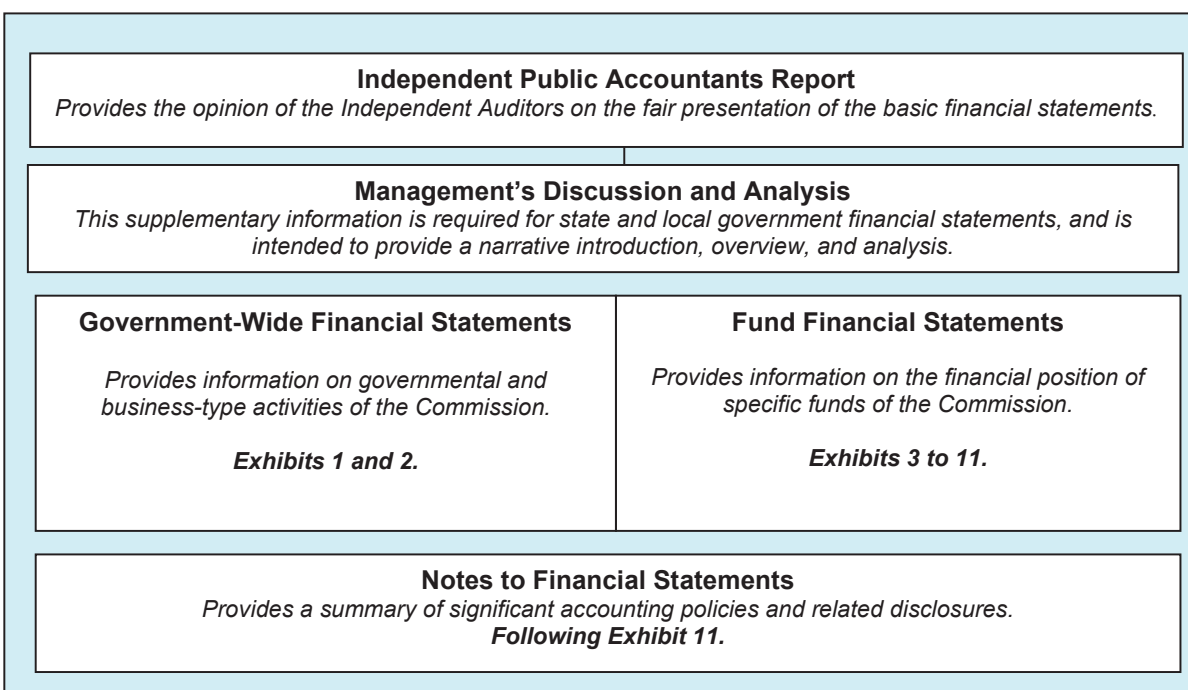
George’s Enterprise Fund had an increase in net position of \$2.9 million and the Montgomery Enterprise Fund had a decrease of \$1.0 million in net position.

- The Commission’s bonds and notes payable decreased by \$11.4 million. \$33.3 million (Montgomery County - \$15.1 million and Prince George’s County - \$18.2) in general obligation bonds were advance refunded and \$35.5 million in callable bonds were issued (Montgomery County - \$16.4 million and Prince George’s County - \$19.1 million). The new general obligation bond issues combined with the scheduled payments of \$12.8 million and \$0.8 million of amortized bond premium resulted in the decrease of the bonds and notes payable.

### Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Commission’s basic financial statements. The Commission’s basic financial statements include three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

### Organization and Flow of Financial Section Information



**Government-wide financial statements.** The government-wide financial statements are designed to provide readers with a broad overview of the Commission’s finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of the Commission’s assets and liabilities and deferred inflows and outflows of resources, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Commission is improving or deteriorating.

The statement of activities presents information showing how the Commission’s net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned, but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the Commission that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the Commission include General Government, County Planning and Zoning, Park Operations and Maintenance, Recreation Programs and Interest on Long-term Debt. The business-type activities of the Commission are Wheaton Headquarters as well as Recreational and Cultural Facilities.

The government-wide financial statements can be found as Exhibits 1 and 2 of this report.

**Fund financial statements.** A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Commission, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Commission can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

**Governmental funds.** Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. For both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances, reconciliations are provided to facilitate this comparison between governmental funds and governmental activities.

The Commission maintains eleven individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund and the Capital Project Funds for each county, all of which are considered to be major funds. Data from the other eight governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements, Schedules 1 and 2 in the Combining and Individual Statements section of this report.

The Commission adopts an annual appropriated budget for its General Fund, which is actually adopted as five "accounts" corresponding to the five different property tax levies. A budgetary comparison statement for the total General Fund has been provided as Exhibit 6, and summaries for each account are included in Note 6 of the Notes to the Financial Statements, to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found as Exhibits 3 - 6 of this report.

**Proprietary funds.** The Commission maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The Commission uses enterprise funds to account for Wheaton Headquarters located in Montgomery County as well as certain Recreational and Cultural Facilities in both Montgomery and Prince George's Counties.

Internal service funds are an accounting device used to accumulate and allocate costs internally among the Commission's various functions. The Commission uses internal service funds to account for Montgomery County's Capital Equipment and Risk Management, Largo Headquarters located in Prince George's County, Prince George's County's Capital Equipment and Risk Management, Central Administrative Services Capital Equipment, Executive Office Building, Employee Benefits, and Commission-wide Initiatives. As these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for Wheaton Headquarters as well as each county's Recreational and Cultural Facilities, both of which are considered to be major funds of the Commission. Conversely, all internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining statements, Schedules 7 - 9 in the Combining and Individual Statements Section of this report.

The basic proprietary fund financial statements can be found as Exhibits 7 - 9 of this report.

**Fiduciary funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside the government. The Commission uses fiduciary funds to account for the Employees' Retirement System Pension Trust, Postemployment Benefit Trust, and Private Purpose Trusts for each county. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Commission's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary financial statements can be found as Exhibits 10 and 11 of this report.

**Notes to the financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The Commission has also included financial statements for each county's portion of the governmental funds financial statements to reflect the relationship between the financing sources and responsibility for debt. The Notes to the Financial Statements can be found following Exhibit 11 of this report.

**Other information.** In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Commission's progress in funding its obligation to provide pension benefits and other postemployment benefits to its employees. Required supplementary information can be found immediately following the Notes to the Financial Statements.

### Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Commission, assets and deferred outflows exceeded liabilities and deferred inflows of resources by \$1,289.2 million at the close of the most recent fiscal year.

A summary of the Commission's net position follows:

Summary of Net Position (in millions)  
June 30, 2021 and 2020

	Governmental Activities		Business-type Activities		Total		Total Percentage Change 2020-2021
	2021	2020	2021	2020	2021	2020	
<u>Assets</u>							
Current and Other Assets	\$ 621.1	\$ 582.6	\$ 12.7	\$ 9.4	\$ 633.8	\$ 592.0	7.1%
Capital Assets	1,096.4	1,051.3	188.6	58.7	1,285.0	1,110.0	15.8%
Total Assets	<u>1,717.5</u>	<u>1,633.9</u>	<u>201.3</u>	<u>68.1</u>	<u>1,918.8</u>	<u>1,702.0</u>	<u>12.7%</u>
Deferred Outflows	<u>82.0</u>	<u>122.6</u>	<u>3.2</u>	<u>4.9</u>	<u>85.2</u>	<u>127.5</u>	<u>-33.2%</u>
<u>Liabilities/Deferred Inflows</u>							
Current Portion of Long-term							
Liabilities	24.0	30.8	0.2	0.3	24.2	31.1	-22.2%
Long-term Liabilities	492.0	632.8	13.9	19.2	505.9	652.0	-22.4%
Other Liabilities	<u>52.4</u>	<u>48.5</u>	<u>2.5</u>	<u>1.9</u>	<u>54.9</u>	<u>50.4</u>	<u>8.9%</u>
Total Liabilities	<u>568.4</u>	<u>712.1</u>	<u>16.6</u>	<u>21.4</u>	<u>585.0</u>	<u>733.5</u>	<u>-20.2%</u>
Deferred Inflows	<u>125.2</u>	<u>44.8</u>	<u>4.7</u>	<u>1.6</u>	<u>129.9</u>	<u>46.4</u>	<u>180.0%</u>
<u>Net Position</u>							
Net Investment in Capital							
Assets	939.8	896.2	188.6	58.7	1,128.4	954.9	18.2%
Unrestricted	<u>166.1</u>	<u>103.4</u>	<u>(5.4)</u>	<u>(8.7)</u>	<u>160.7</u>	<u>94.7</u>	<u>69.7%</u>
Total Net Position	<u>\$ 1,105.9</u>	<u>\$ 999.6</u>	<u>\$ 183.2</u>	<u>\$ 50.0</u>	<u>\$ 1,289.1</u>	<u>\$ 1,049.6</u>	<u>22.8%</u>

Current and other assets increased by 7.1% mainly due to the higher cash balance at June 30. Capital Assets increased due to the capital contribution of the Wheaton Headquarters building in an agreement with Montgomery County. The Current Portion of Long-term Liabilities decreased 22.2% mostly due to less usage of vacation time during the coronavirus as there continue to be other options available for leave from work. Long-term liabilities decreased by 22.4% due to payments made on bond issues as well as a decrease in pension liability. Deferred Outflows decreased by 33.2% and Deferred Inflows increased by 180.0% mainly due to pension and other post-employment benefit variances as determined by the actuaries. Changes in net position are discussed later.

By far, the largest portion of the Commission's net position reflects its investment in capital assets (e.g., land, buildings, machinery, equipment and intangibles and infrastructure), less any related debt used to acquire those assets that is still outstanding. The Commission uses these capital assets to provide services to citizens; consequently, these assets are not

available for future spending. Although the Commission's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The remaining balance of \$160.7 million of net position is unrestricted and may be used to meet the Commission's ongoing obligations to citizens and creditors. Changes in this balance are discussed later.

At the end of the current fiscal year, the Commission is able to report positive balances in both categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activities. The same situation held true for the prior fiscal year.

A summary of changes in net position follows:

Summary of Changes in Net Position (in millions)  
For the Fiscal Years Ended June 30, 2021 and 2020

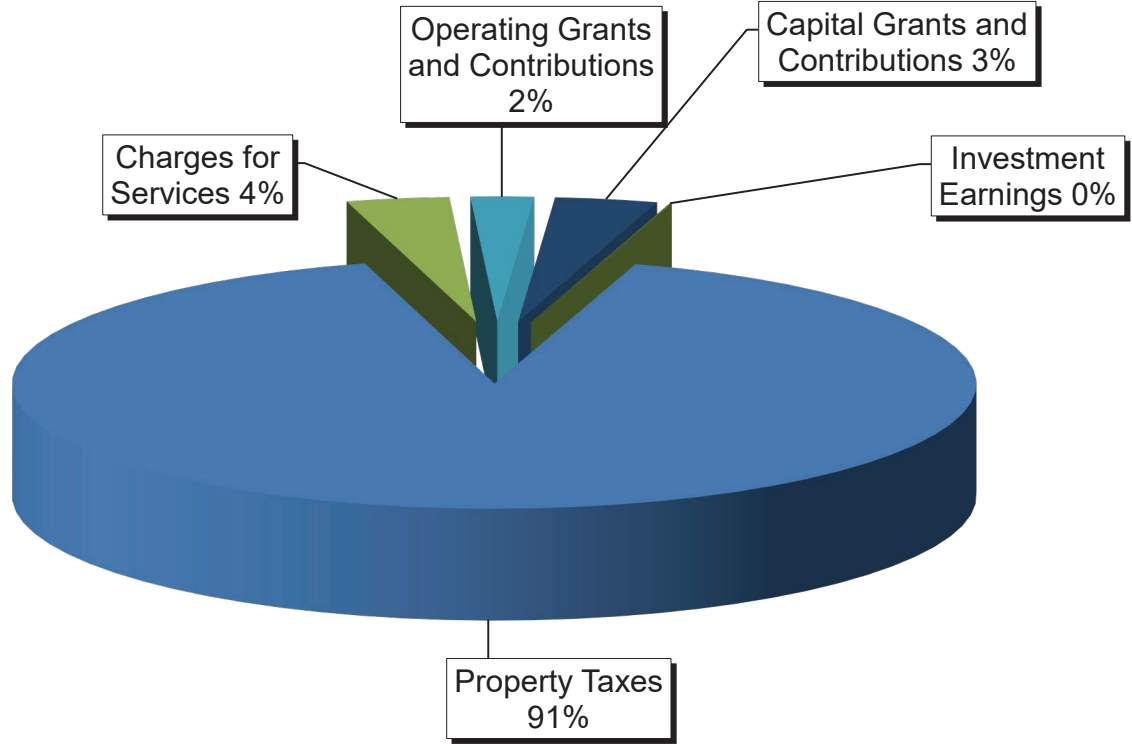
	Governmental		Business-type		Total		Total Percentage Change 2020-2021
	Activities		Activities				
	2021	2020	2021	2020	2021	2020	
Program Revenues:							
Charges for Services	\$ 17.4	\$ 20.4	\$ 12.2	\$ 15.5	\$ 29.6	\$ 35.9	-17.5%
Operating Grants and Contributions	10.7	9.9	0.3	-	11.0	9.9	11.1%
Capital Grants and Contributions	17.4	36.9	133.6	-	151.0	36.9	309.2%
General Revenues:							
Property Taxes	459.8	425.8	-	-	459.8	425.8	8.0%
Investment Earnings	0.3	9.7	-	0.7	0.3	10.4	-97.1%
Total Revenues	<u>505.6</u>	<u>502.7</u>	<u>146.1</u>	<u>16.2</u>	<u>651.7</u>	<u>518.9</u>	<u>25.6%</u>
Expenses:							
General Government	21.7	22.2	-	-	21.7	22.2	-2.3%
County Planning and Zoning	58.8	54.0	-	-	58.8	54.0	8.9%
Park Operations and Maintenance	243.5	252.0	-	-	243.5	252.0	-3.4%
Recreation Programs	57.2	72.7	-	-	57.2	72.7	-21.3%
Wheaton Headquarters	-	-	3.6	-	3.6	-	-
Recreational and Cultural Facilities	-	-	22.7	29.0	22.7	29.0	-21.7%
Interest on Long-term Debt	4.7	5.8	-	-	4.7	5.8	-19.0%
Total Expenses	<u>385.9</u>	<u>406.7</u>	<u>26.3</u>	<u>29.0</u>	<u>412.2</u>	<u>435.7</u>	<u>-5.4%</u>
Increase (Decrease) in Net Position Before Transfers	119.7	96.0	119.8	(12.8)	239.5	83.2	<u>187.9%</u>
Transfers	<u>(13.4)</u>	<u>(8.2)</u>	<u>13.4</u>	<u>8.2</u>	<u>-</u>	<u>-</u>	
Increase (Decrease) in Net Position	106.3	87.8	133.2	(4.6)	239.5	83.2	
Net Position - beginning	999.6	911.8	50.0	54.6	1,049.6	966.4	
Net Position - ending	<u>\$1,105.9</u>	<u>\$ 999.6</u>	<u>\$ 183.2</u>	<u>\$ 50.0</u>	<u>\$ 1,289.1</u>	<u>\$ 1,049.6</u>	

During the current fiscal year, the Commission's net position grew by \$239.5 million. This is largely a result of an increase in cash and other current assets of \$41.8 million, an increase in capital assets of \$175.0 million, and an increase in the deferred inflow of resources (mainly due to pension deferrals) of \$83.5 million. These are offset by a decrease in liabilities of \$148.5 million (mainly due pension and other post-employment benefits) and a decrease in the deferred outflow of resources (mainly due to pension deferrals) of \$42.3 million.

**Governmental activities.** Governmental activities increased the Commission's net position by \$106.3 million, thereby accounting for 44.4% of the total growth in the net position of the Commission. This increase is primarily attributable to capital and operating grant receipts of \$28.1 million and property tax revenue of \$459.8 million which exceeded ongoing expenses of \$385.9 million and by the transfers to business-type activities of \$13.4 million. Normal operating expenses due to facility closures were decreased due to coronavirus during portions of the last fiscal year.



## Revenues by Source - Governmental Activities



As the above diagram shows, property taxes make up 91% of Commission governmental revenues.

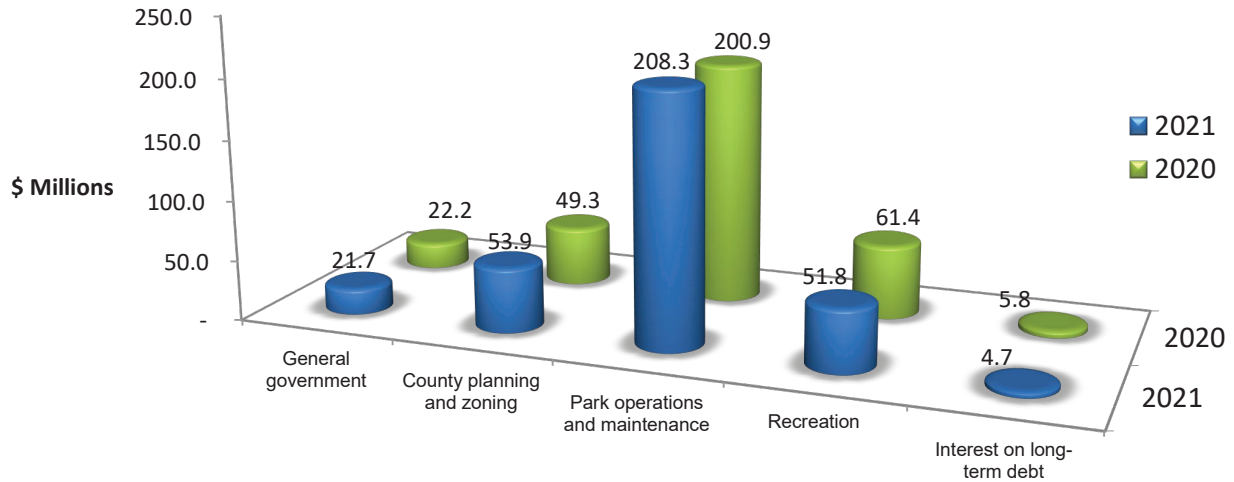
As is reflected in the following chart, the Commission's governmental activities are largely supported by general revenues and in particular property taxes. Charges for services and operating grants cover 7.3% of governmental activities expenses.

The overall total cost of services and net cost of services decreased by 5.1% FY 2021 compared to FY 2020 and the net cost of services increased by 0.3% for FY 2021 compared to FY 2020.

Net Cost of Governmental Activities (000's)  
For the Fiscal Years Ended June 30, 2021 and 2020

	2021		2020		Percentage Change 2020 - 2021	
	Total Cost Of Services	Net Cost Of Services	Total Cost Of Services	Net Cost Of Services	Total Cost Of Services	Net Cost Of Services
General Government	\$ 21,725	\$ 21,725	\$ 22,179	\$ 22,179	-2.0%	-2.0%
County Planning and Zoning	58,764	53,889	54,045	49,260	8.7%	9.4%
Park Operations and Maintenance	243,477	208,295	251,990	200,867	-3.4%	3.7%
Recreation Programs	57,196	51,757	72,667	61,367	-21.3%	-15.7%
Interest on Long-term Debt	4,747	4,747	5,789	5,789	-18.0%	-18.0%
<b>Total</b>	<b>\$ 385,909</b>	<b>\$ 340,413</b>	<b>\$ 406,670</b>	<b>\$ 339,462</b>	<b>-5.1%</b>	<b>0.3%</b>

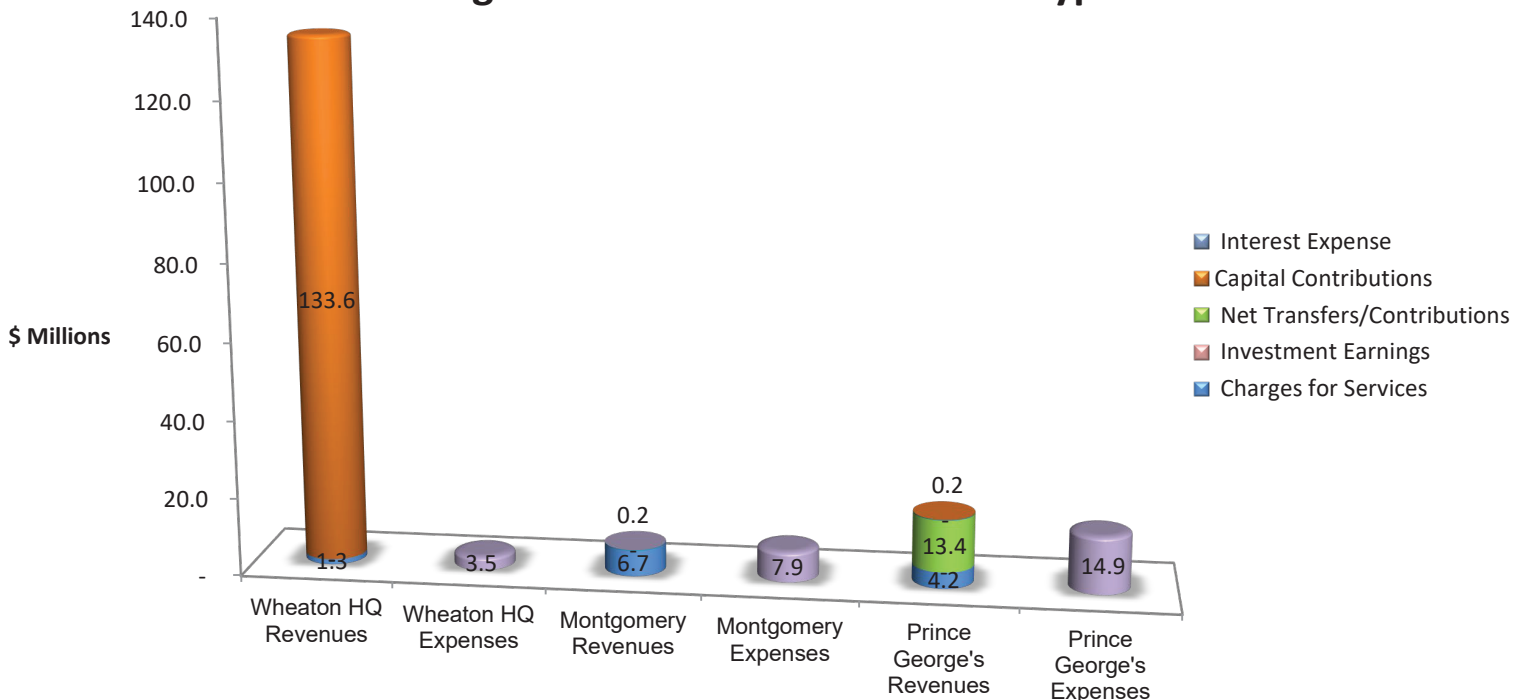
## Net Cost by Function - General Government



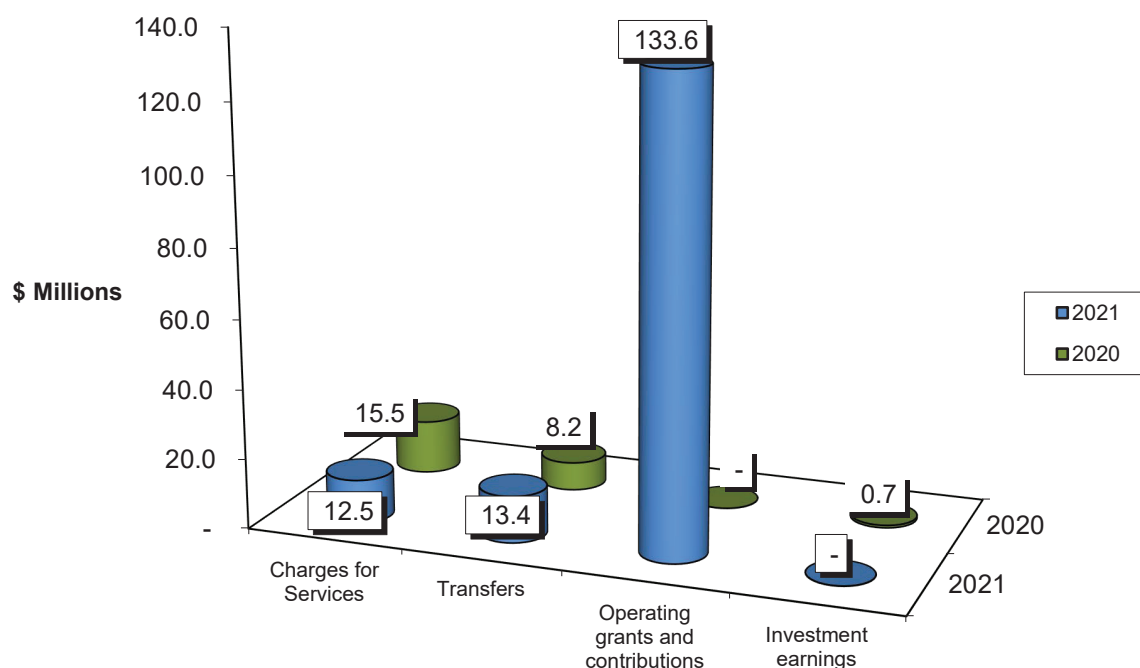
**Business-type Activities.** The net position of the Commission's business-type activities increased by \$133.2 million.

- The capital contribution of the Wheaton Headquarters building in October of 2020 was the major factor contributing \$131.4 million to the net position of the business-type activities.
- Expenses of operating the recreational and cultural activities (including interest expense) exceeded charges for services, current operating grants and interest income by \$11.6 million.
- Governmental activities contributed \$13.4 million to support the enterprise activities. The funding is for the Prince George's County business-type activities.

## Changes in Net Position - Business-type Activities



## Revenues by Source - Business-type Activities



More detail regarding these funds is provided later in the Proprietary Funds discussion.

Capital contributions – due to the Wheaton Headquarters building - made up the major portion of revenues for the business-type operations, although support from governmental operations (transfers) also made up a significant portion of the Prince George’s County portion.

As noted earlier, the Commission uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

### Financial Analysis of the Commission’s Funds

**Governmental funds.** The focus of the Commission’s governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Commission’s financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government’s net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the Commission’s governmental funds reported combined ending fund balances of \$451.1 million, a decrease of \$19.2 million in comparison with the prior year. Approximately 44.8% of this total amount, or \$202.2 million, constitutes unassigned fund balance, which is available for spending in future years and provides reserves for unforeseen expenditure needs. The remaining fund balances are non-spendable, restricted, committed or assigned to indicate that they are not available for new spending as \$1.4 million is non-spendable, \$103.5 million has been committed for contracts and purchase orders, \$11.0 million is restricted and \$133.0 million is assigned to fund fiscal year 2021 expenditures.

The General Fund is the primary operating fund of the Commission. At the end of the current fiscal year, the unassigned fund balance of the General Fund was \$208.8 million, while total fund balance was \$287.9 million. As a measure of the General Fund’s liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund

expenditures. Unassigned fund balance represents 41.1% of the total general fund expenditures and transfers out, while total fund balance represents 56.7% of the same amount.

The fund balance of the Commission's General Fund decreased by \$32.3 million during the current fiscal year. Key factors that generated this increase are as follows:

- \$60.0 million was transferred to the Internal Service Fund to purchase land and begin the process for building a new headquarters building in Largo.
- As an offset, control of expenditures generated \$20.9 million in savings to provide funding for future years' budgets.

The capital project fund for Montgomery County has a total fund balance of \$16.5 million and Prince George's County has a fund balance of \$130.6 million, both of which represent authorized and funded projects that are not completed. The net change in fund balances during the current year in these funds decreased \$3.9 million in Montgomery County, and increased \$18.8 million in Prince George's County, primarily due to the transfer of \$.1 million to the Prince George's County Park Account, offset by the \$49.1 million transfer from the general fund to the capital projects fund for Prince George's County, construction grants realized of \$13.9 million in Montgomery County and \$2.9 million in Prince George's County. This is all offset by expenditures for the fiscal year which were \$18.3 million in Montgomery County and \$38.9 million in Prince George's County.

**Proprietary Funds.** 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.

The Commission has established the Wheaton Headquarters Fund as well as one enterprise fund for each county to account for their various facilities. Separate cost centers are maintained in each county for the major types of facilities including a historical airport, four ice rinks, three golf courses, four enclosed tennis facilities, three conference centers, an equestrian center, a multipurpose arena, a trap and skeet center, certain regional park facilities, and a sports and learning complex. Four golf courses in Montgomery County have been leased to the Montgomery County Revenue Authority since April 2006.

The Commission's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

The unrestricted net position for the Wheaton Headquarters fund was \$0.1 million which includes a balance held for Montgomery County government and the Commission for future capital needs. The unrestricted net position of the Montgomery County fund at the end of the year amounted to \$1.4 million and the unrestricted net position for the Prince George's County fund amounted to \$(6.9) million. The total changes in net position for the funds were a \$131.4 million increase in Wheaton Headquarters, a \$1.0 million decrease in the Montgomery County fund and an increase of \$2.9 million in the Prince George's County fund.

Summary comparative results of the financial operations of the Enterprise Funds follow:

Financial Operations of the Enterprise Funds (000's)  
For the Fiscal Years Ended June 30, 2021 and 2020

	Wheaton Headquarters		Montgomery County		Prince George's County	
	FY2021	FY2020	FY2021	FY2020	FY2021	FY2020
Operating Revenues	\$ 1,325	\$ 116	\$ 6,854	\$ 8,914	\$ 4,339	\$ 6,500
Operating Expenses, Excluding Depreciation	1,325	-	7,425	8,604	13,016	17,633
Operating Income/(Loss), Excl Depreciation	-	116	(571)	310	(8,677)	(11,133)
Depreciation	2,227	-	487	803	1,845	1,945
Operating Income (Loss)	(2,227)	116	(1,058)	(493)	(10,522)	(13,078)
Nonoperating Revenue (Expense)	-	-	39	359	12	297
Transfers/Contributions	133,598	-	-	-	13,400	8,158
Change in Net Position	<u>\$ 131,371</u>	<u>\$ 116</u>	<u>\$ (1,019)</u>	<u>\$ (134)</u>	<u>\$ 2,890</u>	<u>\$ (4,623)</u>

Comparative Montgomery County key data are as follows:

Montgomery County Enterprise Fund Key Data (000's)  
For the Fiscal Years Ended June 30, 2021 and 2020

	Operating Revenues			Operating Income (Loss) Excluding Depreciation		
	FY2021	FY2020	Change	FY2021	FY2020	Change
Event Centers	\$ 194	\$ 364	\$ (170)	\$ (153)	\$ (185)	\$ 32
Golf Courses	79	61	18	85	61	24
Ice Rinks	2,593	3,667	(1,074)	(610)	18	(628)
Indoor Tennis	1,259	1,589	(330)	26	243	(217)
Park Facilities	2,729	3,233	(504)	81	173	(92)
Total	<u>\$ 6,854</u>	<u>\$ 8,914</u>	<u>\$ (2,060)</u>	<u>\$ (571)</u>	<u>\$ 310</u>	<u>\$ (881)</u>

The Montgomery County Enterprise Fund revenues decreased by \$2,060,000 and operating income, excluding depreciation decreased by \$881,000. Operating revenues and operating income for Event Centers, Ice Rinks, Indoor Tennis and Park Facilities were all less than the prior year due to closures for Coronavirus during most of the fiscal year. The Golf Courses received a higher lease payment than in previous years.

Comparative Prince George's County key data are as follows:

Prince George's County Enterprise Fund Key Data (000's)  
For the Fiscal Years Ended June 30, 2021 and 2020

	Operating Revenues			Operating Income (Loss) Excluding Depreciation		
	FY2021	FY2020	Change	FY2021	FY2020	Change
Airport	\$ 260	\$ 310	\$ (50)	\$ (456)	\$ (394)	\$ (62)
Equestrian Center/ShowplaceArena	123	935	(812)	(1,945)	(2,047)	102
Golf Courses	2,287	1,612	675	(656)	(2,101)	1,445
Ice Rinks	32	210	(178)	(511)	(388)	(123)
Tennis Bubbles/Administration	230	359	(129)	(904)	(812)	(92)
Trap and Skeet Center	655	991	(336)	(154)	(222)	68
Sports and Learning Complex	752	2,083	(1,331)	(4,051)	(5,169)	1,118
Total	<u>\$ 4,339</u>	<u>\$ 6,500</u>	<u>\$ (2,161)</u>	<u>\$ (8,677)</u>	<u>\$ (11,133)</u>	<u>\$ 2,456</u>

The Prince George's County Enterprise Fund revenues decreased by \$2,161,000 and the operating loss, excluding depreciation, increased by \$2,456,000. There was an increase in sales at the Golf Courses and their expenditures decreased for personnel and maintenance. Operating revenues and operating income for most the other operating units were less than the prior year due to closures for Coronavirus during the fiscal year.

**General Fund Budgetary Highlights**

The Commission's park, recreation, planning and general administrative functions are financed primarily by five legally designated property taxes that must be levied on a separate County basis. These functions are accounted for in accounts within the General Fund, each of which has its own budget, and is presented separately in the Notes to the Financial Statements.

A summary of the Montgomery County budget to actual variances follows:

Montgomery County Budget to Actual Variances (000's)  
For the Year Ended June 30, 2021

	Administration Account	Park Account
Favorable property tax collections	\$ 133.9	\$ 403.4
Favorable/(unfavorable) charges for services	42.9	(1,177.0)
Favorable/(unfavorable) intergovernmental revenue	(56.4)	307.6
Unfavorable investment revenue	(91.7)	(111.4)
Unfavorable other revenue	-	(58.6)
Total favorable/(unfavorable) revenue variance	<u>28.7</u>	<u>(636.0)</u>
Expenditure savings	2,021.1	5,172.9
Favorable other financing sources (uses)	-	1,142.7
Total favorable budgetary variance	<u>\$ 2,049.8</u>	<u>\$ 5,679.6</u>

Property tax collections were higher than budgeted due to the actual assessable base being higher than the estimate provided by the county government. Charges for Services exceeded the budget for the Administration Account due to higher than projected development fees. Charges for Services had a shortfall in the Park Account due to decreased rental revenue and closures due to the Coronavirus. Intergovernmental Revenue was down in the Administration and higher in the Park Accounts due to fluctuation in grant availability. Investment Revenue fluctuates as the interest revenue is allocated based upon cash account balances and both accounts had unfavorable variances. Other Revenues was lower than anticipated for the Park Account due to collections of donations, fines and other miscellaneous revenue. Expenditure savings for both funds was primarily a result of delays in filling vacant positions. Favorable other financing uses was due to debt service payments being less than budget due to bond issuance timing.

The results summarized above, in conjunction with fund balances carried forward, resulted in ending fund balances for Montgomery County as indicated in the following table:

Montgomery County Budgetary Fund Balances (000's)  
June 30, 2021

	Administration Account	Park Account
<u>Fund balance, budget basis</u>		
Assigned	\$ 2,010.4	\$ 6,606.1
Unassigned, reserved Property Mgmt	-	693.0
Unassigned, reserved for contingencies	1,026.1	3,303.0
Unassigned, available for appropriation	514.7	1,461.4
Total Budgetary Fund Balance	<u>\$ 3,551.2</u>	<u>\$ 12,063.5</u>

A summary of the Prince George's County budget to actual variances follows:

Prince George's County Budget to Actual Variances (000's)  
For the Year Ended June 30, 2021

	Administration Account	Park Account	Recreation Account
Favorable property tax collections	\$ 1,771.1	\$ 5,037.3	\$ 2,407.4
Favorable Intergovernmental	18.4	668.1	1,117.1
Favorable/(unfavorable) charges for services	302.0	(2,417.6)	(8,259.2)
Unfavorable investment revenue	(936.4)	(1,463.9)	(691.2)
Favorable/(unfavorable) other revenue	12.9	(89.0)	133.2
Total favorable/(unfavorable) revenue variance	<u>1,168.0</u>	<u>1,734.9</u>	<u>(5,292.7)</u>
Expenditure savings/(loss)	6,761.6	(3,073.4)	13,014.8
Favorable other financing sources	-	2,700.9	-
Total favorable budgetary variance	<u>\$ 7,929.6</u>	<u>\$ 1,362.4</u>	<u>\$ 7,722.1</u>

Property tax collections in the Administration, Park and Recreation Accounts were higher than budgeted due to a higher than anticipated assessable base growth and prior year tax collections. Intergovernmental revenue increased in the Administration Account due to receipts from a PILOT (Payment in Lieu of Taxes) agreement for Special Tax collections and availability of grants. Charges for services increased in the Administration Account as a result of higher than anticipated revenues generated from Zoning and Urban Design application fees. Charges for Services decreased both the Park Account and the Recreation Account primarily due Coronavirus closures during the fiscal year. The unfavorable variance in investment revenue in the Administration, Park and Recreation Accounts was due to less interest income than budgeted. Other Revenue in the Administration Account was higher than budgeted due to increased miscellaneous revenue. Other Revenue in the Park Account was lower than budgeted due to lower than anticipated rentals. The Recreation Account had higher than anticipated Other Revenue from increased developer contributions. The expenditure savings in the Administration and Recreation Accounts were mostly the result of vacant positions. Expenditures for the Park Account slightly exceeded budget due to capital expenditures that were not planned. Additional savings in the Park Account other financing sources are the result of lower than budgeted debt service costs resulting from delaying a bond sale.

The results summarized above, in conjunction with fund balances carried forward, resulted in ending fund balances for Prince George's County as indicated in the following table:

	Administration Account	Park Account	Recreation Account
<u>Fund balance, budget basis</u>			
Assigned	\$ -	\$ -	\$ 2,943.4
Unassigned, reserved for contingencies	2,936.6	6,601.2	4,424.3
Unassigned, available for appropriation	17,720.7	111,039.0	56,157.8
Total Budgetary Fund Balance	<u>\$ 20,657.3</u>	<u>\$ 117,640.2</u>	<u>\$ 63,525.5</u>

### Capital Asset and Debt Administration

**Capital assets.** The Commission's investment in capital assets for its governmental and business-type activities as of June 30, 2021 amounts to \$1,285.1 million (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, machinery, equipment and intangibles, park facilities, and roads. The total increase in the Commission's investment in capital assets for the current fiscal year was 15.8% (a 4.3% increase for governmental activities and a 221.3% increase for business-type activities). The most significant increase is \$44.7 million for construction in progress for the governmental activities. The most significant capital asset change in business-type activities was an increase of \$133.6 million for the Wheaton Headquarters building.

Proceeds of general obligation park acquisition and development bonds are accounted for in Capital Projects Funds until the projects are completed. Completed projects and construction in progress at year-end are shown as capital assets in the Government-wide Statement of Net Position. During fiscal year 2021, no projects were completed.

Expenditures on Montgomery County projects totaled \$18.3 million in fiscal year 2021, \$2.3 million for land acquisition and \$16.0 million for development. Land acquisition purchases included an addition to Black Hill Regional Park, Willard Avenue Neighborhood Park, and Upper Hawlings River SVP. Major Park Development expenditures included: \$1.7 million for the Josiah Henson project, \$1.9 million for various park renovation projects, \$1.5 million for Ballfield Initiative projects, \$1.4 million for various ADA improvement projects, and \$1.0 million was expended for playgrounds with play equipment upgrades.

Prince George's County projects totaled \$38.9 million in fiscal year 2021, of which \$2.0 million was for land acquisition and \$36.9 million was for development. Land acquisition included \$1.4 million for the Historic Ag Preservation Program and \$0.5 million in Regional Park Acquisitions for Stream Valley Park Development. Major park development expenditures included Park Police Headquarters improvements with costs to date of \$11.3 million, of which \$2.8 million was in fiscal year 2021, Southern Regional Tech Rec Aquatic Center with construction costs to date of \$15.2 million of which \$5.9 million was in fiscal year 2021 for the construction of an aquatic center, Tucker Road Ice Skating with construction costs to date of \$24.1 million of which \$11.0 million was in fiscal year 2021 for replacement of the ice rink, and \$2.8 million related to play equipment replacement.



## Commission's Capital Assets

### Commission's Capital Assets (net of depreciation) (\$000's) June 30, 2021 and 2020

	June 30, 2021			June 30, 2020			Percent Change Total
	Governmental Activities	Business- type Activities	Total	Governmental Activities	Business- type Activities	Total	
Land	\$ 417,903	\$ 18,044	\$ 435,947	\$ 409,383	\$ 18,043	\$ 427,426	2.0%
Buildings and improvements	87,985	158,503	246,488	92,350	28,930	121,280	103.2%
Infrastructure	100,042	137	100,179	104,246	139	104,385	-4.0%
Machinery, equip. & intangibles	38,434	2,421	40,855	37,948	2,548	40,496	0.9%
Construction in progress	452,088	9,525	461,613	407,339	9,043	416,382	10.9%
Total	<u>\$ 1,096,452</u>	<u>\$ 188,630</u>	<u>\$ 1,285,082</u>	<u>\$ 1,051,266</u>	<u>\$ 58,703</u>	<u>\$ 1,109,969</u>	<u>15.8%</u>

Additional information on the Commission's capital assets can be found in Note 4B of the Notes to the Financial Statements in this report.

**Long-term debt.** Debt Service Funds are used to account for the payments on the Commission's general obligation debt, which includes Park Acquisition and Development Bonds (Park Bonds) and Advance Land Acquisition Bonds (ALA Bonds). The outstanding issues totaling \$160.2 million and the related debt service requirements to maturity are set forth in Note 4E of the Notes to the Financial Statements.

The Commission's general obligation bonds are unconditionally guaranteed by the Commission and the county for which issued. Debt service principal and interest expenditures for Park Bonds and ALA Bonds totaled \$17.8 million (Montgomery - \$6.1 million; Prince George's - \$11.7 million) for the fiscal year. Of the outstanding debt, Park Bonds totaled \$157.9 million (Montgomery County - \$61.5 million and Prince George's County - \$96.4 million) at June 30, 2021. Park Bonds debt service expenditures totaled \$17.6 million (Montgomery - \$5.9 million, Prince George's - \$11.7 million) for the fiscal year. The Commission's Metropolitan District (Park) tax includes a mandatory tax for debt service for Park Bonds of 3.6 cents per \$100 of assessed valuation for real property (9 cents for personal property) in Montgomery County and 4 cents per \$100 of assessed valuation for real property (10 cents for personal property) in Prince George's County. Debt service payments approximated 0.33 cents per \$100 of assessed valuation for real property and 0.83 cents per \$100 of assessed valuation for personal property for Montgomery County and 1.12 cents per \$100 of assessed valuation for real property and 2.80 cents per \$100 of assessed valuation for personal property for Prince George's County. The remainder of the proceeds of the mandatory taxes was used for park operation and maintenance expenditures in the respective counties.

The Commission's outstanding general obligation bonds have the following ratings:

<b>Commission General Obligation Bond Ratings June 30, 2021</b>			
	Moody's Investor Services Inc.	Standard & Poor's Rating Services	Fitch Ratings
Montgomery County	Aaa	AAA	AAA
Prince George's County	Aaa	AAA	AAA

Details of the Commission's outstanding debt (net of unamortized discounts and premiums) as of June 30, 2021, are as follows (\$000's):

**Commission's Outstanding Debt  
June 30, 2021 and 2020**

	Governmental Activities		Change
	2021	2020	
General obligation bonds	\$ 169,922	\$ 181,315	-6.3%
Total	\$ 169,922	\$ 181,315	-6.3%

**Montgomery County Outstanding Debt  
June 30, 2021 and 2020**

	Governmental Activities		Change
	2021	2020	
General obligation bonds	\$ 66,455	\$ 70,369	-5.6%
Sub-Total	\$ 66,455	\$ 70,369	-5.6%

**Prince George's County Outstanding Debt  
June 30, 2021 and 2020**

	Governmental Activities		Change
	2021	2020	
General obligation bonds	\$ 103,467	\$ 110,946	-6.7%
Sub-Total	\$ 103,467	\$ 110,946	-6.7%

The Commission's bonds and notes payable decreased by \$11.4 million for the fiscal year due to scheduled principal payments which were offset by \$33.3 million (Montgomery - \$15.1 million and Prince George's County - \$18.2 million) bonds advance refunded and replaced with bond issues totaling \$35.5 million (Montgomery - \$16.4 million and Prince George's County - \$19.1 million). State statutes limit the amount of general obligation debt the Commission may issue to the amount that can be redeemed within 30 years from date of issue by the taxes authorized for payment of the bonds. The legal debt margin for the Commission is \$1,886.7 million of debt service for Montgomery County and \$1,129.8 million of debt service for Prince George's County, which is in excess of the Commission's required debt service of \$76.1 million and \$121.6 million, respectively, over the 30-year period.

Additional information on the Commission's long-term debt can be found in Note 4E of the Notes to the Financial Statements.

**Economic Factors and Next Year's Budgets and Rates**

The Commission continues to maintain a solid financial position and stable future outlook supported by the stability of its major revenue source, property taxes which represented 91.0% of the Governmental Funds revenues in FY 2021. Strong fiscal policies including fund balance reserves, interim financial reporting to monitor revenues and expenditures, and long-term fiscal plans enabled the Commission to respond to the strategies incorporated by the two County Governments in setting the FY 2022 tax rates and adopting the FY 2022 Budget.

During FY 2021, the Commission suffered program revenue losses due to closures required by the coronavirus pandemic. These closures continued through the early months of FY 2022, with full program offerings expected to occur later in FY 2022. It is expected that these revenue losses will be offset by reduction in costs, use of fund balance, and retained earnings in the Enterprise Funds in the near term.

Property tax revenues have remained steady. Commission staff will work with the County budget offices to understand how changing work patterns and consumer behavior may affect commercial property valuations over time. The most recent assessable base estimates released by the State Department of Assessments reflect an overall growth in value as of December 2021.

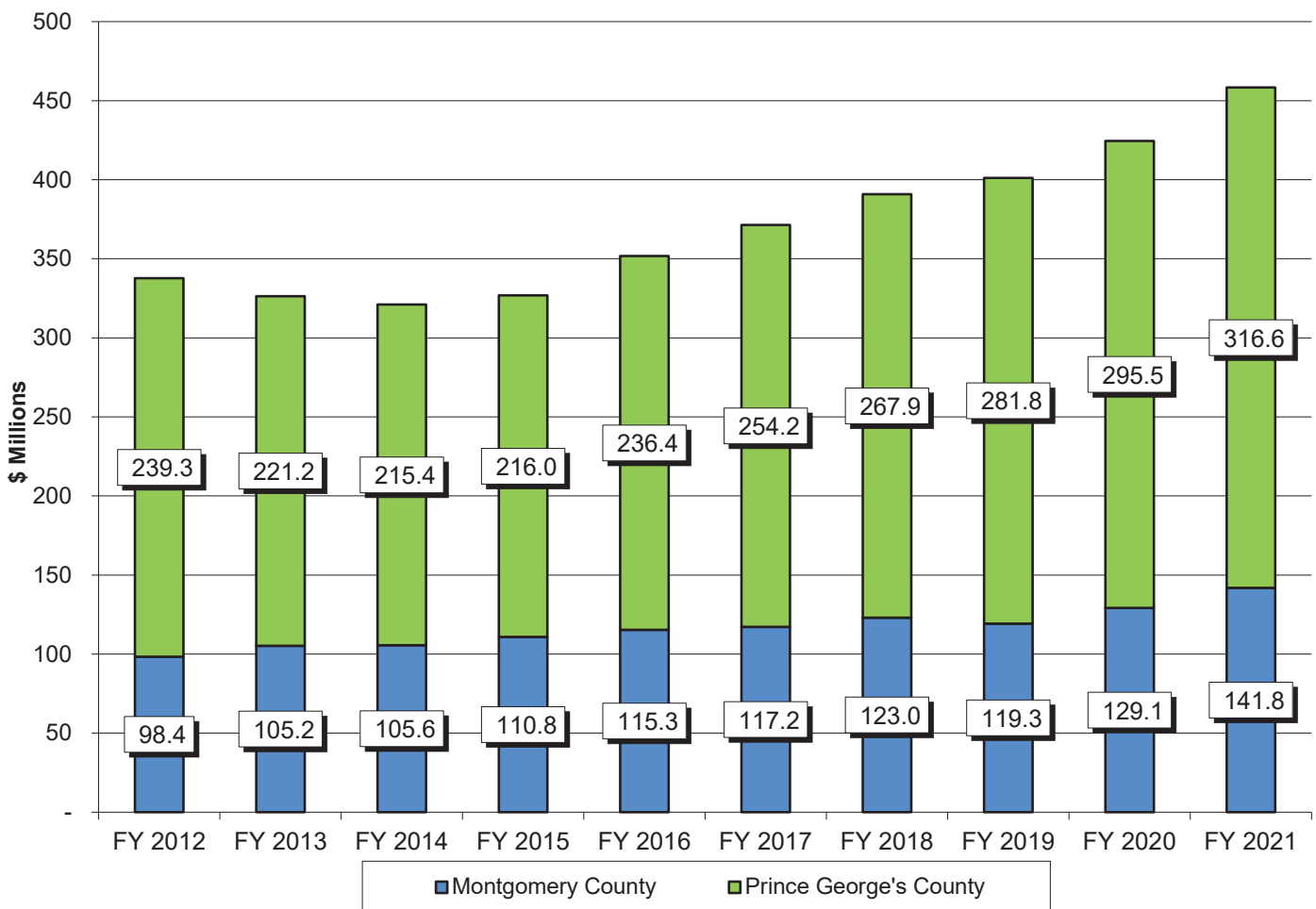
The Commission's property tax rates in the two counties are set based on different fiscal strategies. In Montgomery County, the Commission's property tax rates are set in conjunction with the Montgomery County Government property tax rates. In FY 2022 the Commission's total Montgomery County real property tax rate was decreased by 0.46 cents and the personal property tax rate was decreased by 1.15 cents and the taxable real property assessable base is projected to increase by 2.79%. Commission property tax revenue in Montgomery County is budgeted to decrease by 3.29% and budgeted expenditures are budgeted to increase 4.74% in the tax supported funds.

In Prince George’s County, there was no change to the real property and the personal property tax rates in FY 2022. In FY 2022, the real property assessable base is projected to increase by 4.57%. With the strong assessable base growth in prior years, property tax revenues increased at a greater rate than expenditures, enabling the Commission to budget a large amount of current revenue to fund the capital improvement program keeping debt levels relatively low and providing capacity to assist the Prince George’s County Government in funding programs they deliver to the community which are eligible to be funded by Commission property tax revenues. These expenditures are referred to as project charges. The project charges decreased from \$8.9 million in FY 2020 to \$8.1 million in FY 2021, and for FY 2022, they are budgeted at \$8.4 million.

One-third of the property in the state of Maryland is inspected and revalued by the State Department of Assessments and Taxation each year so that all real property is inspected and revalued once every three years. The three-year cycle results in a smoothing effect on property tax revenues. In times of slowing or decreasing growth, the assessable base declines at a slower rate which affords the Commission time to adjust its service delivery and spending levels in response to what is economically affordable. When the economy is recovering, the assessments growth rate will lag somewhat.

Property tax revenues over the past 10 years are displayed in the chart below.

**Property Tax Revenues**



At year-end, the Commission had a budget basis fund unreserved balance in the General Fund of \$217.4 million. Of this amount, \$8.6 million is assigned fund balance and \$208.8 million is unassigned as of June 30, 2021. Of the unassigned portion, \$201.8 million is from Prince George’s County operations and will be utilized in future years to build out an aggressive capital improvement program and maintain a stable tax rate in accordance with its long-term fiscal plan.

The Commission’s Montgomery County activities are subject to spending affordability guidelines of Montgomery County Government. In Prince George’s County, a Spending Affordability Committee makes recommendations during the budgetary process to the County Executive and the County Council concerning spending affordability of the Commission’s Prince George’s County operations.

The spending affordability processes along with close monitoring of financial results and projections during the fiscal year add to the solid foundation of financial management and assist the Commission in meeting the challenge of providing enhanced public services at an economical cost.

### **Requests for Information**

The financial report is designed to provide a general overview of the Commission's finances for all those with an interest in the Commission's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Department of Finance, Office of Secretary-Treasurer, The Maryland-National Capital Park and Planning Commission, 6611 Kenilworth Avenue, Riverdale, Maryland 20737. This report can also be found on the Commission's website, <https://www.mncppc.org> (Search ACFR).



THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

Exhibit 1

Statement of Net Position  
June 30, 2021

	Primary Government		
	Governmental	Business-type	Total
	Activities	Activities	
<b>ASSETS</b>			
Equity in Pooled Cash and Investments	\$ 575,254,150	\$ 12,058,872	\$ 587,313,022
Receivables - Taxes, net of allowance for uncollectibles	9,001,874	-	9,001,874
Receivables - Other	1,396,665	168,721	1,565,386
Due from County Governments	6,421,086	-	6,421,086
Due from Other Governments	13,393,103	-	13,393,103
Inventories	1,384,428	525,785	1,910,213
Deposits and Other	3,295,963	-	3,295,963
Restricted Cash, Cash Equivalents and Investments:			
Unspent Debt Proceeds	10,961,465	-	10,961,465
Capital Assets:			
Land and Construction in Progress	869,991,035	27,568,660	897,559,695
Other Capital Assets, Net of Accumulated Depreciation	226,461,449	161,061,025	387,522,474
Total Assets	<u>1,717,561,218</u>	<u>201,383,063</u>	<u>1,918,944,281</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred loss on refunding of debt	2,310,841	-	2,310,841
Pension Deferrals	35,866,622	1,289,695	37,156,317
OPEB Deferrals	43,786,079	1,913,415	45,699,494
Total Deferred Outflows of Resources	<u>81,963,542</u>	<u>3,203,110</u>	<u>85,166,652</u>
<b>LIABILITIES</b>			
Accounts Payable and Other Current Liabilities	36,469,406	1,384,392	37,853,798
Accrued Interest Payable	1,478,410	-	1,478,410
Deposits and Fees Collected in-Advance	14,411,018	1,135,011	15,546,029
Claims Payable:			
Due within One Year	6,262,255	-	6,262,255
Due in more than One Year	11,744,177	-	11,744,177
Compensated Absences:			
Due within One Year	5,931,196	184,539	6,115,735
Due in more than One Year	24,687,761	1,073,064	25,760,825
Bonds and Notes Payable:			
Due within One Year	11,793,629	-	11,793,629
Due in more than One Year	158,128,013	-	158,128,013
Net Other Post Employment Benefit Liability			
Due in more than One Year	278,698,700	12,178,882	290,877,582
Net Pension Liability			
Due in more than One Year	18,757,593	674,486	19,432,079
Total Liabilities	<u>568,362,158</u>	<u>16,630,374</u>	<u>584,992,532</u>
<b>DEFERRED INFLOW OF RESOURCES</b>			
Pension Deferrals	93,759,113	3,371,400	97,130,513
OPEB Deferrals	31,463,217	1,373,877	32,837,094
Total Deferred Inflow of Resources	<u>125,222,330</u>	<u>4,745,277</u>	<u>129,967,607</u>
<b>NET POSITION</b>			
Net Investment in Capital Assets	939,803,148	188,629,685	1,128,432,833
Unrestricted	166,137,124	(5,419,163)	160,717,961
Total Net Position	<u>\$ 1,105,940,272</u>	<u>\$ 183,210,522</u>	<u>\$ 1,289,150,794</u>

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

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

**Exhibit 2**

**Statement of Activities  
For the Year Ended June 30, 2021**

	Program Revenues			Net (Expense) Revenue and Changes in Net Position			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
<b>Functions/Programs</b>							
<b>Primary Government:</b>							
Governmental Activities:							
General Government	\$ 21,725,069	\$ -	\$ -	-	(21,725,069)	-	(21,725,069)
County Planning and Zoning	58,764,352	3,937,064	937,884	-	(53,889,404)	-	(53,889,404)
Park Operations and Maintenance	243,477,349	10,556,467	7,251,316	17,374,566	(208,295,000)	-	(208,295,000)
Recreation Programs	57,195,838	2,936,638	2,502,466	-	(51,756,734)	-	(51,756,734)
Interest on Long-term Debt	4,746,799	-	-	-	(4,746,799)	-	(4,746,799)
Total Governmental Activities	385,909,407	17,430,169	10,691,666	17,374,566	(340,413,006)	-	(340,413,006)
Business-type Activities:							
Wheaton Headquarters	3,551,332	1,324,722	-	133,597,606	-	131,370,996	131,370,996
Recreational and Cultural Facilities	22,747,507	10,834,853	357,549	-	-	(11,555,105)	(11,555,105)
Total Business-type Activities	26,298,839	12,159,575	357,549	133,597,606	-	119,815,891	119,815,891
Total Primary Government	\$ 412,208,246	\$ 29,589,744	\$ 11,049,215	\$ 150,972,172	\$ (340,413,006)	\$ 119,815,891	\$ (220,597,115)
<b>General Revenues:</b>							
Property Taxes					459,815,827	-	459,815,827
Unrestricted Investment Earnings					315,205	25,638	340,843
Transfers					(13,400,092)	13,400,092	-
Net General Revenues and Transfers					446,730,940	13,425,730	460,156,670
Change in Net Position					106,317,934	133,241,621	239,559,555
Net Position - Beginning					999,622,338	49,968,901	1,049,591,239
Net Position - Ending					\$ 1,105,940,272	\$ 183,210,522	\$ 1,289,150,794

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

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

Exhibit 3

Balance Sheet  
Governmental Funds  
June 30, 2021

	General	Montgomery County Capital Projects	Prince George's County Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
<b>ASSETS</b>					
Equity in Pooled Cash and Investments	\$ 313,722,099	\$ 2,514,770	\$ 131,546,082	\$ 14,364,544	\$ 462,147,495
Receivables - Taxes (net of allowance for uncollectibles)	8,953,051	-	-	48,823	9,001,874
Receivables - Other (net of allowance for uncollectibles)	118,799	-	-	7,921	126,720
Due from County Governments	17,102	5,151,376	-	752,608	5,921,086
Due from Other Governments	1,191,925	4,479,418	7,721,105	-	13,392,448
Inventories	-	-	-	1,384,428	1,384,428
Restricted Cash - Unspent Debt Proceeds	-	8,102,009	2,859,456	-	10,961,465
Other	1,392,902	-	-	96,291	1,489,193
Total Assets	<u>\$ 325,395,878</u>	<u>\$ 20,247,573</u>	<u>\$ 142,126,643</u>	<u>\$ 16,654,615</u>	<u>\$ 504,424,709</u>
<b>LIABILITIES</b>					
Liabilities:					
Accounts Payable	\$ 12,295,817	\$ 2,135,353	\$ 3,805,767	\$ 171,756	\$ 18,408,693
Accrued Liabilities	12,394,210	-	-	55,089	12,449,299
Retainage Payable	-	859,634	2,075,477	-	2,935,111
Deposits and Fees Collected in-Advance	7,668,502	800,000	5,641,138	301,378	14,411,018
Total Liabilities	<u>32,358,529</u>	<u>3,794,987</u>	<u>11,522,382</u>	<u>528,223</u>	<u>48,204,121</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable Property Tax Revenue	5,130,736	-	-	-	5,130,736
Total Deferred Inflows of Resources	<u>5,130,736</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,130,736</u>
Fund Balance:					
Nonspendable to:					
Recreation	-	-	-	1,384,428	1,384,428
Restricted for:					
Parks	-	8,102,009	2,859,456	-	10,961,465
Committed to:					
Planning	27,101,453	-	-	81,227	27,182,680
Parks	28,026,616	14,975,488	16,662,318	909,657	60,574,079
Recreation	15,340,874	-	-	445,818	15,786,692
Assigned to:					
Planning	2,010,432	-	-	3,683,477	5,693,909
Parks	6,606,075	-	111,082,487	3,630,702	121,319,264
Recreation	-	-	-	5,991,083	5,991,083
Unassigned:	208,821,163	(6,624,911)	-	-	202,196,252
Total Fund Balances	<u>287,906,613</u>	<u>16,452,586</u>	<u>130,604,261</u>	<u>16,126,392</u>	<u>451,089,852</u>
Total Liabilities, Deferred Inflow of Resources and Fund Balances	<u>\$ 325,395,878</u>	<u>\$ 20,247,573</u>	<u>\$ 142,126,643</u>	<u>\$ 16,654,615</u>	

Amounts reported for governmental activities in the statement of net position

are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	1,070,858,855
Deferred outflows of resources related to pensions, OPEB and refunding of debt are applicable to future periods and, therefore, are not reported in the funds.	81,963,542
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.	1,334,410
Internal service funds are used by management to charge the costs of capital equipment financing, risk management, group insurance and the Executive Office Building. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.	115,286,672
Some of the Commission's taxes will be collected after year-end, but are not available soon enough to pay for the current period's expenditures, and therefore are reported as deferred revenue in the funds.	5,130,736
Deferred inflows of resources related to pensions and OPEB are applicable to future periods and, therefore, are not reported in the funds.	(125,222,330)
Long-term liabilities, including bonds payable, net pension liability and net other post employment benefits liability are not due and payable in the current period and therefore are not reported in the funds.	(494,501,465)
Net Position of Governmental Activities	<u>\$ 1,105,940,272</u>

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



THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

Exhibit 4

Statement of Revenues, Expenditures, and Changes in Fund Balances  
Governmental Funds  
For the Year Ended June 30, 2021

	General	Montgomery County Capital Projects	Prince George's County Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES</b>					
Property Taxes	\$ 456,341,367	\$ -	\$ -	\$ 2,085,376	\$ 458,426,743
Intergovernmental -					
Federal	1,860,076	-	-	19,939	1,880,015
State	804,072	3,660,771	2,935,634	-	7,400,477
County	4,997,145	10,282,961	-	2,779,926	18,060,032
Charges for Services	5,015,758	-	-	3,011,138	8,026,896
Rentals and Concessions	2,483,871	-	-	601,908	3,085,779
Interest	180,420	7,816	69,053	11,397	268,686
Contributions	39,762	110,000	200,000	190,746	540,508
Miscellaneous	780,252	-	5,478,610	58,632	6,317,494
Total Revenues	<u>472,502,723</u>	<u>14,061,548</u>	<u>8,683,297</u>	<u>8,759,062</u>	<u>504,006,630</u>
<b>EXPENDITURES</b>					
Current -					
General Government	21,832,188	-	-	-	21,832,188
Planning and Zoning	56,408,865	-	-	4,155,609	60,564,474
Park Operations and Maintenance	229,078,906	-	-	3,327,813	232,406,719
Recreation	57,007,926	-	-	1,106,018	58,113,944
Contributions	-	-	-	1,938,366	1,938,366
Debt Service -					
Principal	-	-	-	12,221,658	12,221,658
Interest	-	-	-	5,562,776	5,562,776
Other Debt Service Costs	-	-	-	177,600	177,600
Capital Outlay -					
Park Acquisition	-	2,250,750	1,998,564	-	4,249,314
Park Development	-	16,047,604	36,894,430	-	52,942,034
Total Expenditures	<u>364,327,885</u>	<u>18,298,354</u>	<u>38,892,994</u>	<u>28,489,840</u>	<u>450,009,073</u>
Excess (Deficiency) of Revenues over Expenditures	<u>108,174,838</u>	<u>(4,236,806)</u>	<u>(30,209,697)</u>	<u>(19,730,778)</u>	<u>53,997,557</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Refunding Bonds Issued	-	-	-	35,536,785	35,536,785
Deposit of Bond Proceeds with Escrow Agent	-	-	-	(35,359,184)	(35,359,184)
Transfers In	3,076,869	350,000	49,080,000	17,713,333	70,220,202
Transfers Out	(143,543,425)	(7,816)	(69,053)	-	(143,620,294)
Total Other Financing Sources (Uses)	<u>(140,466,556)</u>	<u>342,184</u>	<u>49,010,947</u>	<u>17,890,934</u>	<u>(73,222,491)</u>
Net Change in Fund Balances	(32,291,718)	(3,894,622)	18,801,250	(1,839,844)	(19,224,934)
Fund Balances - Beginning	<u>320,198,331</u>	<u>20,347,208</u>	<u>111,803,011</u>	<u>17,966,236</u>	<u>470,314,786</u>
Fund Balances - Ending	<u>\$ 287,906,613</u>	<u>\$ 16,452,586</u>	<u>\$ 130,604,261</u>	<u>\$ 16,126,392</u>	<u>\$ 451,089,852</u>

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

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

Exhibit 5

**Reconciliation of the Statement of Revenues, Expenditures  
and Changes in Fund Balances of Governmental Funds  
To the Statement of Activities  
For the Year Ended June 30, 2021**

Amounts reported for governmental activities in the Statement of Activities (Exhibit 2) are different because:

Net change in fund balances -- total governmental funds (Exhibit 4)	\$	(19,224,934)
---	----	--------------

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capitalized expenditures exceeded depreciation in the current period.

Capitalized Expenditures	56,467,261	
Depreciation Expense	<u>(14,129,266)</u>	
Net adjustment		42,337,995

The net effect of various transactions involving capital assets is to increase Net Assets on the Statement of Activities.

Loss on Disposal	(8,912,257)	
Donations	<u>185,200</u>	
Net adjustment		(8,727,057)

Tax revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds. This is the amount by which the unavailable revenue changed from last fiscal year.

1,389,084

The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the the Statement of Activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.

General Obligation Debt incurred	(35,536,785)	
Repayments of Principal	12,221,658	
Payment to Refunding Bond Escrow Account	<u>35,359,184</u>	
Net adjustment		12,044,057

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds. This amount is the net other post employment liability, pension liability, compensated absences and other expenses.

15,174,341

Accrued interest expense reported in the Statement of Activities does not require the use of current financial resources and, therefore, is not reported as expenditures in governmental funds. The amount is the impact of the net change in the liabilities from the prior year.

(1,285,810)

Internal service funds are used by management to charge the costs of capital equipment financings, employee benefits, risk management and Executive Office Building costs, to individual funds. The change in net position of certain activities of internal service funds is reported with governmental activities.

Change in net position of governmental activities (Exhibit 2)	\$	<u>64,610,258</u>
		<u>106,317,934</u>

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

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

Exhibit 6

**Statement of Revenues, Expenditures/Encumbrances, and Changes in Fund Balance  
Budget (Non-GAAP Budgetary Basis) and Actual - General Fund  
For the Year Ended June 30, 2021**

	Budgeted Amounts			Variance Positive (Negative)
	Original	Final	Actual	
Revenues:				
Property Taxes	\$ 446,588,408	\$ 446,588,408	\$ 456,341,467	\$ 9,753,059
Intergovernmental	5,606,496	5,606,496	7,661,293	2,054,797
Charges for Services	12,718,276	12,718,276	5,015,758	(7,702,518)
Rentals and Concessions	6,290,346	6,290,346	2,483,871	(3,806,475)
Interest	3,475,000	3,475,000	180,420	(3,294,580)
Miscellaneous	821,400	821,400	820,014	(1,386)
Total Revenues	475,499,926	475,499,926	472,502,823	(2,997,103)
Expenditures/Encumbrances:				
Current -				
General Government	23,588,755	23,588,755	21,708,103	1,880,652
County Planning and Zoning	62,976,914	62,976,914	56,074,933	6,901,981
Park Operation and Maintenance	235,507,053	235,893,230	233,793,705	2,099,525
Recreation Programs	77,220,609	71,584,432	58,569,546	13,014,886
Total Expenditures/Encumbrances	399,293,331	394,043,331	370,146,287	23,897,044
Excess of Revenues over Expenditures/Encumbrances	76,206,595	81,456,595	102,356,536	20,899,941
Other Financing Sources (Uses):				
Transfers In	3,525,000	3,525,000	3,076,869	(448,131)
Transfers Out	(82,585,121)	(147,835,121)	(143,543,425)	4,291,696
Total Other Financing Sources (Uses)	(79,060,121)	(144,310,121)	(140,466,556)	3,843,565
Excess of Revenues and Other Financing Sources over Expenditures/Encumbrances and Other Financing Uses - Budget Basis	\$ (2,853,526)	\$ (62,853,526)	(38,110,020)	\$ 24,743,506
Fund Balances - Budget Basis, Beginning			255,547,690	
Fund Balances - Budget Basis, Ending			\$ 217,437,670	

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

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

**Exhibit 7**

**Statement of Net Position  
Proprietary Funds  
June 30, 2021**

	Business-type Activities - Enterprise Funds				Governmental
	Wheaton Headquarters	Recreational and Cultural Activities		Totals	Activities-
		Montgomery County	Prince George's County		Internal Service Funds
<b>ASSETS</b>					
Current Assets:					
Equity in Pooled Cash and Investments	\$ 571,838	\$ 7,922,740	\$ 3,564,294	\$ 12,058,872	\$ 113,106,655
Accounts Receivable	-	800	167,921	168,721	1,269,945
Due from County Government	-	-	-	-	500,000
Due from Other Government	-	-	-	-	655
Deposits and Other	-	-	-	-	472,360
Inventories	-	152,466	373,319	525,785	-
Total Current Assets	<u>571,838</u>	<u>8,076,006</u>	<u>4,105,534</u>	<u>12,753,378</u>	<u>115,349,615</u>
Noncurrent Assets:					
Capital Assets:					
Land	-	11,584,468	6,459,131	18,043,599	13,635,783
Buildings and Improvements	133,627,454	27,285,274	72,358,592	233,271,320	3,315,090
Infrastructure	-	33,685	146,461	180,146	15,657
Machinery, Equipment and Intangibles	-	3,222,663	5,104,524	8,327,187	49,134,738
Construction in Progress	-	9,525,061	-	9,525,061	344,831
	<u>133,627,454</u>	<u>51,651,151</u>	<u>84,068,708</u>	<u>269,347,313</u>	<u>66,446,099</u>
Less - Accumulated Depreciation	<u>(2,227,124)</u>	<u>(27,755,750)</u>	<u>(50,734,754)</u>	<u>(80,717,628)</u>	<u>(40,852,470)</u>
Total Capital Assets, Net of Depreciation	<u>131,400,330</u>	<u>23,895,401</u>	<u>33,333,954</u>	<u>188,629,685</u>	<u>25,593,629</u>
Total Noncurrent Assets	<u>131,400,330</u>	<u>23,895,401</u>	<u>33,333,954</u>	<u>188,629,685</u>	<u>25,593,629</u>
Total Assets	<u>131,972,168</u>	<u>31,971,407</u>	<u>37,439,488</u>	<u>201,383,063</u>	<u>140,943,244</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
Pension Deferrals	-	461,908	827,787	1,289,695	406,454
OPEB Deferrals	-	668,769	1,244,646	1,913,415	390,116
Total Deferred Outflows of Resources	<u>-</u>	<u>1,130,677</u>	<u>2,072,433</u>	<u>3,203,110</u>	<u>796,570</u>
<b>LIABILITIES</b>					
Current Liabilities:					
Accounts Payable	156,315	171,030	262,442	589,787	2,543,614
Claims Payable	-	-	-	-	6,262,255
Accrued Salaries and Benefits	1,469	290,294	502,842	794,605	132,689
Compensated Absences	-	62,327	122,212	184,539	35,109
Interest Payable	-	-	-	-	15,000
Revenue Collected in Advance	-	735,952	72,005	807,957	-
Current Portion of Bonds Payable	-	-	-	-	600,000
Due to Other Government	327,054	-	-	327,054	-
Total Current Liabilities	<u>484,838</u>	<u>1,259,603</u>	<u>959,501</u>	<u>2,703,942</u>	<u>9,588,667</u>
Noncurrent Liabilities:					
Claims Payable	-	-	-	-	11,744,177
Bonds Payable	-	-	-	-	1,312,700
Compensated Absences	-	398,237	674,827	1,073,064	315,377
Net Other Post Employment Benefit Liability	-	4,256,713	7,922,169	12,178,882	2,483,083
Net Pension Liability	-	241,568	432,918	674,486	212,568
Total Noncurrent Liabilities	<u>-</u>	<u>4,896,518</u>	<u>9,029,914</u>	<u>13,926,432</u>	<u>16,067,905</u>
Total Liabilities	<u>484,838</u>	<u>6,156,121</u>	<u>9,989,415</u>	<u>16,630,374</u>	<u>25,656,572</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Pension Deferrals	-	1,207,472	2,163,928	3,371,400	1,062,516
OPEB Deferrals	-	480,192	893,685	1,373,877	280,115
Total Deferred Inflows of Resources	<u>-</u>	<u>1,687,664</u>	<u>3,057,613</u>	<u>4,745,277</u>	<u>1,342,631</u>
<b>NET POSITION</b>					
Net Investment in Capital Assets	131,400,330	23,895,401	33,333,954	188,629,685	23,680,929
Unrestricted	87,000	1,362,898	(6,869,061)	(5,419,163)	91,059,682
Total Net Position	<u>\$ 131,487,330</u>	<u>\$ 25,258,299</u>	<u>\$ 26,464,893</u>	<u>\$ 183,210,522</u>	<u>\$ 114,740,611</u>

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

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

**Exhibit 8**

**Statement of Revenues, Expenses, and Changes in Fund Net Position  
Proprietary Funds  
For the Year Ended June 30, 2021**

	Business-type Activities - Enterprise Funds				Governmental Activities- Internal Service Funds
	Wheaton Headquarters	Recreational and Cultural Activities		Totals	
		Montgomery County	Prince George's County		
<b>Operating Revenues:</b>					
Intergovernmental	\$ -	\$ 175,470	\$ 182,079	\$ 357,549	\$ 273,781
Sales	-	334,316	970,292	1,304,608	-
Charges for Services	25,000	4,672,559	2,229,370	6,926,929	56,493,588
Claim Recoveries	-	-	-	-	901,077
Rentals and Concessions	1,299,722	1,671,549	956,767	3,928,038	-
Total Operating Revenues	<u>1,324,722</u>	<u>6,853,894</u>	<u>4,338,508</u>	<u>12,517,124</u>	<u>57,668,446</u>
<b>Operating Expenses:</b>					
Cost of Goods Sold	-	191,868	452,910	644,778	-
Personal Services	199,540	5,420,933	8,348,431	13,968,904	3,805,566
Supplies and Materials	74,386	155,879	1,028,993	1,259,258	785,960
Claims Incurred	-	-	-	-	28,774,672
Insurance	-	-	-	-	8,678,600
Communications	6,517	44,103	134,643	185,263	-
Utilities	536,903	805,508	1,128,375	2,470,786	-
Maintenance	330,501	191,688	973,419	1,495,608	-
Contractual Services	176,361	326,982	184,749	688,092	1,544,102
Other Services and Charges	-	287,398	476,456	763,854	5,156,611
Administrative Services	-	-	287,667	287,667	-
Depreciation	2,227,124	487,299	1,845,409	4,559,832	4,132,827
Total Operating Expenses	<u>3,551,332</u>	<u>7,911,658</u>	<u>14,861,052</u>	<u>26,324,042</u>	<u>52,878,338</u>
Operating Income (Loss)	<u>(2,226,610)</u>	<u>(1,057,764)</u>	<u>(10,522,544)</u>	<u>(13,806,918)</u>	<u>4,790,108</u>
<b>Nonoperating Revenues (Expenses):</b>					
Investment Earnings	143	13,303	12,192	25,638	46,519
Interest Expense	-	-	-	-	(51,700)
Gain/(Loss) on Disposal of Asset	-	25,203	-	25,203	(174,669)
Total Nonoperating Revenue (Expense)	<u>143</u>	<u>38,506</u>	<u>12,192</u>	<u>50,841</u>	<u>(179,850)</u>
Income Gain/(Loss) before Capital Contributions and Transfers	<u>(2,226,467)</u>	<u>(1,019,258)</u>	<u>(10,510,352)</u>	<u>(13,756,077)</u>	<u>4,610,258</u>
Capital Contributions	133,597,606	-	-	133,597,606	-
Transfers In	-	-	13,400,092	13,400,092	60,000,000
Change in Net Position	<u>131,371,139</u>	<u>(1,019,258)</u>	<u>2,889,740</u>	<u>133,241,621</u>	<u>64,610,258</u>
Total Net Position - Beginning	<u>116,191</u>	<u>26,277,557</u>	<u>23,575,153</u>	<u>49,968,901</u>	<u>50,130,353</u>
Total Net Position - Ending	<u>\$ 131,487,330</u>	<u>\$ 25,258,299</u>	<u>\$ 26,464,893</u>	<u>\$ 183,210,522</u>	<u>\$ 114,740,611</u>

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

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

**Exhibit 9**

**Statement of Cash Flows - Proprietary Funds  
For the Year Ended June 30, 2021**

	Business-type Activities - Enterprise Funds				Governmental Activities- Internal Service Funds
	Wheaton Headquarters	Recreational and Cultural Activities			
		Montgomery County	Prince George's County	Totals	
Cash Flows from Operating Activities:					
Receipts from Customers and Users	\$ 1,324,722	\$ 7,079,170	\$ 4,334,317	\$ 12,738,209	\$ 57,766,784
Payments to Suppliers	(641,299)	-	(4,437,569)	(5,078,868)	(43,546,644)
Payments to Employees	(6,071)	(4,265,645)	(9,280,604)	(13,552,320)	(3,122,374)
Payments for Interfund Services Used	(192,000)	(468,211)	-	(660,211)	(1,110,142)
Payments for Administrative Charges	-	(2,164,164)	(287,667)	(2,451,831)	-
Net Cash Provided (Used) by Operating Activities	<u>485,352</u>	<u>181,150</u>	<u>(9,671,523)</u>	<u>(9,005,021)</u>	<u>9,987,624</u>
Cash Flows from Noncapital Financing Activities:					
Transfers In from Other Funds	-	-	13,400,092	13,400,092	60,000,000
Net Cash Flows from Noncapital Financing Activities	<u>-</u>	<u>-</u>	<u>13,400,092</u>	<u>13,400,092</u>	<u>60,000,000</u>
Cash Flows from Capital and Related Financing Activities:					
Acquisition and Construction of Capital Assets	(29,848)	(679,059)	(179,731)	(888,638)	(15,983,108)
Proceeds from Disposal of Capital Assets	-	25,203	-	25,203	99,780
Interest Paid on Bonds Payable	-	-	-	-	(105,000)
Principal Paid on Bonds Payable	-	-	-	-	(600,000)
Net Cash Used by Capital and Related Financing Activities	<u>(29,848)</u>	<u>(653,856)</u>	<u>(179,731)</u>	<u>(863,435)</u>	<u>(16,588,328)</u>
Cash Flows from Investing Activities:					
Interest on Investments	143	13,303	12,192	25,638	46,518
Net Increase (Decrease) in Cash and Cash Equivalents	455,647	(459,403)	3,561,030	3,557,274	53,445,814
Cash and Cash Equivalents, July 1	116,191	8,382,143	3,264	8,501,598	59,660,841
Cash and Cash Equivalents, June 30	<u>\$ 571,838</u>	<u>\$ 7,922,740</u>	<u>\$ 3,564,294</u>	<u>\$ 12,058,872</u>	<u>\$ 113,106,655</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:					
Operating Income (Loss)	\$ (2,226,610)	\$ (1,057,764)	\$ (10,522,544)	\$ (13,806,918)	\$ 4,790,108
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:					
Depreciation	2,227,124	487,299	1,845,409	4,559,832	4,132,827
Effect of Changes in Operating Assets and Liabilities in:					
Accounts Receivable	-	16,162	18,484	34,646	10,806
Due from Other Government	-	15,513	7,280	22,793	-
Due from Other Funds	-	-	-	-	79,064
Inventories, at Cost	-	63,035	47,191	110,226	-
Accounts Payable	156,315	(48,677)	(105,215)	2,423	1,192,697
Claims Payable	-	-	-	-	(901,070)
Accrued Salaries and Benefits	1,469	120,630	186,876	308,975	22,309
Compensated Absences	-	130,302	106,766	237,068	121,500
Due to Other Government	327,054	-	-	327,054	-
Net Pension Liability	-	(252,650)	(825,457)	(1,078,107)	138,685
Net Other Post Employment Liability	-	688,795	(400,358)	288,437	400,698
Revenue Collected in Advance	-	18,505	(29,955)	(11,450)	-
Total Adjustments	<u>2,711,962</u>	<u>1,238,914</u>	<u>851,021</u>	<u>4,801,897</u>	<u>5,197,516</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 485,352</u>	<u>\$ 181,150</u>	<u>\$ (9,671,523)</u>	<u>\$ (9,005,021)</u>	<u>\$ 9,987,624</u>
Schedule of non-cash capital and related financing activities:					
Contributions of capital assets	\$ 133,627,454	\$ -	\$ -	\$ 133,627,454	\$ -
Purchase of machinery, equipment, and vehicles on account	\$ -	\$ 175,096	\$ -	\$ 175,096	\$ 8,468

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

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

Exhibit 10

Statement of Net Position  
Fiduciary Funds  
June 30, 2021

	Pension Trust Funds	Private Purpose Trust Funds
	<u>                    </u>	<u>                    </u>
<b>ASSETS</b>		
Equity in Pooled Cash and Investments	\$ 920,001	\$ 10,732,706
Cash	3,060,881	-
Fixed Income Securities	257,483,531	-
International Fixed Income Securities	7,625,831	-
Venture Capital/Alternative Investments	277,066,810	-
Corporate Stock	426,549,360	-
International Corporate Stock	77,233,352	-
Real Estate Investments	78,075,865	-
Short Term Investments	21,772,477	-
Mutual Funds	89,946,161	-
Collateral for Securities Lending Transactions	39,501,241	-
Accounts Receivable	6,684	2,500
Accrued Income on Investments	722,836	-
Land Held for Other Governments	-	83,562,118
Other	837,640	-
Total Assets	<u>1,280,802,670</u>	<u>94,297,324</u>
<b>LIABILITIES</b>		
Investment Payable	1,172,168	-
Accounts Payable	1,667,874	-
Claims Payable	920,001	-
Obligation for Collateral Received		
under Securities Lending Transactions	40,556,217	-
Total Liabilities	<u>44,316,260</u>	<u>-</u>
<b>NET POSITION</b>		
Restricted for:		
Land Held for Other Governments	-	83,562,118
Pension Benefits	1,107,721,888	-
Other Postemployment Benefits	128,764,522	-
Other Purposes	-	10,735,206
Total Net Position	<u>\$ 1,236,486,410</u>	<u>\$ 94,297,324</u>

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

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

Exhibit 11

**Statement of Changes in Net Position  
Fiduciary Funds  
For the Year Ended June 30, 2021**

	Pension Trust Funds	Private Purpose Trust Funds
	<u>                    </u>	<u>                    </u>
<b>ADDITIONS</b>		
Contributions:		
Employer	\$ 44,940,702	\$ -
Plan Members	8,084,657	-
Plan Members for Current Benefits	3,375,598	-
Private Donations	-	10,721
Total Contributions	<u>56,400,957</u>	<u>10,721</u>
Receipts from Commission Debt Service Funds	-	1,938,366
Federal Grants - Medicare	2,731,635	-
Investment Earnings:		
Interest	12,170,998	5,045
Dividends	6,352,744	-
Net Increase (Decrease) in the Fair Value of Investments	216,135,070	-
Total Investment Earnings	<u>234,658,812</u>	<u>5,045</u>
Less Investment Advisory and Management Fees	<u>(3,228,153)</u>	<u>-</u>
Net Income from Investing Activities	<u>231,430,659</u>	<u>5,045</u>
Securities Lending Activity		
Securities Lending Income	116,026	-
Securities Lending Fees	<u>(28,856)</u>	<u>-</u>
Net Income from Securities Lending Activity	<u>87,170</u>	<u>-</u>
Total Net Investment Income	<u>231,517,829</u>	<u>5,045</u>
Total Additions and Investment Income	<u>290,650,421</u>	<u>1,954,132</u>
<b>DEDUCTIONS</b>		
Benefits	78,095,530	-
Refunds of Contributions	378,267	-
Administrative Expenses	2,656,221	-
Other	-	2,758
Total Deductions	<u>81,130,018</u>	<u>2,758</u>
Change in Net Position	209,520,403	1,951,374
Net Position - Beginning	<u>1,026,966,007</u>	<u>92,345,950</u>
Net Position - Ending	<u>\$ 1,236,486,410</u>	<u>\$ 94,297,324</u>

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



## NOTES TO FINANCIAL STATEMENTS

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# THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

## NOTES TO FINANCIAL STATEMENTS

June 30, 2021

### (1) – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### **(A) The Commission and Its Services**

##### **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 the Land Use Article of the Annotated Code of Maryland, Sections 15-115 and 15-116. 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"), a Prince George's County Charter Amendment originally enacted in November 1978.

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

The provisions of Sections 15-115 and 15-116 of the Land Use Article of the Annotated Code of Maryland require that the Commission publish an annual financial report and that its financial statements be audited by independent certified public accountants. The accompanying financial statements have been presented to meet the financial reporting needs of the Commission and the requirements of Maryland law.

##### **Financial Reporting Entity**

As required by accounting principles generally accepted in the United States of America (GAAP), these financial statements present the Commission and its blended component units, the Employee Retirement System (ERS) and the 115 Trust. A blended component unit, although a legally separate entity, is, in substance, part of the Commission's operations and therefore data from these units are combined with data of the Commission. Accordingly, the financial statements of these component units are included as pension trust funds in the accompanying financial statements.

ERS is administered by the 11 member Board of Trustees, in accordance with the Trust Agreement between the Board and the Commission, is a contributory defined benefit pension system qualified under the Internal Revenue Code Section 401(a). The administrative operations are the responsibility of the ERS Staff and Board-appointed Administrator, who reports directly to the Board of Trustees. Publicly available Financial Statements for the ERS can be obtained at 6611 Kenilworth Avenue, Suite 100, Riverdale, Maryland 20737.

The Other Post-Employment Benefits Trust (the Trust), administered by the 5-member Board of Trustees, in accordance with the Trust Agreement between the Board and the Commission, is a trust qualified under the Internal Revenue Code Section 115 to provide health insurance benefits for eligible participants. Only employer funds are held in the trust. The administrative operations are the responsibility of the Administrator who is a Commission employee and reports directly to the Board of Trustees. Separate financial statements are not issued for the Trust.

In accordance with GAAP, the Commission represents a joint venture of Montgomery and Prince George's Counties, reportable in the notes to their respective financial statements. The financial data of the Commission pertinent to Montgomery County and Prince George's County for governmental funds are set forth on a County basis in Note 6.

## **(B) Government-wide and Fund Financial Statements**

The Commission follows accounting standards established by the Governmental Accounting Standards Board - (GASB).

The reporting requirements established by GASB include:

**Government-wide Financial Statements** – The reporting model includes financial statements prepared using full accrual accounting for all of the Commission's activities. This approach includes not just current assets and liabilities (such as cash and accounts payable), but also capital assets and long-term liabilities (such as buildings and infrastructure, including bridges and roads, and general obligation debt). Full accrual accounting also recognizes all revenues and the full cost to provide services each year, not just those received or paid in the current year or soon thereafter. Neither fiduciary funds nor component units that are fiduciary in nature are included in Government-wide financial statements.

The basic financial statements include both Government-wide (based on the Commission as a whole) and fund financial statements. The focus is on both the Commission as a whole and the fund financial statements, including the major individual funds of the governmental and business-type categories, as well as the fiduciary funds (by category). Both the Government-wide and fund financial statements (within the basic financial statements) categorize primary activities as either governmental or business-type. In the Government-wide Statement of Net Position and Statement of Activities, both the governmental and business-type activities columns are presented on a consolidated basis by column on a full accrual, economic resource basis, as discussed above. Eliminations have been made to minimize the double counting of internal activities. Each presentation provides valuable information that can be analyzed and compared (between years and between governments) to enhance the usefulness of the information.

The Government-wide Financial Statements are made up of the following:

**Statement of Net Position** – The Statement of Net Position is designed to display the financial position of the Commission (government and business-type activities). The Commission reports all capital assets, including infrastructure, in the Government-wide Statement of Net Position and reports depreciation expense – the cost of “using up” capital assets – in the Statement of Activities. Net position is the excess of assets and deferred outflows over liabilities and deferred inflows. The net position of the Commission is presented in three categories – 1) net investment in capital assets; 2) restricted; and 3) unrestricted. The Commission generally first uses restricted net position for expenses incurred for which both restricted and unrestricted net position are available. The Commission may defer the use of restricted net position based on a review of the specific transaction. The Commission has no restricted net position as of June 30, 2021.

**Statement of Activities** – The Government-wide Statement of Activities reports expenses and revenues in a format that focuses on the cost of each of the Commission's functions. The expense of each individual function is compared to the revenues generated directly by the function (for instance, through user charges or intergovernmental grants). The Government-wide Statement of Activities reflects both the gross and net cost per functional category (county planning and zoning, park operations and maintenance, recreation, etc.) that is otherwise being supported by general government revenues. The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants, and contributions. The program revenues must be directly associated with the function (county planning and zoning, park operations and maintenance, recreation, etc.) or a business-type activity. Program revenues include 1) charges for county planning and zoning services; 2) charges for park operations and maintenance; 3) rentals and concessions; 4) recreational and cultural facilities and events and; 5) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Property taxes and other items not properly included among program revenues are reported as general revenues. Direct expenses are considered those that are clearly identifiable with a specific function or segment. The Commission does not allocate indirect expenses. The operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants.

**Fund Financial Statements** – Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the Government-wide financial statements. Major

individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

In the fund financial statements, financial transactions and accounts of the Commission are organized on the basis of funds. The operation of each fund is considered to be an independent fiscal and separate accounting entity, with a self-balancing set of accounts recording cash and/or other financial resources together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations. The governmental fund financial statements are presented on a current financial resource and modified accrual basis of accounting. This is the manner in which these funds are normally budgeted. Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the Government-wide statements' governmental activities column, reconciliations are presented which briefly explain the adjustments necessary to reconcile the fund financial statements to the governmental activities column of the Government-wide financial statements.

The Commission's fiduciary funds, the Employees' Retirement System and the Other Post-Employment Benefits Fund, which are fiduciary in nature, are presented in the fund financial statements by fund type (pension and private purpose trust). Since by definition these assets are being held for the benefit of a third party (other local governments, private parties, pension participants, etc.) and cannot be used to address activities or obligations of the Commission, these funds are not incorporated into the Government-wide statements.

**Budgetary Comparison Schedules** – Demonstrating compliance with the adopted budget is an important component of the Commission's accountability to the public. Many citizens participate in the process of establishing the annual operating budgets of state and local governments and have a keen interest in following the financial progress of their governments over the course of the year. For this reason, the Commission has chosen to make its General Fund budgetary comparison statement part of the basic financial statements. The Commission and many other governments revise their original budgets over the course of the year for a variety of reasons.

Since the Commission adopts its General Fund budget by accounts within each county, each of which has a dedicated tax levy, budgetary comparison summaries are presented for each account in Note 6. These accounts are as follows: Montgomery County Administration, Montgomery County Park, Prince George's County Administration, Prince George's County Park, and Prince George's County Recreation.

### **(C) Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

The Government-wide, proprietary, and pension trust and private purpose fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are generally recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenue in the year in which they are levied. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met. Employee and employer contributions to pension trust funds are recognized as revenues (additions to net position) in the period in which employee services are performed. Both benefits and refunds paid are recognized as expenses (deductions from net position) in the period in which paid.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recorded as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Commission considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Amounts not received within 60 days are reported as deferred revenue. Expenditures are generally recorded when a liability is incurred, as under the accrual basis of accounting. However, debt service expenditures, as well as expenditures related to claims and judgments, are recorded only when payment has matured and is due.

Property taxes, interest and grants associated with the current fiscal period are considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the Commission.

The Commission reports the following major 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.

**Montgomery County and Prince George’s County Capital Projects Funds** – These Capital Projects Funds are used to account for the acquisition, development or improvement of parkland and the acquisition or construction of major capital facilities other than those accounted for in the proprietary funds and the Advance Land Acquisition Accounts in the Private Purpose Trust Funds. The Commission maintains separate funds for each county.

The Commission reports the following major enterprise funds:

**Wheaton Headquarters Enterprise Fund** – This Enterprise Fund is used to account for the operation of Wheaton Headquarters building. The building is a shared facility with offices of the Commission and some offices of Montgomery County Government. Due to the building lease to Montgomery County Government, which is over 50% of the anticipated revenue, the Fund is reported as an Enterprise Fund rather than an Internal Service Fund.

**Montgomery County and Prince George’s County Enterprise Funds** – These Enterprise Funds are used to account for recreational and cultural facilities’ operations that are financed and operated in a manner similar to private business enterprises. A separate Enterprise Fund is maintained for the enterprise operations of each county, each of which is considered a major fund.

Additionally, the Commission reports the following fund types:

**Other Governmental Funds** – The other governmental fund types used by the Commission are special revenue and debt service. Special revenue funds are used to account for specific revenues that are legally restricted for particular purposes. Debt service funds account for resources accumulated and payments made for principal and interest on long-term debt of governmental funds.

**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. There are nine internal service funds reported by the Commission: Montgomery County Capital Equipment Fund, Montgomery County Risk Management Fund, Largo Headquarters Fund, Prince George’s County Capital Equipment Fund, Prince George’s County Risk Management Fund, Central Administrative Services Capital Equipment Fund, Executive Office Building Fund, Employee Benefits Fund, and Commission Wide Initiatives Fund.

The Commission reports the following fiduciary fund types:

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

The Other Post-Employment Benefits Fund is used to account for the accumulation of Commission resources for post-retirement health care benefits provided by the Commission.

**Private-Purpose Trust Funds** – Private-purpose trust funds are used to account for funds whose principal and interest are legally held in trust and must be expended in accordance with their designated purposes. The most significant amounts included are the Advance Land Acquisition Accounts, which are used to acquire land for specific public uses, such as schools, libraries, parks or roads.

In the process of aggregating data for the Government-wide financial statements, some amounts reported as inter-fund activity and balances in the funds should be eliminated or reclassified. As a general rule, the effect of inter-fund activity has been eliminated from the Government-wide financial statements. The effect of the inter-fund services provided and used between functions has not been eliminated in the Statement of Activities, since to do so would distort the direct costs and program revenues reported for the various functions concerned. Internal Service Funds are used by management to charge to funds using the service costs of capital equipment financing, risk management,

employee benefits, Commission-wide initiatives, Largo Headquarters, and the Executive Office Building. The assets and liabilities of the Internal Service Funds are included in the governmental activities column of the Statement of Net Position. The Commission eliminates internal service fund expenses by allocating the expenses to other functions. Expenses for capital equipment, risk management and Commission wide initiatives are allocated based on revenues, and for employee benefits based on salaries expense. The expenses of the Largo Headquarters Fund are allocated to county planning and zoning. The expenses of the Executive Office Building Fund are allocated to general government. The funds are so unique that a single allocation method was not appropriate.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise funds and of the internal service funds are charges to customers for sales and services. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

## **(D) Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position**

**Cash and Cash Equivalents** – Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and mature within three months of the date acquired by the Commission.

**Equity in Pooled Cash and Investments** – The Commission pools the cash and investments of all funds into a common pool to maintain investment flexibility and maximize earnings. The Commission's Finance Department manages the pool. Investment earnings are allocated to participating Funds based upon their average monthly equity in pooled cash balances. Commission investments, including those in the Pension Trust Fund, are stated at fair value.

**Property Taxes Receivable** – All property tax receivables are shown net of an allowance for uncollectible accounts of \$2,197,633 as of June 30, 2021. The property tax receivable allowance is based on an aging of receivables, with increasing percentages applied to older receivables. Property taxes are levied and collected for the special taxing districts of the Commission by Montgomery and Prince George's County Governments, as appropriate. Semiannual tax payment plans are automatic for homeowners living in their properties unless they request an annual payment plan. Under the semiannual payment plan, one-half of the real property taxes are due by September 30 and the remaining one-half is due by December 31. Real property taxes are levied on July 1 each year and become delinquent on October 1 and January 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 that are delinquent.

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

**Accounts Payable and Other Current Liabilities** – Accounts payable includes only short-term liabilities due and payable within the normal course of business.

**Inventories** – Inventories which are being held for resale are valued at the lower of cost or market for proprietary funds. Inventories of supplies are reported at cost.

**Capital Assets** – Capital assets, which include property, plant, equipment, and infrastructure assets (e.g. roads, bridges, trails, dams and similar items), are reported in the applicable governmental or business-type activities columns in the Government-wide financial statements. The Commission defines capital assets as assets with an initial, individual cost of more than \$10,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed and actual costs are not known. Donated capital assets are recorded at estimated acquisition value at the date of donation.

Major outlays for capital assets and improvements are capitalized as projects are constructed. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Capital assets are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings and Improvements	20 – 40
Infrastructure	15 – 60
Machinery and Equipment	5 – 10

**Deferred Outflows/Inflows of Resources** – A deferred outflow of resources represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expenditures) until the future period. The Commission recognizes deferred outflows for the difference between the projected and actual investment earnings related to pensions. The Commission also recognizes deferred outflows for changes in assumption as well as for the difference between expected and actual experience.

A deferred inflow of resources represents an acquisition of net position that applies to a future period so will not be recognized as an inflow of resources (revenue) until the future period. The Commission recognizes deferred inflows for property taxes collected in advance.

**Compensated Absences** – Commission employees earn annual leave and sick leave in varying amounts and are granted three days of personal leave annually. Some employees may also earn compensatory leave in lieu of overtime pay. There is no liability for unpaid accumulated sick leave since the Commission does not have a policy to pay any amounts when employees separate from service.

In the Government-wide financial statements and proprietary fund types in the fund financial statements, compensated absences are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. When annual and sick leave are used or taken by employees, the expense is charged directly to the employees' cost center. Compensated absences for leave liabilities for employees charged to proprietary funds, are charged directly to the proprietary funds' cost center to which the employee is assigned. The year-end liability for annual leave and compensatory leave for all employees is calculated based on hours of leave available, priced at current salary rates plus applicable employer payroll taxes.

**Long-term Obligations** – In the Government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as expenditures.

**Pensions** – For purposes of measuring the net pension liability, deferred outflows and inflows of resources related to pensions and pension expense, information about fiduciary net position of The Maryland-National Capital Park and Planning Commission Employee's Retirement System (the System) and additions to /deductions from the System's fiduciary net pension have been determined on the same basis as they are reported in the System's financial statements. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**Other Post-Employment Benefits (OPEB)** – For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the Commission's Post-Retirement Insurance Benefits Program (the Plan) and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, the Plan recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments and participating interest-earning investment contracts have a maturity at the time of purchase of one year or less, which are reported at cost.

**Fund Balances** - The Commission's policy is to maintain an adequate General Fund fund balance to provide liquidity in the event of an economic downturn and this policy is an important part of sound fiscal management. The Commission has adopted Resolution No. 21-23 , a financial standard to maintain a minimum unrestricted fund balance of the General Fund, so that at each fiscal year end, this balance shall not be less than 3% to 5% of the current year's expenditures.

Fund balances, presented in the governmental fund financial statements, represent the difference between assets, liabilities and deferred inflow of resources reported in a governmental fund. GASB Statement No. 54, "Fund Balance

*Reporting and Governmental Fund Type Definitions*”, establishes criteria for classifying fund balances into specifically defined classifications based upon the type of restrictions imposed on the use of funds and has classified fund balances into the following five categories:

- **Nonspendable** – Items that cannot be spent because they are not in spendable form or are legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash, such as inventory and prepaid expenses.
- **Restricted** – Items that are restricted by external parties such as creditors, grantors, contributors, or laws or regulations of other governments; or imposed by law through constitutional provisions or enabling legislation.
- **Committed** – Items that have been committed for specific purposes pursuant to constraints imposed by a formal action (i.e. resolution) by the entity's "highest level decision-making authority", which the Commission considers actions taken by the Chairman and Vice-Chairman to be the highest level. These committed amounts could be changed by reversing the same type of action the Commission employed to previously commit the funds. The formal action should occur prior to the end of the reporting period.
- **Assigned** – Amounts reflecting a government's intended use of resources for specific purposes require less formal actions. Also, the Commission can delegate assignment authority to the Planning Boards per the Land Use Article of the Annotated Code of Maryland.
- **Unassigned** – This category is for any balances that have no restrictions placed upon them. The General Fund is the only fund that reports a positive unassigned fund balance. This classification is only used by other funds to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed or assigned.

The Commission reduces restricted amounts first when expenditures are incurred for purposes for which both restricted and unrestricted (committed, assigned, or unassigned) amounts are available. The Commission reduces committed amounts first, followed by assigned amounts, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

The Fund Balance in the General Fund Accounts is broken down as follows:

	Montgomery County		Prince George's County			Total
	Administration	Park	Administration	Park	Recreation	
Committed	\$ 5,577,975	\$ 6,074,884	\$ 21,523,478	\$ 21,951,732	\$ 15,340,874	\$ 70,468,943
Assigned	2,010,432	6,606,075	-	-	-	8,616,507
Unassigned	1,540,774	5,457,466	20,657,260	117,640,167	63,525,496	208,821,163
Total Fund Balance	<u>\$ 9,129,181</u>	<u>\$ 18,138,425</u>	<u>\$ 42,180,738</u>	<u>\$ 139,591,899</u>	<u>\$ 78,866,370</u>	<u>\$ 287,906,613</u>

**Encumbrances** - Encumbrance accounting is employed in the general, capital project and special revenue funds. Under this method, purchase orders, contracts, memoranda of understanding and other commitments outstanding at year-end do not constitute expenditures or liabilities. GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*”, provides additional guidance on the classification within the fund balances section of amounts that have been encumbered. Encumbrances of balances within the General, Capital Project and Special Revenue funds are classified as committed. These encumbrances, along with encumbrances of balances in funds that are restricted, committed or assigned, are not separately classified in the financial statements, and are summarized as follows:

General Fund - Montgomery County	\$	11,652,859
General Fund - Prince George's County		58,816,084
Capital Projects Fund - Montgomery County		14,975,488
Capital Projects Fund - Prince George's County		16,662,318
Non-Major Governmental Funds		1,436,702



**(2) – EXPLANATION OF CERTAIN DIFFERENCES BETWEEN THE GOVERNMENTAL FUND BALANCE SHEET AND THE GOVERNMENT-WIDE STATEMENT OF NET POSITION**

The governmental fund balance sheet (Exhibit 3) includes reconciliation between fund balance – total governmental funds and net position – governmental activities as reported in the Statement of Net Position (Exhibit 1). Details related to the most significant items on the reconciliation are as follows.

Capital assets used in governmental activities are not financial resources, and therefore are not reported in the funds. The capital assets related to governmental funds (not including internal service funds) include:

Land	\$	404,267,428
Buildings and improvements		252,232,447
Infrastructure		271,144,946
Machinery, Equipment and Intangibles		78,330,239
Accumulated Depreciation on Buildings, Improvements and Machinery, Equipment and Intangibles		(386,859,198)
Construction in Progress		451,742,993
Total	\$	<u>1,070,858,855</u>

Long-term liabilities, including bonds payable, are not due and payable in the current period, and therefore are not reported in the funds. The long-term debt related to governmental funds (not including internal service funds) includes:

Bonds and Notes Payable:	
Due Within One Year	11,193,629
Due in More than One Year	156,815,313
Net Other Post Employment Benefit Liability	276,215,617
Net Pension Liability	18,545,025
Compensated Absences	
Due Within One Year	5,896,087
Due in More than One Year	24,372,384
Accrued Interest Payable	1,463,410
Total	<u>\$ 494,501,465</u>

**(3) – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

**(A) Budgetary Information**

The following procedures are used in establishing the annual budget.

On or before January 15, the Commission submits to the County Executive of each County a proposed annual budget for the respective accounts of the General Fund (including park debt service) and the Special Revenue Funds, and a budget plan for the respective Enterprise Funds and Internal Service Funds. The Capital Projects Funds' budgets and six-year expenditure plans are submitted to the County Executive of Prince George's County prior to each November 1 and to the County Executive of Montgomery County prior to November 1 of each odd-numbered year. These budgets and plans include proposed expenditures and the means of financing them.

Each County Executive transmits the budgets and plans 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.

The legal level of budgetary control is the department or function for the Administration Accounts and the Montgomery County Park Account, and the Account level for Prince George's County Park Account, and Prince George's County Recreation Account. The Commission's expenditures may not exceed the total approved budget for each of the General Fund Accounts without prior approval by the respective County Council, except where grant funds received with the knowledge and approval of Prince George's County constitute an automatic budget amendment, thereby increasing the appropriations. Management is authorized to allow a department or function within a General Fund

Account to be overspent by up to 10% of the approved budget without Council approval, provided the account in total is not overspent.

General Fund and Special Revenue Fund unencumbered appropriations lapse at year-end. Capital project appropriations do not lapse until the project is completed. The budget plans for the proprietary funds serve as a guide to the Commission and not as legally binding limitations.

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

The actual expenditures in the General Fund Statements of Revenues, Expenditures/Encumbrances, and Changes in Fund Balances - Budget (Non-GAAP Budgetary Basis) and Actual are presented on a basis consistent with The Maryland-National Capital Park and Planning Commission Adopted Annual Budget. All expenditures made during fiscal year 2021 were within the legal limitations pertinent to the Commission. Under the budgetary method, current year outstanding encumbrances are charged to the budgetary appropriations and are considered expenditures of the current period. Governmental GAAP considers outstanding encumbrances as reservations of fund balances that are charged to expenditures in the period in which the goods or services are used or received.

Reconciliation from the Budget Basis to the GAAP Basis for the year ended June 30, 2021, as noted in Note 6 as follows:

	Montgomery County		Prince George's County			Total General Fund
	Administration Account	Park Account	Administration Account	Park Account	Recreation Account	
Adjustment to Expenditures						
To Increase -						
Encumbrances -						
June 30, 2020	\$ 6,752,361	\$ 4,904,953	\$ 20,807,109	\$ 18,406,964	\$ 13,779,254	\$ 64,650,641
To Decrease -						
Encumbrances -						
June 30, 2021	(5,577,975)	(6,074,884)	(21,523,478)	(21,951,732)	(15,340,874)	(70,468,943)
Total Adjustment	1,174,386	(1,169,931)	(716,369)	(3,544,768)	(1,561,620)	(5,818,302)
Net Change in Fund Balance:						
GAAP Basis	673,231	9,311,361	(46,771,246)	(6,500,105)	10,995,041	(32,291,718)
Budget Basis	\$ 1,847,617	\$ 8,141,430	\$ (47,487,615)	\$ (10,044,873)	\$ 9,433,421	\$ (38,110,020)

#### (4) – DETAILED NOTES ON ALL FUNDS

##### (A) Cash and Investments

The Commission's deposits and investments as of June 30, 2021, totaled \$1,888,242,703. The Commission's unrestricted pool of deposits and investments of \$598,965,729 is available to all funds, except for the Pension Trust Funds.

##### Commission Cash and Investments:

**Custodial Credit Risk - Deposits** - At year-end, the carrying amount of cash deposits is \$2,939,788, and the bank balance is \$4,461,647. In addition, the Commission held cash at various locations totaling \$229,595. Of the bank balance, \$250,000 is covered by Federal depository insurance, and the remainder is collateralized by \$4,211,647 of securities held by a member of the Federal Reserve banking system in the name of the Commission and the Commission's bank.

The Commission requires collateral for the bank balances of deposits and investments 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, 2021. Collateral shall be maintained in excess of FDIC insurance coverage for all Commission bank cash accounts, certificates of deposits and time deposits.

**Money Market Deposits** - At year-end, the carrying value (fair value) of deposits in investment grade money market accounts is \$98,749,445. Of these deposits, \$101,974 relates to cash and investments restricted for construction.

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

Statutes do not restrict the investment activity of the pension trust funds.

**Cash and Investments Restricted for Unspent Debt Proceeds** - At year-end, the Commission had \$10,961,465 of unspent bonds and note proceeds restricted to pay construction costs for various projects.

**Custodial Credit Risk - Investments** - This is the risk that, in the event of the failure of the counterparty, the Commission will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Statutes require that securities underlying repurchase agreements have a fair value of at least 102% of the cost of the investment. If during the year, the fair value of securities underlying such investments falls below this required level, additional collateral is pledged or other collateral in the amount of the required level is substituted. All collateral met statutory requirements and is held in the Commission's name by a third-party custodian.

**Fixed Income Investments** - Fixed income investments included in the Commission's Pooled Investments at June 30, 2021 were as follows:

Investment Type	Fair Value	Weighted Average Maturity (Days)
Federal Farm Credit Bank	\$ 126,060,182	360.81
Federal Agricultural Mortgage Corporation Notes	90,235,050	178.17
Federal Home Loan Bank Notes	79,989,738	286.38
Maryland Local Government Investment Pool (MLGIP)	68,910,127	46.00
U.S. Treasury Bills	51,251,171	95.07
Federal Home Loan Mortgage Association Notes	34,977,961	458.29
Commercial Paper	29,999,700	9.00
U.S Treasury Notes	19,982,868	549.00
Municipal Bonds	9,601,569	9.00
Total Fair Value	\$ 511,008,366	
Portfolio Weighted Average Maturity		234.56

**Pooled Investments** - The State Legislature created the Maryland Local Government Investment Pool (MLGIP) with the passage of Article 95 22G, of the Annotated Code of Maryland and more recently defined by Title 17, subtitle 3 of the Local Government Article of the Maryland Annotated Code. The MLGIP, under the administrative control of the State Treasurer, is managed by a single Pittsburgh-based financial institution, PNC Bank. The pool has a AAAm rating from Standard and Poor's and maintains a \$1.00 per share value. A MLGIP Advisory Committee of current participants was formed to review, on a semi-annual basis, the activities of the fund and to provide suggestions to enhance the pool. The fair market value of the pool is the same as the value of the pool shares.

**Interest Rate Risk** - The Commission manages its exposure to declines in fair value by limiting the maturity of its investment portfolio. The majority of investments shall be for a maximum maturity of one year. A portion of the portfolio may be invested in U.S. Government and U. S. Agency securities with a maturity of up to two years. The Commission has no formal policy relating to interest rate risk.

**Credit Risk** - Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligation. The Commission's investment policy requires that investments in commercial paper, money market accounts and bankers acceptances have received ratings of the highest letter and numerical rating by at least one nationally recognized statistical rating organization as designated by the Securities and Exchange Commission. Up to 10% of bond proceeds may be invested in money market mutual funds that have not received the highest rating but are still recognized as investment grade. All related investments have received ratings of the highest letter quality except for \$101,974 (0.93%) of bond funds invested in a money market fund that is considered investment grade.

Credit Quality Ratings as of June 30, 2021:

<u>Credit Quality Ratings</u>		<u>% of Total Portfolio</u>
Commercial Paper	AA	5.86%
Corporate Bonds	AA+	0.16%
MLGIP	AAA	13.49%
Municipal Bonds	AA	0.57%
Municipal Bonds	AA+	0.62%
Municipal Bonds	AAA	0.53%
U.S. Government Agencies	NR	32.33%
U.S. Government Agencies	AA+	32.50%
U.S. Treasury Bills	NR	10.03%
U.S. Treasury Notes	AAA	3.91%

NR=Not Rated

**Concentration of Credit Risk** – Concentration of credit risk is the risk of loss attributed to the magnitude of the Commission’s investment in a single issuer. It is the Commission’s policy to diversify by investment type and institution in order to avoid unreasonable risks, with maximum limitation as follows:

<u>Diversification by Investment Type</u>	<u>Maximum Percent of Portfolio*</u>
U.S. Government Securities	100 %
U.S. Agency Securities	60
Repurchase Agreements	60
Certificates of Deposit (Including Time Deposits) **	50
Bankers' Acceptances	50
Bankers' Acceptances – Non-U.S.	5
Commercial Paper	10
Pooled Investments	25
Money Market Mutual Funds (10%/fund)	25
Bond Proceeds:	
Municipal Securities	100
Money Market Mutual Funds – Highest Rating	100
Money Market Mutual Funds – Investment Grade	10

<u>Diversification by Institution</u>	<u>Maximum Percent of Portfolio*</u>
Approved Broker/Dealers and Financial Institutions	30 %
Money Market Mutual Funds by Fund	10
U.S. Government Agency by Agency	20
Bankers Acceptances by Institution	20
Commercial Banks for CD's and Time Deposits**	30

\* At time of purchase

\*\* Certificates of deposit are classified as deposits for financial reporting purposes.

The Commission is currently in compliance with this policy.

**Employees' Retirement System (ERS) Cash, Investments and Securities Lending:**

**Cash and Short-Term Investments** - The amount of ERS's total cash and short-term investments at June 30, 2021 is \$21,833,358. Cash deposits that were insured and collateralized in the bank account totaled \$60,881 at June 30, 2021. At June 30, 2021, the ERS held \$21,772,477 of short-term investments in its custodial investment accounts.

**Investments** - The Board of Trustees (the Board) of ERS is authorized by the Trust Agreement to invest and reinvest the Trust Fund, as may be determined by the investment consultant selected by the Commission. The Board is authorized to formulate investment policies, develop investment manager guidelines and objectives, and approve the retention of qualified advisors and investment managers.

Trust Fund assets should be invested to obtain an appropriate long-term total return consistent with prudent risk taking. The Trust Fund shall be diversified across investment classes and among investment managers in order to achieve return as compensation for investment risk. The Board established target allocations for each asset class, as well as ranges of expected exposure as follows:

	<b>Target Exposure</b>	<b>Expected Range</b>
U.S. Equities	15.00%	10%-20%
International Equities	15.00%	10%-20%
Low Volatility Equities	10.00%	5%-10%
Private Equities	7.50%	0%-10%
<b>Total Equities</b>	<b>47.50%</b>	<b>40%-55%</b>
U.S. Core Fixed Income	11.50%	8.5%-14.5%
High Yield Fixed Income	7.50%	5%-10%
Global Opportunistic Fixed Income	7.50%	5%-10%
Bank Loans	4.00%	2%-6%
Emerging Market Debt	5.00%	3%-7%
<b>Total Fixed Income</b>	<b>35.50%</b>	<b>30%-41%</b>
Public Real Assets	2.00%	0%-10%
Private Real Assets	15.00%	5%-20%
<b>Total Real Assets</b>	<b>17.00%</b>	<b>12%-25%</b>

The Board approved revisions to the Statement of Investment Policy (the Policy) on July 7, 2020. The Policy was amended to update the asset allocation changes adopted July 9, 2019 and to update the long-term assumptions.

Each investment manager has a set of guidelines, which contain investment objectives, and risk control provisions, which are appropriate for each manager's mission. Investment managers have discretion within the constraints of these guidelines and are subject to regular review by the Board. Investment manager assignments may be implemented with pooled vehicles. In such circumstances, the ERS may not have control with respect to the investment guidelines and objectives as they are written broadly for multiple investors. The Trust Fund has guidelines, which apply broadly to each asset class as follows:

**Public Equity Guidelines (U.S. and International)**

- Under normal conditions no more than 5% of the value of the U.S. and International composites should be held in cash equivalents at any time.
- The U.S. and International equity composites are expected to remain broadly diversified by economic sector, industry and individual securities at all times.
- The composites should match the asset class benchmark in terms of capitalization and growth characteristics; and be similar to the asset class benchmark in terms of risk.

**Private Equity Guidelines**

- The portfolio is expected to be diversified by geographic location with the following weightings: North America (approximately 50%), Europe (approximately 30%), and the Asia-Pacific region and other emerging markets (approximately 20%).
- The composite is expected to be diversified by the following investment types: buyouts, venture capital, growth equity, distressed, and special situations (private equity-like investments, such as mezzanine debt, asset-intensive assets or royalty streams and other opportunistic funds).
- Secondary fund investments and direct co-investments are permitted on an opportunistic basis with a combined maximum limit of 20%.
- Investments should be diversified by vintage year.

- No single partnership investment is expected to be more than 20% of the private equity composite. This guideline shall not apply during initial funding.

### **Fixed Income Guidelines**

- The fixed income portfolio is structured to include exposures to the following sub-classes: core fixed income, high yield fixed income, global opportunistic fixed income, emerging markets, and bank loans.
- The fixed income composite may have up to 20% of its value in cash equivalents at any time.
- Except for securities issued by the US Government and/or its agencies, any single issuer is not expected to exceed 5% of the fair value of the fixed income composite at any time.
- Duration of each fixed income sub-class should typically remain within +/- 1.5 years of the sub-class benchmark.
- Credit quality for each sub-class is expected to be similar to that of the designated sub-class benchmark, as measured by a recognized rating agency (Standard & Poor's or Moody's).
- Build America Bonds issued by Montgomery County and Prince George's County are prohibited.
- Flexible global opportunistic fixed income guidelines allow manager to invest globally, seeking to add value through duration management, yield curve positioning, sector/issue selection, country market selection and currency.

### **Real Assets Guidelines**

- The real assets portfolio includes private real assets and public real assets.
- Any un-invested portion of the private real assets allocation should remain invested in public real assets.

### **Private Real Assets Guidelines**

- Investments will be structured privately in the form of commingled or pooled vehicles such as limited partnerships and diversified among the following investment types: real estate, energy, mining, timber, agriculture, and infrastructure.
- The private real assets portfolio is expected to be diversified by geographic location with a minimum of 50% invested in the United States and no more than 30% invested in emerging markets.
- Investments should also be diversified by vintage year. No single partnership commitment is expected to be more than 20% of the real assets portfolio or more than 20% of the portfolio of a fund-of-funds manager.

### **Public Real Assets Guidelines**

- Investments structured in public real assets include natural resource stocks, real estate securities (including REITs), commodities, inflation indexed bonds, and global infrastructure that are broadly diversified such that each sub-asset class may contribute to the portfolio's real return and risk profile.

**Derivatives Policy Statement** - A Derivatives Policy Statement identifies and allows common derivative investments and strategies, which are consistent with the Statement of Investment Policy. The guidelines identify transaction-level and portfolio-level risk control procedures and documentation requirements. Managers are required to measure and monitor exposure to counterparty credit risk. All counterparties must have commercial paper credit ratings of at least A1 or equivalent rating. The duration and other risk exposure limits specified in the managers' guidelines are expected to be satisfied on an ongoing basis. Investment managers are permitted to use such derivatives for hedging purposes, including cross-hedging of currency exposures, to replicate the risk/return profile of an asset or asset class, and to tactically change country exposure. Derivative securities such as "plain vanilla" collateralized mortgage obligations (CMOs) and structured notes are allowed. CMOs which are not "plain vanilla" are restricted to 5% of a manager's portfolio. Any use of derivatives not listed above is prohibited without written approval of the Board. At June 30, 2021, the ERS did not hold any derivatives. Gains and losses are determined based on quoted market values and recorded in the Statement of Changes in Net Position. The objective of Statement No. 53, "Accounting and Financial Reporting for Derivative Instruments", is to enhance the usefulness and comparability of derivative instrument information reported by state and local governments.

The following uses of derivatives are prohibited:

- **Leverage.** Derivatives shall not be used to magnify exposure to an asset beyond that which would be allowed by the guidelines.
- **Unrelated Speculation.** Derivatives shall not be used to create exposures to securities, currencies, indices, or any other financial variable unless such exposures would be allowed by the manager's guidelines if created with non-derivative securities.

Typically, investment advisors enter into foreign exchange contracts to make payments for international investments.

Foreign exchange contracts are agreements to exchange the currency of one country for the currency of another country at an agreed-upon price and settlement date. The investment advisor uses these contracts primarily for its international investments to settle pending trades. To reduce the risk of counterparty nonperformance, the investment advisors generally enter into these contracts with institutions meeting high standards of credit worthiness. The realized and unrealized gain/loss on contracts is included in the ERS' net position and represents the fair value of the contracts on June 30, 2021. The ERS' contracts to purchase and sell by foreign currencies were as follows:

Foreign Exchange Contracts Settled as of June 30, 2021:

<u>Currency</u>	<u>Purchases</u>	<u>Realized Gain/(Loss)</u>	<u>Sells</u>	<u>Realized Gain/(Loss)</u>
Brazilian real	\$ 99,001	\$ 904	\$ (714,012)	\$ 3,947
British pound sterling	2,098,364	5,756	(3,183,586)	8,270
Canadian dollar	-	-	(403,617)	(1,155)
Euro	2,051,588	363	(5,681,014)	651
Hong Kong dollar	473,883	(14)	(2,886,636)	(254)
Japanese yen	1,830,700	(1,150)	(1,853,560)	2,575
Mexican peso	-	-	(718,826)	3,086
New Taiwan dollar	1	-	(883,172)	(44)
Norwegian krone	-	-	(822,961)	(3,007)
Singapore dollar	-	-	(311,331)	88
South Korean won	-	-	(390,107)	(133)
Swiss franc	190,419	(1,074)	(587,522)	(534)

There were no foreign exchange contracts pending as of June 30, 2021.

**Fair Value Measurements** - The fair value of all invested assets, based on the fair value hierarchy, and categorized based upon the lowest level of input that was significant to the fair value measurement which represents the price that would be received if sold on the measurement date, were as follows:

### Investments and Derivative Instruments Measured at Fair Value

(\$ in thousands)

	Fair Value 6/30/2021	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
<b>Investments by fair value level</b>				
Cash and invested cash	\$ 2,861	\$ 2,861	\$ -	\$ -
Short Term Bills and Notes	818	-	818	-
Short-term investment funds	-	-	-	-
Debt securities				
Asset backed securities	4,401	-	4,401	-
Commercial mortgage-backed	3,477	-	3,477	-
Non-Government Backed C.M.O.S.	265	-	265	-
Corporate bonds	43,759	-	43,759	-
Government agencies	4,280	-	4,280	-
Government bonds	29,130	-	29,130	-
Government mortgage-backed securities	19,984	-	19,984	-
Government-issued commercial mortgage-backed	283	-	283	-
Other fixed income	1,289	-	1,289	-
Index linked government bonds	1,064	-	1,064	-
Total debt securities	107,932	-	107,932	-
Equity investments				
Common stock	70,749	70,746	3	-
Preferred stock	268	268	-	-
Equity exchange traded fund	-	-	-	-
Total equity investments	71,017	71,014	3	-
Securities lending short term collateral investment pool	39,501	39,501	-	-
<b>Total investments by fair value level</b>	<b>\$ 222,129</b>	<b>\$ 113,376</b>	<b>\$ 108,753</b>	<b>\$ -</b>

The pricing services used for fixed income securities (level 2) uses the Interactive Data Corporation by Institutional Bid Evaluation daily; international fixed income securities (level 2) use the PC Bond Group or IBOXX by Institutional Mid Evaluation daily; corporate stock (level 1) uses the Interactive Data Corporation as of the official close of NASDAQ daily; international corporate stock (level 1) uses Telekurs by the Last Trade daily; venture capital (level 2) uses the Limited Partnership by the Institutional Bid Evaluation or Valuation as Priced for U.S. and international; and, real estate (level 2) uses the Investment Managers by Evaluation as priced.

Level 1 - Unadjusted quoted prices for identical instruments in active markets for identical assets or liabilities. Fair values of stocks are determined by utilizing quoted market prices.

Level 2 - Reflects measurements based on other observable inputs. Quoted prices for similar instruments in active markets; identical or similar instruments in markets that are not active; and models in which all significant inputs are observable.

Level 3 - Valuations are based on methods in which significant inputs are unobservable.

The carrying value of cash equivalents and short-term investments approximates fair value due to the short maturities of these investments.

ERS's investments at June 30, 2021 were as follows:

### Investments Measured at the Net Asset Value (NAV)

(\$ in thousands)

	<u>2021</u>	<u>Unfunded Commitments</u>	<u>Redemption Frequency (If Currently Eligible)</u>	<u>Redemption Notice Period</u>
Short-term investment funds	\$ 18,094	None	Monthly	1-6 days
Funds-corporate bonds	43,763	None	Monthly	7-15 days
Funds-other fixed income	87,232	None	Monthly	7-15 days
Funds-common stock	432,765	None	Monthly	7-15 days
Venture capital and partnerships	277,067	112,577	Monthly, Quarterly	Frequent Changes
Real estate	68,440	1,500	Monthly	1-15 days
<b>Total investments measured at NAV</b>	<b>\$ 927,361</b>			

**Money-Weighted Rate of Return** - For the year ended June 30, 2021, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 21.85%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

The ERS has investments that are subject to various risks. Among these risks are custodial credit risk, interest rate risk, credit risk, and foreign currency risk. Each one of these risks is discussed in more detail below.

**Custodial Credit Risk** – For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the ERS will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the government, and are held by either a) the counterparty, or b) the counterparty's trust department or agent but not in the government's name. The ERS requires that all investments be clearly marked as to ownership and to the extent possible, shall be registered in the name of the ERS.

Of the ERS' \$1.15 billion in investments at June 30, 2021, \$39.5 million were cash collateral reinvestment securities acquired by the custodian, who is also the lending agent/counterparty. This is consistent with the ERS' securities lending agreement in place with the custodian.

For short-term investments, custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned.

As of June 30, 2021, the ERS did not hold any short-term investments that were exposed to custodial credit risk.

**Interest Rate Risk** – Each investment manager has duration targets and bands that control interest rate risk; however, the ERS does not have a policy relating to interest rate risk.



As of June 30, 2021, the ERS had the following fixed income investments and short-term investments with the following maturities:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Weighted Average Maturity-Years</u>
Asset backed securities	\$ 4,401,287	14.579074
Commercial mortgage-backed	3,476,979	16.486332
Corporate bonds	87,522,075	10.315763
Government agencies	4,280,167	8.469907
Government bonds	29,129,505	8.786643
Government mortgage-backed securities	19,984,262	23.604682
Government-issued commercial mortgage-backed	283,073	8.033769
Index linked government bonds	1,063,728	5.793695
Non-government backed collateralized mortgaged obligations	264,679	21.171650
Fixed income mutual funds	88,520,575	N/A
Short-term investment funds	18,093,642	N/A
<b>TOTAL</b>	<b>\$ 257,019,972</b>	<b>12.449246</b>

**Asset-backed Securities** – Asset-backed securities (ABS) are bonds or notes backed by loan paper or accounts receivable originated by banks, credit card companies, or other providers of credit. The originator of the loan or accounts receivable paper sells it to a specially created trust, which repackages it as securities. Brokerage firms underwrite the securities and reoffer them to the public. ERS held \$4,401,287 in ABS at June 30, 2021.

**Credit Risk** – Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The credit risk of a debt instrument is measured by a nationally recognized statistical rating agency such as Standard & Poor’s Services. Individual manager guidelines require investment managers to follow certain controls, documentation and risk management procedures. Managers are required to measure and monitor exposure to counterparty credit risk; however, there is no formal policy relating to specific investment-related risk. All counterparties must have commercial paper credit ratings of at least A1 or the equivalent rating.

Individual investment manager guidelines include limitations on the percentage of securities below investment grade and various types of securities including derivatives. A Derivatives Policy Statement identifies and allows common derivative investments and strategies which are consistent with the Statement of Investment Policy.

Credit Quality Ratings as of June 30, 2021:

<b>Credit Quality Distribution for Services</b>		<b>% of Total Portfolio</b>
Agency	AGY	4.26%
Government Agencies	AA	0.32%
Government Bonds	NR	0.16%
Government Mortgage Backed Securities	BBB	0.02%
Government Mortgage Backed Securities	NR	0.02%
Asset Backed Securities	AAA	0.11%
Asset Backed Securities	A	0.09%
Asset Backed Securities	BBB	0.09%
Asset Backed Securities	NR	0.09%
Commercial Mortgage-Backed	AAA	0.15%
Commercial Mortgage-Backed	BBB	0.01%
Commercial Mortgage-Backed	BB	0.02%
Commercial Mortgage-Backed	NR	0.12%
Corporate Bonds	AA	0.29%
Corporate Bonds	A	1.29%
Corporate Bonds	BBB	1.84%
Corporate Bonds	BB	0.25%
Corporate Bonds	B	0.02%
Corporate Bonds	NR	0.12%
Funds - Corporate Bond	NR	3.81%
Funds - Other Fixed Income	NR	7.59%
Funds - Short Term Investment	NR	1.57%
Non-Government Backed C.M.O.s	NR	0.02%
Other Fixed Income	NR	0.11%

**Foreign Currency Risk** – The ERS does not have a policy for foreign currency risk. Foreign currency is intentionally unhedged.

The ERS' exposure to foreign currency risk at June 30, 2021, was as follows:

<b>Investment Type</b>	<b>Currency</b>	<b>Fair Value</b>
Common stock	Brazilian real	\$ 1,364,484
Common stock	British pound sterling	6,709,359
Common stock	Canadian dollar	1,680,352
Common stock	Euro	21,302,015
Common stock	Hong Kong dollar	3,649,621
Common stock	Japanese yen	6,464,295
Common stock	Mexican peso	1,048,291
Common stock	New Taiwan dollar	2,872,936
Common stock	Norwegian krone	2,918,306
Common stock	Singapore dollar	1,115,491
Common stock	South Korean won	1,269,028
Common stock	Swiss franc	1,322,782
<b>Total</b>		<b>\$ 51,716,960</b>

Note: This schedule does not agree with the total international obligations and international equities as listed on the Statements of Net Position due to international obligations valued in U.S. dollars but classified as international.

### **Cash Received as Securities Lending Collateral**

The ERS accounts for securities lending transactions in accordance with GASB No. 28 Accounting and Financial Reporting for Securities Lending Transactions, which established standards of accounting and financial reporting for securities lending transactions.

The Board authorized the lending of fixed income securities, which is managed by the custodian bank. The Board authorized a securities lending loan cap of 50% effective February 1, 2011. There were no violations of legal or contractual provisions, and no borrower or lending agent default losses known to the securities lending agent as of June 30, 2021.

Securities are loaned against collateral that may include cash, U.S. government securities, and irrevocable letters of credit. U.S. government securities are loaned against collateral valued at 102% of the fair value of the securities plus any accrued interest. Non-U.S. government securities are loaned against collateral valued at 105% of the fair value of the securities plus any accrued interest. Non-cash collateral cannot be pledged or sold unless the borrower defaults. Consequently, the non-cash collateral has not been reported as an asset or liability on the Statement of Net Position. All securities loans can be terminated on demand by either the lender or the borrower, although the average term of overall loans was approximately 92 days in 2021.

Cash open collateral is invested in a short-term investment pool, the Northern Trust Collective Securities Lending Core Short-Term Investment Fund, which had an interest sensitivity of 30 days as of June 30, 2021. Cash collateral may also be invested separately in "term loans", in which case there are no dividends or coupon payments owing on the securities lent. Securities lending earnings are credited to the ERS' accounts on approximately the fifteenth day of the following month.

The custodial bank's responsibilities include performing appropriate borrower and collateral investment credit analyses; demanding adequate types and levels of collateral; and complying with applicable Department of Labor and Federal Financial Institutions Examination Council regulations concerning securities lending. Loss indemnification is provided when securities are not returned due to the insolvency of a borrower and the trustee bank fails to fulfill its contractual responsibilities relating to the lending of those securities to that borrower.

The following table presents the fair values of the underlying securities, and the value of the collateral pledged at June 30, 2021:

<b>Securities Lent</b>	<b>Fair Value</b>	<b>Cash Collateral Received*</b>
Fixed income securities	\$ 26,878,086	\$ 27,576,390
Domestic equities	12,623,155	12,979,827
<b>Total</b>	<b>\$ 39,501,241</b>	<b>\$ 40,556,217</b>

\*The securities collateral value is based on the ERS' pro rata share of the value of the securities collateral maintained at The Northern Trust Company on the program-wide collateralization levels.

### **Other Post-Employment Benefits (the Trust) Cash and Investments**

The Trust participates in the Commission's pooled cash for payment of benefits, and had equity in pooled cash balance of \$920,001. Investments in mutual funds, fixed income and real estate totaled \$125,764,522.

**Investments** - The Board of Trustees of the Trust (the Board) is authorized by the Trust Agreement dated July 1, 1999, the terms of which were amended and restated July 1, 2007, to invest and reinvest the Trust Fund. The Board is authorized to formulate investment policies, develop investment manager guidelines and objectives, and approve the retention of qualified advisors and investment managers. The target allocations as established by the Board for the authorized investment classes during fiscal year 2021 are as follows:

<u>Asset Class</u>	<u>Maximum</u>
Equity Index Funds	70%
Fixed Income	10%
Diversified Assets	10%
Real Estate	10%
Cash and Equivalents	10%

The Trust's investments at June 30, 2021 were as follows:

<u>Investment Type</u>	<u>Fair Value</u>
Equity Index Fund	\$ 89,946,161
Fixed Income	26,183,032
Real Estate	9,635,329
Total Investments	<u>\$ 125,764,522</u>

The Trust's fixed income investments at June 30, 2021 were as follows:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Weighted Average Maturity (Duration)</u>
Fixed Bond Fund	\$ 13,328,625	1.05
Fixed Allocation Funds	12,854,407	0.75
Total Fair Value	<u>\$ 26,183,032</u>	
Portfolio Weighted Average Maturity		0.48

Cash and investment balances are shown in the financial statements as follows:

Statement of Net Position

Equity in Pooled Cash and Investments	\$ 587,313,022
Restricted Cash, Cash Equivalents and Investments - Unspent Bonds Proceeds	10,961,465

Statement of Net Position - Fiduciary Funds

Equity in Pooled Cash and Investments - Pension Trust Funds	920,001
Equity in Pooled Cash and Investments - Private Purpose Trust Funds	10,732,706
Cash and Marketable Securities - Pension Trust Funds	1,238,814,268
Collateral for Securities Lending Transactions - Pension Trust Funds	39,501,241
Total	<u>\$ 1,888,242,703</u>

They are composed of:

Cash in Banks of Commission	\$ 2,939,788
Cash of Employees' Retirement System Pension Trust Fund	60,881
Cash in Other Locations - Commission	229,595
Money Market Deposits of Commission	95,749,445
Money Market Deposits in Other Post Employment Benefits Fund	3,000,000
Fixed Income Securities In Commission's Investment Pool *	511,008,366
Mutual funds in Other Post Employment Benefits Fund *	125,764,522
Investments of Employees' Retirement System Pension Trust Fund	
Equity Investments	503,782,712
Fixed Income Securities	238,926,330
Real Estate	68,440,536
Venture Capital and Partnerships	277,066,810
Cash & Cash Equivalents	21,772,477
Collateral for Securities Lending Transactions	39,501,241
Total	<u>\$ 1,888,242,703</u>

\* The fair value measurement of the fixed income securities of the Commission, and the mutual funds in the Trust, are at Level 1 categories.

**(B) Capital Assets**

A summary of governmental activities capital assets at June 30, 2021 is as follows:

	<u>July 1, 2020</u>	<u>Increases</u>	<u>Decreases</u>	<u>June 30, 2021</u>
Capital assets not being depreciated				
Land	\$ 409,382,574	\$ 17,321,800	\$ (8,801,163)	\$ 417,903,211
Construction in progress	407,339,277	44,748,547	-	452,087,824
Total capital assets not being depreciated	<u>816,721,851</u>	<u>62,070,347</u>	<u>(8,801,163)</u>	<u>869,991,035</u>
Other capital assets, being depreciated				
Buildings and improvements	257,802,918	265,686	(2,521,067)	255,547,537
Infrastructure	270,831,584	380,971	(51,952)	271,160,603
Machinery, equipment and intangibles	123,689,054	9,996,329	(6,220,406)	127,464,977
Total other capital assets	<u>652,323,556</u>	<u>10,642,986</u>	<u>(8,793,425)</u>	<u>654,173,117</u>
Less accumulated depreciation for:				
Buildings and improvements	(165,452,673)	(4,277,060)	2,167,688	(167,562,045)
Infrastructure	(166,586,420)	(4,533,831)	1,299	(171,118,952)
Machinery, equipment and intangibles	(85,740,599)	(9,451,202)	6,161,130	(89,030,671)
Total accumulated depreciation	<u>(417,779,692)</u>	<u>(18,262,093)</u>	<u>8,330,117</u>	<u>(427,711,668)</u>
Total other capital asset, net	<u>234,543,864</u>	<u>(7,619,107)</u>	<u>(463,308)</u>	<u>226,461,449</u>
Governmental activities capital assets, net	<u>\$ 1,051,265,715</u>	<u>\$ 54,451,240</u>	<u>\$ (9,264,471)</u>	<u>\$ 1,096,452,484</u>

Summaries of business-type activities capital assets at June 30, 2021, made up of three major enterprise funds, are as follows:

	July 1, 2020	Increases	Decreases	June 30, 2021
<b>Wheaton Headquarters Fund</b>				
Capital assets being depreciated				
Buildings and improvements	\$ -	\$ 133,627,454	\$ -	\$ 133,627,454
Total capital assets not being depreciated	-	133,627,454	-	133,627,454
Less accumulated depreciation for:				
Buildings and improvements	-	(2,227,124)	-	(2,227,124)
Total accumulated depreciation	-	(2,227,124)	-	(2,227,124)
Total capital assets being depreciated, net	-	131,400,330	-	131,400,330
Capital assets, net	\$ -	\$ 131,400,330	\$ -	\$ 131,400,330
<b>Montgomery County Enterprise Fund</b>				
Capital assets not being depreciated:				
Land	\$ 11,584,468	\$ -	\$ -	\$ 11,584,468
Construction in progress	9,043,367	481,694	-	9,525,061
Total capital assets not being depreciated	20,627,835	481,694	-	21,109,529
Capital assets being depreciated				
Buildings and improvements	27,290,630	-	(5,356)	27,285,274
Infrastructure	26,610	7,075	-	33,685
Machinery, equipment and intangibles	3,088,558	191,686	(57,581)	3,222,663
Total capital assets being depreciated	30,405,798	198,761	(62,937)	30,541,622
Less accumulated depreciation for:				
Buildings and improvements	(25,448,995)	(253,723)	5,357	(25,697,361)
Infrastructure	(5,549)	(1,684)	-	(7,233)
Machinery, equipment and intangibles	(1,875,448)	(231,892)	56,184	(2,051,156)
Total accumulated depreciation	(27,329,992)	(487,299)	61,541	(27,755,750)
Total capital assets being depreciated, net	3,075,806	(288,538)	(1,396)	2,785,872
Capital assets, net	\$ 23,703,641	\$ 193,156	\$ (1,396)	\$ 23,895,401
<b>Prince George's County Enterprise Fund</b>				
Capital assets not being depreciated:				
Land	\$ 6,459,131	\$ -	\$ -	\$ 6,459,131
Capital assets being depreciated:				
Buildings and improvements	72,358,592	-	-	72,358,592
Infrastructure	146,461	-	-	146,461
Machinery, equipment and intangibles	5,004,375	179,731	(79,582)	5,104,524
Total capital assets being depreciated	77,509,428	179,731	(79,582)	77,609,577
Less accumulated depreciation for:				
Buildings and improvements	(45,271,242)	(1,572,935)	-	(46,844,177)
Infrastructure	(28,409)	(7,323)	-	(35,732)
Machinery, equipment and intangibles	(3,669,276)	(265,151)	79,582	(3,854,845)
Total accumulated depreciation	(48,968,927)	(1,845,409)	79,582	(50,734,754)
Total capital assets being depreciated, net	28,540,501	(1,665,678)	-	26,874,823
Capital assets, net	\$ 34,999,632	\$ (1,665,678)	\$ -	\$ 33,333,954
Total Business-type activities	\$ 58,703,273	\$ 129,927,808	\$ (1,396)	\$ 188,629,685

Depreciation expense was charged to functions/programs of the Commission as follows:

Governmental Activities:	
General Government	\$ 330,066
County Planning and Zoning	696,506
Park Operations and Maintenance	15,080,860
Recreation Programs	<u>2,154,661</u>
Total depreciation expense - governmental activities	<u>\$ 18,262,093</u>
Total depreciation expense - business-type activities:	
Recreational and Cultural Facilities	<u>\$ 4,559,832</u>

**Construction Commitments** - The Commission is committed to \$31,637,806 for construction contracts for work to be performed in subsequent years.

**(C) Interfund Receivables, Payables, and Transfers**

The Commission had the following interfund transfers during fiscal year 2021:

Interfund Transfers:	General	Montgomery County Capital Projects	Prince George's County Capital Projects	Non-major Governmental Funds	Enterprise Funds	Internal Service Funds	Total
Transfers In							
General Fund - Administration Account	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 60,000,000	\$ 60,000,000
General Fund - Park Account	3,000,000	350,000	49,080,000	17,713,333	-	-	70,143,333
General Fund - Recreation Account	-	-	-	-	13,400,092	-	13,400,092
Capital Projects	76,869	-	-	-	-	-	76,869
Total Transfers In	<u>\$ 3,076,869</u>	<u>\$ 350,000</u>	<u>\$ 49,080,000</u>	<u>\$ 17,713,333</u>	<u>\$ 13,400,092</u>	<u>\$ 60,000,000</u>	<u>\$ 143,620,294</u>
Transfers Out							
General Fund - Administration Account	\$ 3,000,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,000,000
General Fund - Park Account	-	7,816	69,053	-	-	-	76,869
Debt Service Fund	17,643,333	-	-	-	-	-	17,643,333
Capital Projects	49,430,000	-	-	-	-	-	49,430,000
Special Revenue Fund	70,000	-	-	-	-	-	70,000
Enterprise Fund	13,400,092	-	-	-	-	-	13,400,092
Internal Service Fund	60,000,000	-	-	-	-	-	60,000,000
Total Transfers Out	<u>\$ 143,543,425</u>	<u>\$ 7,816</u>	<u>\$ 69,053</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 143,620,294</u>

The majority of the transfers were used to provide funding for the Debt Service Fund for Park Acquisition and Development Bonds (\$17,643,333), current funding for Capital Projects (\$52,410,000), and funding for the new Largo Headquarters project (\$60,000,000).

Proprietary fund transfers are made up of the following:

Interfund Transfers:	Prince George's County Enterprise Fund
General Fund – Recreation Account	<u>\$13,400,092</u>
Total Transfers In	<u>\$13,400,092</u>

The Commission's policy is to account for the construction of Prince George's County Enterprise Fund assets in the Capital Projects Fund until completed. Once completed, the assets are transferred from Governmental Activities Capital Assets and capitalized in the Prince George's County Enterprise Fund.



In addition to the above transfers, tax revenues of \$1,938,246 not needed to pay current debt service were contributed by the Montgomery County Advanced Land Acquisition Debt Service Fund to the Montgomery County Advanced Land Acquisition Account in the Private Purpose Trust Funds and \$120 was contributed by the Prince George's County Advanced Land Acquisition Debt Service Fund to the Prince George's County Advanced Land Acquisition Account in the Private Purpose Trust Funds.

**(D) Operating Leases**

The Commission is committed under several operating leases for office space and office equipment expiring at various dates through 2026. Each agreement provides for termination in the event of non-appropriation of funds.

Future minimum commitments under operating leases at June 30, 2021 are as follows (\$000's):

Year Ending June 30,	Operating Leases		
	Total	Montgomery County	Prince George's County
2022	\$ 4,736	\$ 285	\$ 4,451
2023	3,623	285	3,338
2024	3,578	284	3,294
2025	3,548	284	3,264
2026	3,413	285	3,128
Total minimum lease payments	<u>\$ 18,898</u>	<u>\$ 1,423</u>	<u>\$ 17,475</u>

In fiscal year 2021, expenditures in the General Fund included \$3,109,771 relating to the rental of office space and \$1,159,403 relating to rental and other charges for rented equipment.

**(E) Long-Term Obligations**

**General Obligation Bonds** - The Commission is authorized to issue general obligation bonds for the acquisition of park land and the development of parks and recreational facilities, designated as Park Acquisition and Development Bonds ("Park Bonds"); to provide resources for advance land acquisition for highways, schools and other public purposes, designated as Advance Land Acquisition Bonds ("Advance Land Bonds" or "ALA"); and to refund both Park and Advance Land Bonds. The general obligation bonds are issued on the full faith and credit of the Commission and the county for which the bonds are issued.

Mandatory taxes of 3.6 cents per \$100 of real property assessed valuation (9 cents for personal property) in Montgomery County and at least 4 cents per \$100 of real property assessed valuation (10 cents for personal property) in Prince George's County are required by the Land Use Article of the Annotated Code of Maryland, Sections 15-115 and 15-116 to be levied in the Metropolitan District in the respective counties for the payment of Park Bond debt service. In 2021, debt service payments approximated 0.33 cents per \$100 of real property and 0.83 cents per \$100 of personal property for Montgomery County and 1.12 cents for real property and 2.80 cents for personal property for Prince George's County. The remainder of the proceeds of the mandatory taxes was used for operating and maintaining the park system of the respective counties.

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

The debt service requirements to maturity for general obligation bonds, for each of the subsequent five years and in five-year increments thereafter is as follows (000's):

**Montgomery County General Obligation Bonds**

Governmental Activities						
Fiscal Year	Total Park Principal	Total Park Interest	Total Park Payments	Total Direct Placement Principal	Total Direct Placement Interest	Total Direct Placement Payments
2022	\$ 3,860	\$ 1,188	\$ 5,048	\$ 500	\$ 486	\$ 986
2023	3,920	1,032	4,952	500	473	973
2024	2,390	904	3,294	1,825	451	2,276
2025	2,410	804	3,214	1,957	418	2,375
2026	2,225	709	2,934	1,986	384	2,370
2027-2031	9,470	2,489	11,959	10,368	1,390	11,758
2032-2036	8,655	1,066	9,721	6,781	552	7,333
2037-2041	2,200	100	2,300	2,500	156	2,656
Totals	<u>\$ 35,130</u>	<u>\$ 8,292</u>	<u>\$ 43,422</u>	<u>\$ 26,417</u>	<u>\$ 4,310</u>	<u>\$ 30,727</u>

**Montgomery County General Obligation Bonds (continued)**

Governmental Activities						
Fiscal Year	Total ALA Principal	Total ALA Interest	Total ALA Payments	Total ISF Principal	Total ISF Interest	Total ISF Payments
2022	\$ 125	\$ 9	\$ 134	\$ 600	\$ 75	\$ 675
2023	125	6	131	600	45	645
2024	120	4	124	600	15	615
2025	120	1	121	-	-	-
Totals	<u>\$ 490</u>	<u>\$ 20</u>	<u>\$ 510</u>	<u>\$ 1,800</u>	<u>\$ 135</u>	<u>\$ 1,935</u>

**Prince George's County General Obligation Bonds**

Governmental Activities							Total Commission General Obligation Bonds Principal & Interest
Fiscal Year	Total Park Principal	Total Park Interest	Total Park Payments	Total Direct Placement Principal	Total Direct Placement Interest	Total Direct Placement Payments	
2022	\$ 6,520	\$ 3,080	\$ 9,600	\$ 189	\$ 275	\$ 464	
2023	5,454	2,762	8,216	1,352	273	1,625	16,542
2024	5,500	2,489	7,989	1,386	253	1,639	15,937
2025	4,680	2,214	6,894	1,430	233	1,663	14,267
2026	4,730	1,980	6,710	1,460	212	1,672	13,686
2027-2031	21,916	7,093	29,009	7,929	733	8,662	61,388
2032-2036	22,275	3,161	25,436	5,257	154	5,411	47,901
2037-2041	6,300	301	6,601	-	-	-	11,557
Totals	<u>\$ 77,375</u>	<u>\$ 23,080</u>	<u>\$100,455</u>	<u>\$ 19,003</u>	<u>\$ 2,133</u>	<u>\$ 21,136</u>	<u>\$ 198,185</u>

**Outstanding General Obligation Bonds** - General obligation bonds outstanding as of June 30, 2021, consist of the following individual issues (000's):

<u>Series</u>	<u>Effective Interest Rate at Date of Sale</u>	<u>Dated</u>	<u>Final Maturity Date</u>	<u>FY 2022 Serial Payment</u>	<u>Original Issue</u>	<u>Outstanding as of June 30, 2021</u>
<u>Montgomery County</u>						
<b>Park Acquisition and Development Bonds</b>						
Series MC-2012A (Note 1)	2.8695	04/05/12	12/01/32	\$ 950	\$ 12,505	\$ 1,915
Series MC-2012B	3.5622	04/05/12	12/01/32	140	3,000	280
Series MC-2014A	2.8633	06/17/14	12/01/33	635	14,000	1,295
Series MC-2016A	2.3634	04/14/16	11/01/35	520	12,000	9,700
Series MC-2016B Advance Refunding	1.6866	04/14/16	11/01/28	615	6,120	4,740
Series MC-2017A	2.6860	04/20/17	11/20/36	400	8,000	6,400
Series MC-2018A	3.3540	10/04/18	11/01/38	600	12,000	10,800
				<u>3,860</u>	<u>67,625</u>	<u>35,130</u>
<b>Advance Land Acquisition Bonds</b>						
MC 2016C - Advanced Land Acquisition	1.2475	04/14/16	11/01/24	125	1,075	490
				<u>125</u>	<u>1,075</u>	<u>490</u>
<b>Internal Service Fund-Capital Equipment</b>						
Series MC-2018B	2.5391	10/04/18	11/01/23	600	3,000	1,800
				<u>600</u>	<u>3,000</u>	<u>1,800</u>
<b>Direct Placement Bond</b>						
Series MC-2020A	2.4911	06/01/20	11/01/40	500	10,000	10,000
Series MC-2020B	1.4821	09/21/20	12/01/32	-	4,895	4,895
Series MC-2020C	1.4821	09/21/20	12/01/32	-	1,866	1,866
Series MC-2020D	1.4821	09/21/20	12/01/33	-	9,655	9,656
				<u>500</u>	<u>26,416</u>	<u>26,417</u>
Total Montgomery County General Obligation Bonds				<u>\$ 5,085</u>	<u>\$ 98,116</u>	<u>\$ 63,837</u>
<u>Prince George's County</u>						
<b>Park Acquisition and Development Bonds</b>						
Series PGC-2012A Advance and Current Refunding	1.8735	06/21/12	01/15/24	\$ 865	\$ 11,420	\$ 2,600
Series PGC-2014A	3.0409	05/01/14	01/15/34	1,115	26,565	1,115
Series PGC-2015A (Note 1)	2.7254	10/15/15	01/15/36	1,340	24,820	19,360
Series PGC-2017A	2.7053	07/27/17	01/15/37	1,650	33,000	26,400
Series PGC-2018A	3.2675	11/29/18	11/01/38	1,550	31,000	27,900
				<u>6,520</u>	<u>126,805</u>	<u>77,375</u>
<b>Direct Placement Bond</b>						
Series PG-2020A	1.4500	09/21/20	01/15/34	189	19,120	19,003
Total Prince George's County General Obligation Bonds				<u>\$ 6,709</u>	<u>\$ 145,925</u>	<u>\$ 96,378</u>

Notes: (1) The MC-2012A and PGC-2015A Bonds include Advance Refunding and Park Acquisition and Development Project Bonds.

**New Bond Issues** – On October 1, 2020, the Commission issued \$4,895,487 of Montgomery County Park Acquisition and Development Refunding Bonds Series MC-2020B. The proceeds of the refunding bond will be used to advance refund the \$4,470,000 callable portion of the Montgomery County Park Acquisition and Development Project Bond MC-2012A (Federally Tax-Exempt) and pay the associated costs of issuance. The net proceeds of \$4,867,993 were deposited in an irrevocable trust with an escrow agent to provide funds for the future debt service payment on refunded bonds. The reacquisition price in excess of the net carrying value of the old debt is being netted against the new debt and amortized over the remaining life of the refunded bonds, which equals the life of the new debt issued. Semiannual payments of interest and annual principal payments on the MC-2020B are due until December 31, 2032 at a net cost of 1.45%.

On October 1, 2020, the Commission issued \$1,866,095 of Montgomery County Park Acquisition and Development Refunding Bond Series MC-2020C. The proceeds of the refunding bond will be used to advance refund the \$1,700,000 callable portion of the Montgomery County Park Acquisition and Development Project Bond MC-2012B (Federally Taxable) and pay the associated costs of issuance. The net proceeds of \$1,855,614 were deposited in an irrevocable trust with an escrow agent to provide funds for the future debt service payment on refunded bonds. The reacquisition price in excess of the net carrying value of the old debt is being netted against the new debt and amortized over the remaining life of the refunded bonds, which equals the life of the new debt issued. Semiannual payments of interest and annual principal payments on the MC-2020B are due until December 31, 2032 at a net cost of 1.45%.

On October 1, 2020, the Commission issued \$9,655,588 of Montgomery County Park Acquisition and Development Refunding Bond Series MC-2020D. The proceeds of the refunding bond will be used to advance refund the \$8,955,000 callable portion of the Montgomery County Park Acquisition and Development Project Bonds Series MC-2014A and pay the associated costs of issuance. The net proceeds of \$9,601,362 were deposited in an irrevocable trust with an escrow agent to provide funds for the future debt service payment on refunded bonds. The reacquisition price in excess of the net carrying value of the old debt is being netted against the new debt and amortized over the remaining life of the refunded bonds, which equals the life of the new debt issued. Semiannual payments of interest and annual principal payments on the MC-2020B are due until December 31, 2033 at a net cost of 1.50%.

On October 1, 2020, the Commission issued \$19,119,615 of Prince George's County Park Acquisition and Development Refunding Bonds Series PGC-2020A. The proceeds are to be used to advance refund the \$18,150,000 callable portion of the Commission's outstanding Prince George's County General Obligation Park Acquisition and Development Bond, Series PGC-2014A and pay the associated cost of issuance. The net proceeds of \$19,034,215 were deposited in an irrevocable trust with an escrow agent to provide funds for the future debt service payment on refunded bonds. The reacquisition price in excess of the net carrying value of the old debt is being netted against the new debt and amortized over the remaining life of the refunded bonds, which equals the life of the new debt issued. Semiannual payments of interest and annual principal payments are due until January 15, 2034 at a net interest cost of 1.45%.

**Changes in Long-term Liabilities** – Changes in long-term liabilities for the year ended June 30, 2021, were as follows:

<b>Governmental activities:</b>	Beginning			Ending	
	Balance	Additions	Reductions	Balance	Amount Due in One Year
<b>Montgomery County</b>					
General Obligation Park Bonds Payable	\$ 54,455,000	\$ -	\$ 19,325,000	\$ 35,130,000	\$ 3,860,000
Premiums on Park Bonds Issued	2,732,862	-	227,895	2,504,967	-
Notes for Direct Placement Bond	10,000,000	16,417,170	-	26,417,170	500,000
General Obligation ALA Bonds Payable	620,000	-	130,000	490,000	125,000
General Obligation ISF Bonds Payable	2,400,000	-	600,000	1,800,000	600,000
Premiums on ISF Bonds Issued	161,000	-	48,300	112,700	-
Accrued Compensated Absences	9,284,443	6,374,448	2,910,514	12,748,377	2,910,514
Net Other Post Employment Benefit Liability	131,422,725	-	13,527,030	117,895,695	-
Net Pension Liability	55,180,840	-	47,211,370	7,969,470	-
Long-term Liabilities	<u>266,256,870</u>	<u>22,791,618</u>	<u>83,980,109</u>	<u>205,068,379</u>	<u>7,995,514</u>
<b>Prince George's County</b>					
General Obligation Park Bonds Payable	103,300,000	-	25,925,000	77,375,000	6,520,000
Premiums on Bonds Issued	7,646,300	-	557,452	7,088,848	-
Notes on Direct Placement Bond	-	19,119,615	116,658	19,002,957	188,629
Accrued Compensated Absences	12,907,128	7,984,134	3,020,682	17,870,580	3,020,682
Net Other Post Employment Benefit Liability	179,741,901	-	18,938,896	160,803,005	-
Net Pension Liability	74,813,083	-	64,024,960	10,788,123	-
Long-term Liabilities	<u>378,408,412</u>	<u>27,103,749</u>	<u>112,583,648</u>	<u>292,928,513</u>	<u>9,729,311</u>
Total Long-term Liabilities	<u>\$ 644,665,282</u>	<u>\$ 49,895,367</u>	<u>\$ 196,563,757</u>	<u>\$ 497,996,892</u>	<u>\$ 17,724,825</u>
<b>Business-type activities:</b>					
	Beginning	Additions	Reductions	Ending	Amount Due in One Year
	Balance			Balance	
<b>Montgomery County</b>					
Accrued Compensated Absences	\$ 330,262	\$ 192,629	\$ 62,327	\$ 460,564	\$ 62,327
Net Other Post Employment Benefit Liability	4,191,121	65,592	-	4,256,713	-
Net Pension Liability	1,558,765	-	1,317,197	241,568	-
Long-term Liabilities	<u>6,080,148</u>	<u>258,221</u>	<u>1,379,524</u>	<u>4,958,845</u>	<u>62,327</u>
<b>Prince George's County</b>					
Accrued Compensated Absences	690,273	228,978	122,212	797,039	122,212
Net Other Post Employment Benefit Liability	9,465,930	-	1,543,761	7,922,169	-
Net Pension Liability	3,272,339	-	2,839,421	432,918	-
Long-term Liabilities	<u>13,428,542</u>	<u>228,978</u>	<u>4,505,394</u>	<u>9,152,126</u>	<u>122,212</u>
Total Long-term Liabilities	<u>\$ 19,508,690</u>	<u>\$ 487,199</u>	<u>\$ 5,884,918</u>	<u>\$ 14,110,971</u>	<u>\$ 184,539</u>

Long-term obligations are shown in the Statement of Net Position as follows:

	Governmental Activities	Business Type Activities	Total
Compensated Absences:			
Due within One Year	\$ 5,931,196	\$ 184,539	\$ 6,115,735
Due in more than One Year	24,687,761	1,073,064	25,760,825
Bonds and Notes Payable:			
Due within One Year	11,793,629	-	11,793,629
Due in more than One Year	158,128,013	-	158,128,013
Net Other Post employment Benefit Liability			
Due in more than One Year	278,698,700	12,178,882	290,877,582
Net Pension Liability	18,757,593	674,486	19,432,079
Total Long-term Liabilities	<u>\$ 497,996,892</u>	<u>\$ 14,110,971</u>	<u>\$ 512,107,863</u>

Internal service funds predominantly serve the governmental funds. Accordingly, internal service fund long-term liabilities are included as part of governmental activities. For the governmental activities, claims and judgments, compensated absences, net pension liabilities and net other post-employment benefit liabilities are generally liquidated by the General Fund.

## **(5) – OTHER INFORMATION**

### **(A) Risk Management**

The Commission is subject to various risk exposures related to property damage and destruction of assets; errors and omissions, injuries to employees and tort liability. The Commission protects against unforeseen losses through a combination of self-insurance and commercial insurance products. Self-insurance and some commercial insurance policies are administered through the Montgomery County Self-Insurance Fund (the "Program"), of which the Commission is a participant. The "Program" is beneficial for the purpose of economic pooling of risks and resources, and providing claims administration. Self-insured coverage is available for workers' compensation (Maryland state mandatory limits), comprehensive general liability (Maryland Tort caps apply), professional liability, and property and fire damage (up to \$250,000). Commercial insurance policies are obtained for: property and fire damage above \$250,000, excess liability and commercial crime coverages. The Commission is responsible for reimbursing the Program up to the self-insured amount of \$250,000. Outside the "Program", the Commission also carries Public Official bonds, airport liability and airport museum policies, national flood protection and cyber insurance protections. The Commission did not pay any claim settlements in excess of \$250,000 in fiscal years 2019, 2020 or 2021. No insurance coverages were reduced in fiscal year 2021.

The Commission offers three medical plans and their Medicare components. Two of the medical plans are self-insured through UnitedHealthcare (UHC); the Choice Plus Point-of-Service Plan (POS) and the Select Exclusive Provider Plan (EPO). The third medical plan is a fully insured Health Maintenance Organization (HMO) Plan through Kaiser Permanente. The prescription drug plan through Caremark is also self-insured. All other group health insurance plans are fully insured including two dental plans and a vision plan with three coverage levels. The Commission expenses (net of employee, Medicare Part D and retiree contributions) were for all group health benefits in fiscal year 2021. The basis for estimating incurred but not reported (IBNR) claims at year-end is an annual analysis performed by the Commission's benefits consultant Aon Hewitt Consulting.

Premiums are paid into the Risk Management Internal Service Fund by the General Fund and Enterprise Funds and are available to pay claims, claim reserves and administrative costs of the Program. Claims paid during fiscal year 2021 totaled \$3,725,739. Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for IBNR claims which is determined annually based on an actuarial valuation. In addition, individual claim liabilities are established for each case based on the effects of inflation, recent claim settlement trends including frequency and amount of payouts and other economic and social factors.

Changes in the balances of claims liabilities during the past two years are as follows:

		Risk
	<u>Medical</u>	<u>Management</u>
Unpaid Claims, June 30, 2019	\$ 1,823,475	\$ 17,397,893
Incurring Claims, Fiscal Year 2020	24,553,866	5,331,112
Claims Paid, Fiscal Year 2020	<u>(24,870,864)</u>	<u>(5,329,887)</u>
Unpaid Claims, June 30, 2020	1,506,477	17,399,118
Incurring Claims, Fiscal Year 2021	27,431,195	2,015,667
Claims Paid, Fiscal Year 2021	<u>(26,622,197)</u>	<u>(3,725,739)</u>
Unpaid Claims, June 30, 2021	<u>\$ 2,315,475</u>	<u>\$ 15,689,046</u>

The medical column excludes expenses that are fully insured.

Unpaid claims reconcile to the amounts shown in the Statement of Net Position as follows:

	Medical	Risk Management	Total
Due within One Year	\$ 2,315,475	\$ 3,944,869	\$ 6,260,344
Due in more than One Year	-	11,744,177	11,744,177
Total	<u>\$ 2,315,475</u>	<u>\$ 15,689,046</u>	<u>\$ 18,004,521</u>

### **(B) Related Party Transactions**

The Commission was involved in the following related party transactions during fiscal year 2021:

**Payments and Obligations to Prince George's County** - The Commission paid or is obligated to pay Prince George's County for the following:

Council Planning Position	\$ 150,000
Department of Environmental Resources - Water and Sewer Planning	155,300
Dept. of Environ. Resources Zoning Enforcement and Inspection of New Construct.	1,537,099
Economic Development Corp. for Enterprise Zone	65,000
EDC - General Plan Goals	250,400
Geographic Information Systems - GIS	340,500
Peoples Zoning Counsel (Stan Derwin Brown)	250,000
Permits & Inspection & Permitting - DPW&T/Office of Engineering	205,600
Permits & Inspection for M-NCPPC-DPIE	376,200
PGCC - Prince George's Community College -Park Police Security	300,000
Prince George's Community College -Outreach Facilities	300,000
Prince George's Community College -Team Building Program	100,000
Property Tax Collection Fees (Administration)	34,400
Redevelopment Authority	544,000
Reimbursements to County Council for planning, zoning, and audio/visual (Comm. Ofc)	<u>1,137,300</u>
Total (1)	<u>\$ 5,745,799</u>

(1) Of this amount, \$917,975 is in Accounts Payable at June 30, 2021.

## **(C) Contingencies**

**Grant Program** – The Commission, as grantee or sub-grantee, participates in several Federal and State grant programs, which are subject to financial and compliance audits. The Commission believes it has complied, in all material respects, with applicable grant requirements and the amount of expenditures that may be disallowed by the granting agencies, if any, would be immaterial.

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

## **(D) Employees’ Retirement System and Pension Plans**

### **Defined Benefit Pension Plan**

#### **General Information about the Plan**

**Plan Description** - The Commission contributes to The Maryland-National Capital Park and Planning Commission Employees’ Retirement System (the System), a single-employer defined benefit public employee retirement plan. Benefit provisions and obligations to contribute to the plans and all other requirements are established by a Trust Agreement between the Commission and the Board of Trustees of the System which has been periodically amended since the System was established July 1, 1972. Accounting and financial reporting for the system is performed by non-Commission employees who are employed directly by the System. The System’s financial records are not maintained on a separate county basis. The assets of the System are invested with the objective of ensuring sufficient funds will be available for meeting benefit payments. As the System’s investment asset pool provides collectively for benefit payments of all five plans, the System is considered a single “pension plan” for purposes of financial reporting in accordance with GAAP. Publicly available Financial Statements that include management’s discussion and analysis, financial statements and required supplementary information for the System can be obtained at the administrative offices of The Maryland-National Capital Park and Planning Commission Employees’ Retirement System, 6611 Kenilworth Avenue, Suite 100, Riverdale, Maryland 20737.

**Benefits Provided** – Benefit payments for Plans A, B, C, and D are determined by the application of a benefit formula considering the average of an employee’s annual base pay during the three consecutive years that produce the highest total earnings prior to retirement, and the number of years of credited service, up to 40 years for members of Plan A, 35 years for members of Plan B, 30 years for members of Plan C and 32 years for members of Plan D. Benefit payments in Plan E are determined by application of a benefit formula considering the average of an employee’s annual base pay during the five consecutive years that produce the highest total earnings prior to retirement and credited service up to 35 years. Under certain conditions, participants may elect to take early retirement at a reduced benefit level. Joint and survivor options are also available under all the plans.

Prior to August 1, 1982, disability benefits were available under the plans. Effective August 1, 1982, applications for disability retirement benefits were discontinued. All members who were receiving disability benefits, or who applied for disability benefits prior to August 1, 1982, continue to be covered under the terms of Plans A, B, and C. All applications for disability benefits subsequent to August 1, 1982, are covered under the Commission’s Long-Term Disability Insurance Plan, which is not part of the System.

On July 1 of each year, retirement income for participants retired at least six months is adjusted for changes in the cost-of-living as determined by the Consumer Price Index-All Items Annual Average, Urban Index for Major U. S. Cities (CPI). Plans A, B, C and D provide COLAS at 100% of the change in the CPI up to 3%, plus half of the change in the CPI in excess of 3%, up to a 5% maximum COLA for the portion of a member’s benefit attributable to credited service earned prior to July 1, 2012, including earned and unused sick leave prior to January 1, 2013. The portion of a member’s benefit attributable to credited service earned after July 1, 2012, including earned and unused sick leave on and after January 1, 2013, will be subject to a maximum COLA of 2.5%. Plan E provides COLAs at 100% of the change in the CPI up to a maximum COLA of 2.5%.



Effective July 9, 1986, the plans were amended to provide a \$10,000 post-retirement death benefit to beneficiaries of current and future retired members.

Effective September 1, 1988, the plans were amended to permit members to use up to a maximum of 301 days of earned and unused sick leave to meet the length of service requirements for retirement qualification.

Although the Commission has not expressed any intent to terminate the Plans, it may do so at any time. In the event that the Plans are terminated, beneficiaries receiving benefits at the date of termination shall be entitled to an allocation of the remaining assets based upon the relationship of each individual's actuarial reserve to total actuarial reserves, the balance to be allocated (pro rata) to the remaining members or beneficiaries.

**Employees Covered by Benefit Terms** – As of July 1, 2020, membership in the System was as follows:

Active	2,225
Retired, Beneficiaries, and Disabled	1,687
Terminated Vested	231
Terminated Non-Vested	<u>449</u>
Total Participants	<u>4,592</u>

**Contributions** – The Commission has agreed to make actuarially determined periodic contributions sufficient to provide the ERS with assets for payment of pension benefits. 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 is based on current service cost plus amortization of the unfunded actuarial accrued liability.

Employee contributions are established and amended by the Commission and set forth in the ERS's Plan Document. Employees participating in Plan A contribute 7% of their base pay. Park Police participating in Plans C and D contribute 9% and 8%, respectively, of their base pay. Employees participating in Plan B and E contribute 4% of their base pay up to the Social Security covered wage base and 7% and 8%, respectively, thereafter.

### **Net Pension Liability**

The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2020.

**Actuarial Assumptions** – The total pension liability of the Defined Benefit Pension Plan was determined by an actuarial valuation as of July 1, 2020, using the following actuarial assumptions, applied to all periods included in the measurement:

- COLA: 2.4% compounded annually for benefits accrued until July 1, 2012, 2.0% compounded annually thereafter
- Inflation: 2.50%
- Salary Increases: Varies by adjustments service from 2.50% to 6.50% per year
- Investment Return: 6.80%, net of investment expense and including inflation

Mortality rates were based on the RP-2000 Mortality table with male rates set forward 1 year and female rates set forward 2 years, with generational for mortality improvements based on Scale BB factors. An alternative table was used for the valuation of disabled members.

A Post Retirement Cost of Living Adjustment of 2.40% was assumed for benefits based on credited service accrued until July 1, 2012, and sick leave accrued until January 1, 2013; a 2.0% adjustment was assumed for benefits accrued thereafter.

The total pension liability as of June 30, 2021 is equal to the July 1, 2020 Entry Age Normal actuarial accrued liability, adjusted for total normal cost, one year of interest, and reduced by benefits paid during the year, adjusted by one half year of interest.

The following changes in actuarial assumptions were made since the prior valuation:

- The investment return assumption was changed from 6.85% to 6.80%.

Employer contributions are determined each year, based on an annual valuation of the System. The Entry-Age Normal cost method is used for this purpose, with a 15-year open amortization of the unfunded actuarial liability, and a five-year smoothing of investment gains and losses.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimates of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each asset class, based on inputs from a survey of investment professionals. These allocations are combined to produce a long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. This is then modified through a Monte-Carlo simulation process, by which returns are simulated over a 30 year period, and a risk adjustment is applied to the baseline expected return. This method accounts for only expected returns, and adjusts for volatility of returns by asset class as well as correlations between the different classes.

Best estimates of geometric mean real rates of return for each major asset class included in the System's target asset allocation, and the aggregate expected investment return assumption, are summarized in the following table.

<b>Asset Class</b>	<b>Long-Term Expected Real</b>	
	<b>Return - Portfolio</b>	<b>Target Allocation</b>
U.S. Equity	6.75%	19.00%
International Equity-(non-U.S.)	7.50%	19.00%
Low Volatility Equity	7.15%	8.00%
Private Equity	8.40%	5.00%
Fixed Income - High Yield	5.40%	7.50%
Fixed Income - Global Opp.	8.00%	7.50%
Fixed Income - U.S. Core	1.80%	10.00%
Bank Loans	4.60%	4.00%
Emerging Market Debt	5.30%	0.00%
Public Real Assets	3.40%	5.00%
Private Real Assets	7.80%	15.00%
Total	6.38%	100.00%
Plus Inflation	2.50%	
Total Return without Adjustment	8.88%	
Risk Adjustment	-2.03%	
Total Expected Return	6.85%	

**Discount Rate** – The discount rate used to measure the total pension liability was 6.80%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that Commission contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate.

Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members.

Therefore, the long-term expected rates of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

### Changes in the Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at June 30, 2020	\$ 1,077,413,617	\$ 942,588,590	\$ 134,825,027
Changes for the year:			
Service cost	20,074,646	-	20,074,646
Interest	73,223,067	-	73,223,067
Differences between expected and actual experience	8,179,363	-	8,179,363
Changes in assumptions	6,301,273	-	6,301,273
Benefit Payment, including refunds	(58,037,999)	(58,037,999)	-
Contributions - Employer	-	22,312,947	(22,312,947)
Contributions - Member	-	8,084,657	(8,084,657)
Net Investment Income	-	194,757,724	(194,757,724)
Administrative expenses	-	(1,984,031)	1,984,031
Net changes	49,740,350	165,133,298	(115,392,948)
Balances at June 30, 2021	<u>\$ 1,127,153,967</u>	<u>\$ 1,107,721,888</u>	<u>\$ 19,432,079</u>

**Sensitivity of the Net Pension Liability to Changes in the Discount Rate** – The following table presents the net pension liability of the Commission, calculated using the discount rate of 6.80%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1.00% lower or 1.00% higher than the current rate.

	1% Decrease 5.80%	Current Discount Rate 6.80%	1% Increase 7.80%
Net Pension Liability	\$ 158,450,422	\$ 19,432,079	\$ (96,495,530)

**Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions** – For the year ended June 30, 2021, the Commission recognized pension expense of (\$6,322,645). As of June 30, 2021, the Commission reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 13,359,787	\$ 22,599,400
Changes in assumptions	23,796,530	1,974,089
Net difference between projected and actual earnings on pension plan investments	-	72,557,024
	<u>\$ 37,156,317</u>	<u>\$ 97,130,513</u>

**Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:**

Year Ended June 30	Net Amount of Outflow/(Inflow)
2022	\$ (19,103,166)
2023	(12,186,184)
2024	(8,522,027)
2025	(22,576,260)
2026	2,413,441

## **Deferred Compensation Plans**

The Commission offers its employees deferred compensation plans created in accordance with Internal Revenue Code Section 457. One plan, available to all career Commission employees, permits them to defer a portion of their salary to future years. The deferred compensation is not available to employees or beneficiaries 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. These plans are not included in the financial statements.

## **(E) Other Post-Employment Benefits (OPEB)**

### **Plan Description**

**Plan Description** - The Commission administers the Post-Retirement Insurance Benefits Program (the Plan), which is a single-employer defined benefit healthcare plan. In accordance with Commission approval, the plan provides post-retirement healthcare benefits to all full-time and part-time career employees, directors appointed by Montgomery County and Prince George's County Planning Boards, Merit System Board Members, Commissioners, appointed officials and Employees' Retirement System employees who retire under a Commission Retirement Plan or the State of Maryland Retirement Plan at the end of their Commission or System service, and who have been insured under any Commission-sponsored group medical plan during the three years immediately preceding the date of retirement or ability to prove similar coverage in another plan immediately prior to retirement. Benefit provisions and obligations to contribute to the Plan and all other requirements have been established by a Trust Agreement (the Trust) between the Commission and the Maryland-National Capital Park and Planning Commission Section 115 Trust Board of Trustees (the Board) which has been periodically amended since the Trust was established July 1, 1999. The Board consists of 5 individual trustees. The Commission appoints one trustee from the Montgomery County Planning Board and one trustee from the Prince George's County Planning Board. The remaining trustees consist of the Commission's Executive Director, Secretary-Treasurer and Human Resources Director. Separate financial statements are not issued for the Trust and the Trust's financial records are not maintained on a separate county basis.

**Employees Covered by Benefit Terms** – As of July 1, 2020, membership consisted of the following:

Retirees	1,215
Active plan members	<u>1,921</u>
Total	<u>3,136</u>

**Benefits Provided** – The Plan provides pre- and post-Medicare healthcare, prescription (provided through the EGWP program for post 65 retirees), and dental and vision benefits to retired employees and their dependents.

**Contributions** - The Commission contributes 80 percent of the amount of medical, prescription drug, and dental insurance rates and 80 percent of the low coverage option for all three coverage options of vision benefit rates. Retirees are responsible for the remaining 20 percent. Retiree benefits levels are established annually by resolution of the Commission.

## Investments

**Investment Policy** – The Board has the responsibility of establishing and maintaining policies governing management of the Trust’s financial assets including: setting of investment policy, choosing an asset allocation to balance risk and return, selecting and evaluating professionals to manage those assets, communicating guidelines to those professionals and monitoring performance of the plan. The following is the Board’s adopted asset allocation policy as of June 30, 2021:

<u>Asset Class</u>	<u>Target Allocation</u>
Tactical Asset Allocation	10%
Domestic Large Cap Equity	20%
Domestic SMID Cap Equity	20%
Foreign Developed Market Equity	20%
Foreign Emerging Market Equity	10%
Real Estate	10%
Fixed Income and Cash	10%

**Rate of Return** – For the year ended June 30, 2021, the annual money-weighted rate of return on OPEB plan investments, net of investment expense, was 40.5%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

### Net OPEB Liability -

The components of the net OPEB Liability as of June 30, 2021, are as follows:

Total OPEB Liability	\$ 419,642,104
Plan Fiduciary Net Position	<u>128,764,522</u>
Net OPEB Liability	<u>\$ 290,877,582</u>
Plan Fiduciary Net Position as a Percentage of Total OPEB Liability	30.7%

**Actuarial Assumptions** – The total OPEB liability was determined by an actuarial valuation as of July 1, 2020, using the following actuarial assumptions, applied to all periods included in the measurement:

Investment Return: 6.80%, net of investment expense and including inflation.

Healthcare Trend: 5.40% initially, grading down to 3.68% ultimate for medical and pharmacy benefits; 4.00% for both dental and vision.

#### Mortality Rates-

Healthy – Pre-Retirement: RP-2000 fully generational mortality table projected using scale BB, set forward 1 year for males and 2 years for females

Healthy - Post Retirement: RP-2000 fully generational mortality table projected using scale BB, set forward 1 year for males and 2 years for females

Disabled: RP-2000 fully generational disabled mortality table projected using scale BB, set forward 1 year for males and 2 years for females

The Entry Age Normal method is used for accounting purposes. Actuarial determined contributions are also based on the Entry Age method, with a 30 year level dollar amortization of the unfunded liability.

Best estimates of real rates of return for each major asset class included in the OPEB plan's target asset allocation as of June 30, 2021, and the final investment return assumption, are summarized in the following table:

Asset Class	Target Allocation	20 Year	20 Year	Product
		Arithmetic Nominal	Arithmetic Real	
U.S. Treasuries (Cash Equivalents)	10.00%	1.91%	-0.32%	-0.03%
U.S. Equity - Large Cap	20.00%	7.96%	5.59%	1.12%
U.S. Equity - Small Cap	20.00%	9.01%	6.62%	1.32%
Non-U.S. Equity - Developed	20.00%	8.79%	6.41%	1.28%
Non-U.S. Equity - Emerging	10.00%	10.78%	8.35%	0.84%
Real Estate	10.00%	7.65%	5.29%	53.00%
Fixed Income and Cash	10.00%	1.91%	-0.32%	-0.03%
Total	100.00%			5.02%
Plus inflation				2.50%
Portfolio arithmetic return				7.75%
Portfolio variance				1.82%
Portfolio geometric return				6.84%
Margin for adverse experience				0.09%
Adjusted geometric return				6.80%

**Discount Rate** - The discount rate used to measure the total OPEB liability was 6.80%. The projection of cash flows used to determine the discount rate assumed that Commission contributions will be made equal to the actuarially determined contribution each year. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected benefit payments of current plan members. Therefore, the long-term expected rates of return on OPEB trust investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

### Changes in the Net OPEB Liability

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balances at June 30, 2020	\$ 409,199,094	\$ 84,377,417	\$ 324,821,677
Changes for the year:			
Service cost	8,796,209	-	8,796,209
Interest	27,384,477	-	27,384,477
Experience Losses/(Gains)	(11,228,930)	-	(11,228,930)
Changes in assumptions	2,578,453	-	2,578,453
Benefit Payments, net of retiree contributions	(17,087,199)	(17,087,199)	-
Contributions - Employer	-	25,386,388	(25,386,388)
Net Investment Income	-	36,760,105	(36,760,105)
Administrative expenses	-	(672,189)	672,189
Net changes	10,443,010	44,387,105	(33,944,095)
Balances at June 30, 2021	\$ 419,642,104	\$ 128,764,522	\$ 290,877,582

**Sensitivity of the Net OPEB Liability to Changes in the Discount Rate** – The following presents the net OPEB liability of the Commission, calculated using the discount rate of 6.80%, as well as what the Commission’s net OPEB liability would be if it were calculated using a discount rate that is 1.00% lower or 1.00% higher than the current rate:

	<b>1% Decrease</b> <b>5.80%</b>	<b>Current</b> <b>Discount Rate</b> <b>6.80%</b>	<b>1% Increase</b> <b>7.80%</b>
Net OPEB Liability	\$ 348,190,403	\$ 290,877,582	\$ 243,727,278

**Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates** – The following presents the net OPEB liability of the Commission, as well as what the net OPEB liability would be if calculated using a health care cost trend rate that is 1 percentage point lower or 1 percentage point higher than the current rate.

	<b>1% Decrease</b> <b>2.68%</b>	<b>Medical Trend</b> <b>3.68%</b>	<b>1% Increase</b> <b>4.68%</b>
Net OPEB Liability	\$ 236,368,905	\$ 290,877,582	\$ 358,659,227

**OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB** – For the year ended June 30, 2021, the Commission recognized OPEB expense of \$32,548,301. As of June 30, 2021, the Commission reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred</u> <u>Outflows of</u> <u>Resources</u>	<u>Deferred</u> <u>Inflows of</u> <u>Resources</u>
Differences between expected and actual experience	\$ 40,879,138	\$ 10,693,215
Changes in assumptions	4,820,356	5,174,469
Net difference between projected and actual earnings on OPEB plan investments	-	16,945,786
	<u>\$ 45,699,494</u>	<u>\$ 32,813,470</u>

**Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:**

<u>Year Ended</u> <u>June 30</u>	<u>Net Amount of</u> <u>Outflow/(Inflow)</u>
2022	\$ 1,872,162
2023	2,340,564
2024	1,664,109
2025	(548,930)
2026	4,378,101
After 2026	3,180,018

## (F) Pension Trust Funds

Combining schedules of the pension trust funds follow:

Combining Schedule of Net Position  
Pension Trust Funds  
June 30, 2021

	Employees' Retirement Fund	Other Post Employment Benefits Fund	Total Pension Trust Funds
<b>ASSETS</b>			
Equity in Pooled Cash and Investments	\$ -	\$ 920,001	\$ 920,001
Cash	60,881	3,000,000	3,060,881
Fixed Income Securities	231,300,499	26,183,032	257,483,531
International Fixed Income Securities	7,625,831	-	7,625,831
Venture Capital/Alternative Investments	277,066,810	-	277,066,810
Corporate Stock	426,549,360	-	426,549,360
International Corporate Stock	77,233,352	-	77,233,352
Real Estate Investments	68,440,536	9,635,329	78,075,865
Short Term Investments	24,772,477	-	24,772,477
Mutual Funds	-	89,946,161	89,946,161
Collateral for Securities Lending Transactions	39,501,241	-	39,501,241
Accrued Income on Investments	6,684	-	6,684
Accounts Receivable	722,836	-	722,836
Other	837,640	-	837,640
Total Assets	<u>1,154,118,147</u>	<u>129,684,523</u>	<u>1,283,802,670</u>
<b>LIABILITIES</b>			
Investments Payable	1,172,168	-	1,172,168
Accounts Payable	1,667,874	-	1,667,874
Claims Payable	-	920,001	920,001
Obligation for Collateral Received under Securities Lending Transactions	40,556,217	-	40,556,217
Total Liabilities	<u>43,396,259</u>	<u>920,001</u>	<u>44,316,260</u>
<b>NET POSITION</b>			
Restricted for:			
Pension Benefits	1,110,721,888	-	1,110,721,888
Other Postemployment Benefits	-	128,764,522	128,764,522
Total Net Position	<u>\$ 1,110,721,888</u>	<u>\$ 128,764,522</u>	<u>\$ 1,239,486,410</u>



Combining Schedule of Changes in Net Position  
Pension Trust Funds  
For the Year Ended June 30, 2021

	Employees' Retirement Fund	Other Post Employment Benefits Fund	Totals
ADDITIONS:			
Contributions:			
Employer	\$ 22,312,947	\$ 22,627,755	\$ 44,940,702
Plan Members	8,084,657	-	8,084,657
Plan Members for Current Benefits	-	3,375,598	3,375,598
Total Contributions	<u>30,397,604</u>	<u>26,003,353</u>	<u>56,400,957</u>
Federal Grants - Medicare	-	2,731,635	2,731,635
Investment Earnings:			
Interest	12,170,998	-	12,170,998
Dividends	3,152,182	3,200,562	6,352,744
Net increase in the Fair Value of Investments	182,575,527	33,559,543	216,135,070
Total Investment Earnings	<u>197,898,707</u>	<u>36,760,105</u>	<u>234,658,812</u>
Less Investment Advisory and Management Fees	(3,228,153)	-	(3,228,153)
Net Income from Investing Activities	<u>194,670,554</u>	<u>36,760,105</u>	<u>231,430,659</u>
Securities Lending Activity			
Securities Lending Income	116,026	-	116,026
Securities Lending Fees	(28,856)	-	(28,856)
Net Income from Securities Lending Activity	<u>87,170</u>	<u>-</u>	<u>87,170</u>
Total Net Investment Earnings	<u>194,757,724</u>	<u>36,760,105</u>	<u>231,517,829</u>
Total Additions and Investment Earnings	<u>225,155,328</u>	<u>65,495,093</u>	<u>290,650,421</u>
DEDUCTIONS:			
Benefits	57,659,732	20,435,798	78,095,530
Refunds of Contributions	378,267	-	378,267
Administrative expenses	1,984,031	672,190	2,656,221
Total Deductions	<u>60,022,030</u>	<u>21,107,988</u>	<u>81,130,018</u>
Change in Net Position	<u>165,133,298</u>	<u>44,387,105</u>	<u>209,520,403</u>
Net Position - Beginning	<u>942,588,590</u>	<u>84,377,417</u>	<u>1,026,966,007</u>
Net Position - Ending	<u>\$ 1,107,721,888</u>	<u>\$ 128,764,522</u>	<u>\$ 1,236,486,410</u>

**(6) – COUNTY FINANCIAL DATA**

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

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**MONTGOMERY COUNTY**  
**Summary of Assets, Liabilities, Deferred Inflow of Resources and Fund Balances**  
**Governmental Funds and Accounts**  
**June 30, 2021**

	General Fund Accounts			Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
	Administration	Park	Total			
<b>ASSETS</b>						
Equity in Pooled Cash and Investments	\$ 15,283,308	\$ 22,900,592	\$ 38,183,900	\$ 2,514,770	\$ 5,874,076	\$ 46,572,746
Receivables - Taxes (net of allowance for uncollectibles)	549,559	2,042,419	2,591,978	-	48,806	2,640,784
Receivables - Other	4,616	45,597	50,213	-	6,621	56,834
Due from County Government	-	11,822	11,822	5,151,376	26,694	5,189,892
Due from Other Governments	-	6,036	6,036	4,479,418	-	4,485,454
Restricted Cash - Unspent Debt Proceeds	-	-	-	8,102,009	-	8,102,009
Other	4,571	-	4,571	-	-	4,571
Total Assets	<u>\$ 15,842,054</u>	<u>\$ 25,006,466</u>	<u>\$ 40,848,520</u>	<u>\$ 20,247,573</u>	<u>\$ 5,956,197</u>	<u>\$ 67,052,290</u>
<b>LIABILITIES</b>						
Liabilities:						
Accounts Payable	\$ 1,458,227	\$ 1,519,235	\$ 2,977,462	\$ 2,135,353	\$ 114,126	\$ 5,226,941
Accrued Liabilities	1,445,921	3,445,653	4,891,574	-	11,164	4,902,738
Retainage Payable	-	-	-	859,634	-	859,634
Deposits and Fees Collected in-Advance	3,437,991	474,043	3,912,034	800,000	71,200	4,783,234
Total Liabilities	<u>6,342,139</u>	<u>5,438,931</u>	<u>11,781,070</u>	<u>3,794,987</u>	<u>196,490</u>	<u>15,772,547</u>
<b>DEFERRED INFLOW OF RESOURCES</b>						
Unavailable Property Tax Revenue	370,734	1,429,110	1,799,844	-	-	1,799,844
Total Deferred Inflow of Resources	<u>370,734</u>	<u>1,429,110</u>	<u>1,799,844</u>	<u>-</u>	<u>-</u>	<u>1,799,844</u>
<b>Fund Balance:</b>						
Restricted for:						
Parks	-	-	-	8,102,009	-	8,102,009
Committed to:						
Planning	5,577,975	-	5,577,975	-	81,227	5,659,202
Parks	-	6,074,884	6,074,884	14,975,488	822,280	21,872,652
Assigned to:						
Planning	2,010,432	-	2,010,432	-	3,683,477	5,693,909
Parks	-	6,606,075	6,606,075	-	1,172,723	7,778,798
Unassigned:						
	1,540,774	5,457,466	6,998,240	(6,624,911)	-	373,329
Total Fund Balances	<u>9,129,181</u>	<u>18,138,425</u>	<u>27,267,606</u>	<u>16,452,586</u>	<u>5,759,707</u>	<u>49,479,899</u>
Total Liabilities, Deferred Inflow of Resources and Fund Balances	<u>\$ 15,842,054</u>	<u>\$ 25,006,466</u>	<u>\$ 40,848,520</u>	<u>\$ 20,247,573</u>	<u>\$ 5,956,197</u>	<u>\$ 67,052,290</u>

**MONTGOMERY COUNTY**  
**Summary of Revenues, Expenditures, and Changes in Fund Balances**  
**Governmental Funds and Accounts**  
**For the Year Ended June 30, 2021**

	General Fund Accounts			Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
	Administration	Park	Total			
<b>REVENUES</b>						
Property Taxes	\$ 31,696,373	\$ 108,032,260	\$ 139,728,633	\$ -	\$ 2,085,302	\$ 141,813,935
Intergovernmental:						
Federal	69,266	707,097	776,363	-	6,507	782,870
State	-	470	470	3,660,771	-	3,661,241
County	439,930	3,585,896	4,025,826	10,282,961	1,728,360	16,037,147
Charges for Services	247,583	2,000,630	2,248,213	-	2,845,740	5,093,953
Rentals and Concessions	-	1,607,891	1,607,891	-	58,301	1,666,192
Interest	8,285	13,587	21,872	7,816	4,496	34,184
Contributions	-	-	-	110,000	171,427	281,427
Miscellaneous	52	43,548	43,600	-	33,824	77,424
Total Revenues	<u>32,461,489</u>	<u>115,991,379</u>	<u>148,452,868</u>	<u>14,061,548</u>	<u>6,933,957</u>	<u>169,448,373</u>
<b>EXPENDITURES</b>						
Current:						
General Government	9,618,687	-	9,618,687	-	-	9,618,687
Planning and Zoning	22,169,571	-	22,169,571	-	4,155,609	26,325,180
Park Operations and Maintenance	-	100,332,311	100,332,311	-	2,069,122	102,401,433
Contributions	-	-	-	-	1,938,246	1,938,246
Debt Service:						
Principal	-	-	-	-	4,330,000	4,330,000
Interest	-	-	-	-	1,746,624	1,746,624
Other Debt Service Costs	-	-	-	-	92,200	92,200
Capital Outlay:						
Park Acquisition	-	-	-	2,250,750	-	2,250,750
Park Development	-	-	-	16,047,604	-	16,047,604
Total Expenditures	<u>31,788,258</u>	<u>100,332,311</u>	<u>132,120,569</u>	<u>18,298,354</u>	<u>14,331,801</u>	<u>164,750,724</u>
Excess (Deficiency) of Revenues over Expenditures	<u>673,231</u>	<u>15,659,068</u>	<u>16,332,299</u>	<u>(4,236,806)</u>	<u>(7,397,844)</u>	<u>4,697,649</u>
<b>OTHER FINANCING SOURCES (USES)</b>						
Refunding Bonds Issued	-	-	-	-	16,417,170	16,417,170
Payment to Refunding Bond Escrow Account	-	-	-	-	(16,324,969)	(16,324,969)
Transfers In	-	7,816	7,816	350,000	6,005,523	6,363,339
Transfer Out	-	(6,355,523)	(6,355,523)	(7,816)	-	(6,363,339)
Total Other Financing Sources (Uses)	<u>-</u>	<u>(6,347,707)</u>	<u>(6,347,707)</u>	<u>342,184</u>	<u>6,097,724</u>	<u>92,201</u>
Net Change in Fund Balances	673,231	9,311,361	9,984,592	(3,894,622)	(1,300,120)	4,789,850
Fund Balances - Beginning	<u>8,455,950</u>	<u>8,827,064</u>	<u>17,283,014</u>	<u>20,347,208</u>	<u>7,059,827</u>	<u>44,690,049</u>
Fund Balances - Ending	<u>\$ 9,129,181</u>	<u>\$ 18,138,425</u>	<u>\$ 27,267,606</u>	<u>\$ 16,452,586</u>	<u>\$ 5,759,707</u>	<u>\$ 49,479,899</u>

**MONTGOMERY COUNTY**  
**ADMINISTRATION ACCOUNT- GENERAL FUND**  
**Summary of Revenues, Expenditures/Encumbrances, and Changes in Fund Balance**  
**Budget (Non-GAAP Budgetary Basis) and Actual**  
**For the Year Ended June 30, 2021**

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
Revenues:				
Property Taxes	\$ 31,562,507	\$ 31,562,507	\$ 31,696,373	\$ 133,866
Intergovernmental -				
Federal	-	-	69,266	69,266
State	150,000	150,000	-	(150,000)
County	415,600	415,600	439,930	24,330
Charges for Services	204,700	204,700	247,583	42,883
Interest	100,000	100,000	8,285	(91,715)
Miscellaneous	-	-	52	52
Total Revenues	32,432,807	32,432,807	32,461,489	28,682
Expenditures/Encumbrances:				
Commissioners' Office	1,235,196	1,235,196	1,113,546	121,650
Central Administrative Services -				
Department of Human Resources and Management	2,457,267	2,457,267	2,274,105	183,162
Department of Finance	2,226,035	2,226,035	2,098,827	127,208
Office of Inspector General	327,545	327,545	315,041	12,504
Legal Department	1,578,645	1,578,645	1,490,330	88,315
Corporate IT	1,684,700	1,684,700	1,599,392	85,308
Support Services	653,092	653,092	601,660	51,432
Merit System Board	87,200	87,200	71,582	15,618
Total Central Administrative Services	9,014,484	9,014,484	8,450,937	563,547
Planning Department -				
Office of the Planning Director	1,441,992	1,441,992	1,330,853	111,139
Management Services	1,270,426	1,270,426	1,098,253	172,173
Communications Division	1,575,036	1,575,036	1,495,696	79,340
Functional Planning and Policy	2,729,058	2,829,058	2,976,454	(147,396)
Area 1	1,667,059	1,667,059	1,556,556	110,503
Area 2	2,050,563	2,050,563	1,976,103	74,460
Area 3	1,668,553	1,668,553	1,561,177	107,376
Dev. Applications and Regulatory Coordination	919,206	919,206	935,101	(15,895)
Information Technology and Innovation	3,611,371	3,611,371	3,502,005	109,366
Support Services	2,600,860	2,600,860	2,395,905	204,955
Research and Special Projects	964,647	964,647	900,544	64,103
Grants	150,000	150,000	2,715	147,285
Total Planning Department	20,648,771	20,748,771	19,731,362	1,017,409
Non-Departmental	1,736,515	1,636,515	1,318,027	318,488
Total Expenditures/Encumbrances	32,634,966	32,634,966	30,613,872	2,021,094
Excess of Revenues over (under)				
Expenditures/Encumbrances	\$ (202,159)	\$ (202,159)	1,847,617	\$ 2,049,776
Fund Balance - Budget Basis, Beginning			1,703,589	
Fund Balance - Budget Basis, Ending			\$ 3,551,206	
FY22 Appropriation	-		2,010,432	2,010,432
Reserved for Contingencies	979,000		1,026,100	47,100
Available for Appropriation	83,262		514,674	431,412
Fund Balance - Budget Basis, Ending	\$ 1,062,262		\$ 3,551,206	\$ 2,488,944

**MONTGOMERY COUNTY**  
**PARK ACCOUNT- GENERAL FUND**  
**Summary of Revenues, Expenditures/Encumbrances, and Changes in Fund Balance**  
**Budget (Non-GAAP Budgetary Basis) and Actual**  
**For the Year Ended June 30, 2021**

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
Revenues:				
Property Taxes	\$ 107,629,001	\$ 107,629,001	\$ 108,032,360	\$ 403,359
Intergovernmental -				
Federal	-	-	707,097	707,097
State	400,000	400,000	470	(399,530)
County	3,585,896	3,585,896	3,585,896	-
Charges for Services	2,478,793	2,478,793	2,000,630	(478,163)
Rentals and Concessions	2,306,671	2,306,671	1,607,891	(698,780)
Interest	125,000	125,000	13,587	(111,413)
Miscellaneous	102,100	102,100	43,548	(58,552)
Total Revenues	116,627,461	116,627,461	115,991,479	(635,982)
Expenditures/Encumbrances:				
Director of Montgomery Parks	1,588,976	1,497,384	1,216,145	281,239
Management Services	2,693,048	2,882,740	2,660,214	222,526
Information Technology & Innovation	2,689,268	2,689,268	2,504,881	184,387
Facilities Management	13,370,856	13,198,256	12,446,934	751,322
Park Planning and Stewardship	6,483,998	6,483,998	6,293,847	190,151
Park Development	4,043,144	3,879,616	3,836,654	42,962
Park Police	14,994,161	15,387,189	15,230,206	156,983
Horticulture, Forestry & Environmental Education	10,629,314	10,643,172	10,300,221	342,951
Public Affairs and Community Service	3,343,227	3,343,227	3,078,579	264,648
Northern Parks	10,887,126	10,887,126	10,078,838	808,288
Southern Region	15,342,555	15,187,555	13,905,783	1,281,772
Support Services	12,534,925	12,534,925	12,507,844	27,081
Grants	400,000	400,000	138,094	261,906
Property Management	1,576,671	1,576,671	1,439,815	136,856
Non-Departmental	6,097,938	6,084,080	5,864,287	219,793
Total Expenditures/Encumbrances	106,675,207	106,675,207	101,502,342	5,172,865
Excess of Revenues over				
Expenditures/Encumbrances	9,952,254	9,952,254	14,489,137	4,536,883
Other Financing Sources (Uses):				
Transfers In/(Out)-				
Capital Projects Funds	25,000	25,000	7,816	(17,184)
Debt Service Fund	(7,165,410)	(7,165,410)	(5,935,523)	1,229,887
Capital Projects Funds - Development	(350,000)	(350,000)	(350,000)	-
Special Revenue	-	-	(70,000)	(70,000)
Total Other Financing Sources (Uses)	(7,490,410)	(7,490,410)	(6,347,707)	1,142,703
Excess of Revenues and Other Financing Sources				
over (under) Expenditures and Other Financing Uses	\$ 2,461,844	\$ 2,461,844	8,141,430	\$ 5,679,586
Fund Balance - Budget Basis, Beginning			3,922,111	
Fund Balance - Budget Basis, Ending			\$ 12,063,541	
FY22 Appropriation	-		6,606,075	6,606,075
Reserved for Contingencies	3,153,000		3,303,000	150,000
Reserved for Property Management	-		693,038	693,038
Available for Appropriation	1,344,568		1,461,428	116,860
Fund Balance - Budget Basis, Ending	\$ 4,497,568		\$ 12,063,541	\$ 7,565,973

**PRINCE GEORGE'S COUNTY**  
**Summary of Assets, Liabilities, Deferred Inflow of Resources and Fund Balances**  
**Governmental Funds and Accounts**  
**June 30, 2021**

	General Fund Accounts				Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
	Administration	Park	Recreation	Total			
<b>ASSETS</b>							
Equity in Pooled Cash and Investments	\$ 44,759,380	\$ 146,967,403	\$ 83,811,416	\$ 275,538,199	\$ 131,546,082	\$ 8,490,468	\$ 415,574,749
Receivables - Taxes (net of allowance for uncollectibles)	1,230,688	2,980,192	2,150,193	6,361,073	-	17	6,361,090
Receivables - Other	31,115	11,883	25,588	68,586	-	1,300	69,886
Due from County Government	5,280	-	-	5,280	-	725,914	731,194
Due from Other Governments	321	1,185,568	-	1,185,889	7,721,105	-	8,906,994
Inventories	-	-	-	-	-	1,384,428	1,384,428
Restricted Cash - Unspent Debt Proceeds	-	-	-	-	2,859,456	-	2,859,456
Other	10,469	17,483	1,360,379	1,388,331	-	96,291	1,484,622
Total Assets	\$ 46,037,253	\$ 151,162,529	\$ 87,347,576	\$ 284,547,358	\$ 142,126,643	\$ 10,698,418	\$ 437,372,419
<b>LIABILITIES AND FUND BALANCES</b>							
Liabilities:							
Accounts Payable	\$ 1,563,578	\$ 5,714,029	\$ 2,040,748	\$ 9,318,355	\$ 3,805,767	\$ 57,630	\$ 13,181,752
Accrued Liabilities	1,594,699	3,766,240	2,141,697	7,502,636	-	43,925	7,546,561
Retainage Payable	-	-	-	-	2,075,477	-	2,075,477
Deposits and Fees Collected in-Advance	64,084	704,374	2,988,010	3,756,468	5,641,138	230,178	9,627,784
Total Liabilities	3,222,361	10,184,643	7,170,455	20,577,459	11,522,382	331,733	32,431,574
<b>DEFERRED INFLOW OF RESOURCES</b>							
Unavailable Property Tax Revenue	634,154	1,385,987	1,310,751	3,330,892	-	-	3,330,892
Total Deferred Inflow of Resources	634,154	1,385,987	1,310,751	3,330,892	-	-	3,330,892
<b>Fund Balance:</b>							
Nonspendable to:							
Recreation	-	-	-	-	-	1,384,428	1,384,428
Restricted for:							
Parks	-	-	-	-	2,859,456	-	2,859,456
Committed to:							
Planning	21,523,478	-	-	21,523,478	-	-	21,523,478
Parks	-	21,951,732	-	21,951,732	16,662,318	87,377	38,701,427
Recreation	-	-	15,340,874	15,340,874	-	445,818	15,786,692
Assigned to:							
Parks	-	-	-	-	111,082,487	2,457,979	113,540,466
Recreation	-	-	-	-	-	5,991,083	5,991,083
Unassigned:	20,657,260	117,640,167	63,525,496	201,822,923	-	-	201,822,923
Total Fund Balances	42,180,738	139,591,899	78,866,370	260,639,007	130,604,261	10,366,685	401,609,953
Total Liabilities, Deferred Inflow of Resources and Fund Balances	\$ 46,037,253	\$ 151,162,529	\$ 87,347,576	\$ 284,547,358	\$ 142,126,643	\$ 10,698,418	\$ 437,372,419

**PRINCE GEORGE'S COUNTY**  
**Summary of Revenues, Expenditures, and Changes in Fund Balances**  
**Governmental Funds and Accounts**  
**For the Year Ended June 30, 2021**

	General Fund Accounts				Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
	Administration	Park	Recreation	Total			
<b>REVENUES</b>							
Property Taxes	\$ 61,417,123	\$ 167,755,438	\$ 87,440,173	\$ 316,612,734	\$ -	\$ 74	\$ 316,612,808
Intergovernmental:							
Federal	34,139	421,140	628,434	1,083,713	-	13,432	1,097,145
State	-	295,269	508,333	803,602	2,935,634	-	3,739,236
County	231,743	493,896	245,680	971,319	-	1,051,566	2,022,885
Charges for Services	952,017	68,104	1,747,424	2,767,545	-	165,398	2,932,943
Rentals and Concessions	-	330,783	545,197	875,980	-	543,607	1,419,587
Interest	63,603	36,120	58,825	158,548	69,053	6,901	234,502
Contributions	-	-	39,762	39,762	200,000	19,319	259,081
Miscellaneous	12,924	534,497	189,231	736,652	5,478,610	24,808	6,240,070
Total Revenues	<u>62,711,549</u>	<u>169,935,247</u>	<u>91,403,059</u>	<u>324,049,855</u>	<u>8,683,297</u>	<u>1,825,105</u>	<u>334,558,257</u>
<b>EXPENDITURES</b>							
Current:							
General Government	12,213,501	-	-	12,213,501	-	-	12,213,501
Planning and Zoning	34,239,294	-	-	34,239,294	-	-	34,239,294
Park Operations and Maintenance	-	128,746,595	-	128,746,595	-	1,258,691	130,005,286
Recreation	-	-	57,007,926	57,007,926	-	1,106,018	58,113,944
Contributions	-	-	-	-	-	120	120
Debt Service:							
Principal	-	-	-	-	-	7,891,658	7,891,658
Interest	-	-	-	-	-	3,816,152	3,816,152
Other Debt Service Costs	-	-	-	-	-	85,400	85,400
Capital Outlay:							
Park Acquisition	-	-	-	-	1,998,564	-	1,998,564
Park Development	-	-	-	-	36,894,430	-	36,894,430
Total Expenditures	<u>46,452,795</u>	<u>128,746,595</u>	<u>57,007,926</u>	<u>232,207,316</u>	<u>38,892,994</u>	<u>14,158,039</u>	<u>285,258,349</u>
Excess (Deficiency) of Revenues over Expenditures	<u>16,258,754</u>	<u>41,188,652</u>	<u>34,395,133</u>	<u>91,842,539</u>	<u>(30,209,697)</u>	<u>(12,332,934)</u>	<u>49,299,908</u>
<b>OTHER FINANCING SOURCES (USES)</b>							
Refunding Bonds Issued	-	-	-	-	-	19,119,615	19,119,615
Deposit of Bond Proceeds with Escrow Agent	-	-	-	-	-	(19,034,215)	(19,034,215)
Transfers In	-	3,069,053	-	3,069,053	49,080,000	11,707,810	63,856,863
Transfer Out	(63,030,000)	(50,757,810)	(23,400,092)	(137,187,902)	(69,053)	-	(137,256,955)
Total Other Financing Sources (Uses)	<u>(63,030,000)</u>	<u>(47,688,757)</u>	<u>(23,400,092)</u>	<u>(134,118,849)</u>	<u>49,010,947</u>	<u>11,793,210</u>	<u>(73,314,692)</u>
Net Change in Fund Balances	(46,771,246)	(6,500,105)	10,995,041	(42,276,310)	18,801,250	(539,724)	(24,014,784)
Fund Balances - Beginning	<u>88,951,984</u>	<u>146,092,004</u>	<u>67,871,329</u>	<u>302,915,317</u>	<u>111,803,011</u>	<u>10,906,409</u>	<u>425,624,737</u>
Fund Balances - Ending	<u>\$ 42,180,738</u>	<u>\$ 139,591,899</u>	<u>\$ 78,866,370</u>	<u>\$ 260,639,007</u>	<u>\$ 130,604,261</u>	<u>\$ 10,366,685</u>	<u>\$ 401,609,953</u>



**PRINCE GEORGE'S COUNTY  
ADMINISTRATION ACCOUNT- GENERAL FUND  
Summary of Revenues, Expenditures/Encumbrances, and Changes in Fund Balance  
Budget (Non-GAAP Budgetary Basis) and Actual  
For the Year Ended June 30, 2021**

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
Revenues:				
Property Taxes	\$ 59,646,000	\$ 59,646,000	\$ 61,417,123	\$ 1,771,123
Intergovernmental -				
Federal	-	-	34,139	34,139
County	247,517	247,517	231,743	(15,774)
Charges for Services	650,000	650,000	952,017	302,017
Interest	1,000,000	1,000,000	63,603	(936,397)
Miscellaneous	-	-	12,924	12,924
Total Revenues	<u>61,543,517</u>	<u>61,543,517</u>	<u>62,711,549</u>	<u>1,168,032</u>
Expenditures/Encumbrances:				
Commissioners' Office	3,426,221	3,426,221	2,944,690	481,531
Central Administrative Services -				
Department of Human Resources and Management	3,232,265	3,232,265	2,974,860	257,405
Department of Finance	2,807,999	2,807,999	2,628,628	179,371
Office of Inspector General	392,896	392,896	372,034	20,862
Legal Department	1,355,744	1,355,744	1,267,823	87,921
Corporate IT	1,220,730	1,220,730	1,132,294	88,436
Support Services	816,020	816,020	751,709	64,311
Merit System Board	87,200	87,200	71,582	15,618
Total Central Administrative Services	<u>9,912,854</u>	<u>9,912,854</u>	<u>9,198,930</u>	<u>713,924</u>
Planning Department -				
Director's Office	4,839,697	4,839,697	4,605,737	233,960
Development Review	6,611,496	6,611,496	5,558,281	1,053,215
Community Planning	4,820,047	4,820,047	4,804,639	15,408
Information Management	6,894,925	6,894,925	5,324,809	1,570,116
Countywide Planning	8,579,058	8,579,058	6,750,198	1,828,860
Support Services	6,570,104	6,570,104	6,009,486	560,618
Grants	-	-	2,025	(2,025)
Total Planning Department	<u>38,315,327</u>	<u>38,315,327</u>	<u>33,055,175</u>	<u>5,260,152</u>
Non-Departmental	2,276,301	2,276,301	1,970,369	305,932
Total Expenditures/Encumbrances	<u>53,930,703</u>	<u>53,930,703</u>	<u>47,169,164</u>	<u>6,761,539</u>
Excess (Deficiency) of Revenues over Expenditures/Encumbrances	<u>7,612,814</u>	<u>7,612,814</u>	<u>15,542,385</u>	<u>7,929,571</u>
Other Financing Sources (Uses):				
Transfers In (Out) -				
Park Fund	(3,000,000)	(3,000,000)	(3,000,000)	-
Capital Projects Funds - Development	(30,000)	(30,000)	(30,000)	-
Internal Service Fund	-	(60,000,000)	(60,000,000)	-
Total Other Financing Sources (Uses)	<u>(3,030,000)</u>	<u>(63,030,000)</u>	<u>(63,030,000)</u>	<u>-</u>
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ 4,582,814</u>	<u>\$ (55,417,186)</u>	<u>(47,487,615)</u>	<u>\$ 7,929,571</u>
Fund Balance - Budget Basis, Beginning			68,144,875	
Fund Balance - Budget Basis, Ending			<u>\$ 20,657,260</u>	
Reserved for Contingencies	2,696,500		2,936,600	240,100
Available for Appropriation	<u>62,847,777</u>		<u>17,720,660</u>	<u>(45,127,117)</u>
Fund Balance - Budget Basis, Ending	<u>\$ 65,544,277</u>		<u>\$ 20,657,260</u>	<u>\$ (44,887,017)</u>

**PRINCE GEORGE'S COUNTY  
PARK ACCOUNT- GENERAL FUND  
Summary of Revenues, Expenditures/Encumbrances, and Changes in Fund Balance  
Budget (Non-GAAP Budgetary Basis) and Actual  
For the Year Ended June 30, 2021**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Property Taxes	\$ 162,718,100	\$ 162,718,100	\$ 167,755,438	\$ 5,037,338
Intergovernmental -				
Federal	-	-	421,140	421,140
State	-	-	295,269	295,269
County	542,177	542,177	493,896	(48,281)
Charges for Services	81,800	81,800	68,104	(13,696)
Rentals and Concessions	2,734,765	2,734,765	330,783	(2,403,982)
Interest	1,500,000	1,500,000	36,120	(1,463,880)
Miscellaneous	623,500	623,500	534,497	(89,003)
Total Revenues	<u>168,200,342</u>	<u>168,200,342</u>	<u>169,935,247</u>	<u>1,734,905</u>
Expenditures/Encumbrances:				
Office of The Director -				
Office of the Director	1,550,922	4,094,997	3,531,140	563,857
Park Police	20,992,806	20,907,675	21,908,150	(1,000,475)
Administration and Development -				
Management Services	7,845,284	5,729,366	5,791,843	(62,477)
Administration and Development	354,606	359,593	285,821	73,772
Support Services	13,647,571	13,647,571	14,723,944	(1,076,373)
Park Planning and Development	8,547,735	8,547,735	8,335,685	212,050
Info Tech and Communications	5,723,555	5,616,799	6,420,857	(804,058)
Facility Operations -				
Public Affairs & Marketing	2,228,204	2,373,124	2,225,567	147,557
Maintenance and Development	28,662,550	28,662,550	32,784,167	(4,121,617)
Natural and Historical Resources	9,355,866	9,355,866	9,445,718	(89,852)
Arts and Cultural Heritage	1,666,171	1,666,171	1,278,598	387,573
Total Facility Operations	<u>41,912,791</u>	<u>42,057,711</u>	<u>45,734,050</u>	<u>(3,676,339)</u>
Area Operations -				
Northern Area Operations	10,623,647	10,623,647	8,791,035	1,832,612
Central Area Operations	-	-	782,077	(782,077)
Southern Area Operations	10,573,963	10,573,963	9,748,129	825,834
Total Area Operations	<u>21,197,610</u>	<u>21,197,610</u>	<u>19,321,241</u>	<u>1,876,369</u>
Grants	-	-	473,856	(473,856)
Non-Departmental	7,058,966	7,058,966	5,764,776	1,294,190
Total Expenditures/Encumbrances	<u>128,831,846</u>	<u>129,218,023</u>	<u>132,291,363</u>	<u>(3,073,340)</u>
Excess of Revenues over Expenditures/Encumbrances	<u>39,368,496</u>	<u>38,982,319</u>	<u>37,643,884</u>	<u>(1,338,435)</u>
Other Financing Sources (Uses):				
Transfers In (Out) -				
Capital Projects Funds - Interest	500,000	500,000	69,053	(430,947)
Administration Fund - Transfer In	3,000,000	3,000,000	3,000,000	-
Debt Service - Park Fund	(14,839,619)	(14,839,619)	(11,707,810)	3,131,809
Capital Projects Funds - Development	(39,050,000)	(39,050,000)	(39,050,000)	-
Total Other Financing Sources (Uses)	<u>(50,389,619)</u>	<u>(50,389,619)</u>	<u>(47,688,757)</u>	<u>2,700,862</u>
Excess of Revenues and Other Financing Sources over Expenditures and Other Financing Uses	<u>\$ (11,021,123)</u>	<u>\$ (11,407,300)</u>	<u>(10,044,873)</u>	<u>\$ 1,362,427</u>
Fund Balance - Budget Basis, Beginning			127,685,040	
Fund Balance - Budget Basis, Ending			<u>\$ 117,640,167</u>	
Reserved for Contingencies	6,441,600		6,601,200	159,600
Available for Appropriation	103,301,746		111,038,967	7,737,221
Fund Balance - Budget Basis, Ending	<u>\$ 109,743,346</u>		<u>\$ 117,640,167</u>	<u>\$ 7,896,821</u>

**PRINCE GEORGE'S COUNTY  
RECREATION ACCOUNT- GENERAL FUND  
Summary of Revenues, Expenditures/Encumbrances, and Changes in Fund Balance  
Budget (Non-GAAP Budgetary Basis) and Actual  
For the Year Ended June 30, 2021**

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues:				
Property Taxes	\$ 85,032,800	\$ 85,032,800	\$ 87,440,173	\$ 2,407,373
Intergovernmental -				
Federal	-	-	628,434	628,434
State	-	-	508,333	508,333
County	265,306	265,306	245,680	(19,626)
Charges for Services	9,302,983	9,302,983	1,747,424	(7,555,559)
Rentals and Concessions	1,248,910	1,248,910	545,197	(703,713)
Interest	750,000	750,000	58,825	(691,175)
Contributions	46,300	46,300	39,762	(6,538)
Miscellaneous	49,500	49,500	189,231	139,731
Total Revenues	<u>96,695,799</u>	<u>96,695,799</u>	<u>91,403,059</u>	<u>(5,292,740)</u>
Expenditures/Encumbrances:				
Administration and Development-				
Maintenance & Development	1,128,175	1,128,175	1,856,361	(728,186)
Deputy Director	733,903	524,550	957,867	(433,317)
Support Services	10,154,186	10,004,186	9,988,611	15,575
Grants	-	-	571,341	(571,341)
Total Director's Office	<u>12,016,264</u>	<u>11,656,911</u>	<u>13,374,180</u>	<u>(1,717,269)</u>
Facility Operations:				
Public Affairs & Marketing	1,017,835	1,017,835	726,434	291,401
Aquatics	12,081,094	9,881,094	8,578,423	1,302,671
Natural and Historical Resources	1,505,577	1,505,577	1,476,424	29,153
Arts and Cultural Heritage	4,410,851	4,410,851	3,304,218	1,106,633
Youth and Countywide Sports	4,365,918	4,165,918	3,165,991	999,927
Total Facility Operations	<u>23,381,275</u>	<u>20,981,275</u>	<u>17,251,490</u>	<u>3,729,785</u>
Area Operations:				
Deputy Director	485,512	485,512	493,954	(8,442)
Northern Area Operations	7,972,090	7,072,090	4,799,169	2,272,921
Central Area Operations	7,352,942	6,652,942	5,576,005	1,076,937
Southern Area Operations	10,878,485	9,842,918	5,957,250	3,885,668
Special Programs	10,016,420	9,775,163	6,695,713	3,079,450
Total Area Operations	<u>36,705,449</u>	<u>33,828,625</u>	<u>23,522,091</u>	<u>10,306,534</u>
Non-Departmental	5,117,621	5,117,621	4,421,785	695,836
Total Operating Expenditures/Encumbrances	<u>77,220,609</u>	<u>71,584,432</u>	<u>58,569,546</u>	<u>13,014,886</u>
Excess of Revenues over Expenditures/Encumbrances	<u>19,475,190</u>	<u>25,111,367</u>	<u>32,833,513</u>	<u>7,722,146</u>
Other Financing Sources (Uses):				
Transfers In (Out) -				
Capital Projects Fund	(10,000,000)	(10,000,000)	(10,000,000)	-
Enterprise	(8,150,092)	(13,400,092)	(13,400,092)	-
Total Other Financing Sources (Uses)	<u>(18,150,092)</u>	<u>(23,400,092)</u>	<u>(23,400,092)</u>	<u>-</u>
Excess of Revenues and Other Financing Sources over Expenditures and Other Financing Uses	<u>\$ 1,325,098</u>	<u>\$ 1,711,275</u>	<u>9,433,421</u>	<u>\$ 7,722,146</u>
Fund Balance - Budget Basis, Beginning			54,092,075	
Fund Balance - Budget Basis, Ending			<u>\$ 63,525,496</u>	
FY22 Appropriation	-		2,943,402	2,943,402
Reserved for Contingencies	4,268,500		4,424,300	155,800
Available for Appropriation	<u>43,120,597</u>		<u>56,157,794</u>	<u>13,037,197</u>
Fund Balance - Budget Basis, Ending	<u>\$ 47,389,097</u>		<u>\$ 63,525,496</u>	<u>\$ 16,136,399</u>

**Schedule of Required Supplementary Information for Defined Benefit Pension Plans**  
(Unaudited)

**Schedule of Changes in the Commission's Net Pension Liability and Related Ratios\***

	2021	2020	2019	2018	2017	2016	2015	2014
<u>Total Pension Liability</u>								
Service Cost	\$ 20,074,646	\$ 18,144,368	\$ 17,097,809	\$ 18,834,451	\$ 20,196,060	\$ 18,125,110	\$ 19,015,744	\$ 16,635,683
Interest	73,223,067	70,945,812	67,607,637	65,346,751	66,311,451	61,280,153	64,188,829	60,003,715
Changes in benefit terms <sup>1</sup>	-	-	5,196,837	(9,501,203)	(6,233)	(4,863)	-	-
Difference between expected and actual experience	8,179,363	540,274	12,366,940	(51,028,919)	(9,213,536)	(20,701,234)	610,807	-
Changes in assumptions	6,301,273	6,015,186	5,808,280	5,434,643	34,368,804	(13,818,623)	9,147,692	-
Benefit payments including refunds	(58,037,999)	(55,647,482)	(51,801,905)	(48,088,129)	(45,189,395)	(42,718,801)	(40,382,818)	(38,407,073)
Net change in total pension liability	49,740,350	39,998,158	56,275,598	(9,501,203)	66,467,151	2,161,742	52,580,254	38,232,325
Total pension liability - beginning	1,077,413,617	1,037,415,459	981,139,861	990,641,064	924,173,913	922,012,171	869,431,917	831,199,592
Total pension liability - ending (a)	\$ 1,127,153,967	\$ 1,077,413,617	\$ 1,037,415,459	\$ 981,139,861	\$ 990,641,064	\$ 924,173,913	\$ 922,012,171	\$ 869,431,917
<u>Plan Fiduciary Net Position</u>								
Contributions - employer	\$ 22,312,947	\$ 19,244,687	\$ 24,792,093	\$ 24,822,301	\$ 20,268,189	\$ 27,191,305	\$ 28,149,976	\$ 28,750,323
Contributions - member	8,084,657	7,796,708	7,541,076	7,201,130	6,751,196	6,418,154	6,339,732	5,413,595
Net investment income	194,757,724	10,900,156	62,438,427	70,470,948	111,662,056	(4,851,526)	3,340,520	107,897,795
Benefit payments, including refunds	(58,037,999)	(55,647,482)	(51,801,905)	(48,088,129)	(45,189,395)	(42,718,801)	(40,382,818)	(38,407,073)
Administrative expenses	(1,984,031)	(1,722,361)	(1,704,098)	(1,810,777)	(1,674,654)	(1,696,334)	(1,587,371)	(1,487,210)
Net change in plan fiduciary net position	165,133,298	(19,428,292)	41,265,593	52,595,473	91,817,392	(15,657,202)	(4,139,961)	102,167,430
Plan fiduciary net position - beginning	942,588,590	962,016,882	920,751,289	868,155,816	776,338,424	791,995,626	796,135,587	693,968,157
Plan fiduciary net position - ending (b)	\$ 1,107,721,888	\$ 942,588,590	\$ 962,016,882	\$ 920,751,289	\$ 868,155,816	\$ 776,338,424	\$ 791,995,626	\$ 796,135,587
Net pension liability - ending (a-b)	\$ 19,432,079	\$ 134,825,027	\$ 75,398,577	\$ 60,388,572	\$ 122,485,248	\$ 147,835,489	\$ 130,016,545	\$ 73,296,330
Plan fiduciary net position as a percentage of total pension liability	98.3%	87.5%	92.7%	93.8%	87.6%	84.0%	85.9%	91.6%
Covered payroll <sup>2</sup>	172,387,068	160,221,081	156,412,817	143,534,600	141,670,765	135,041,803	129,134,125	129,911,593
Net pension liability as a percentage of covered payroll	11.3%	84.2%	48.2%	42.1%	86.5%	109.5%	100.7%	56.4%

**Schedule of Money-Weighted Rate of Returns for Years Ended June 30:**

	2021	2020	2019	2018	2017	2016	2015	2014
	21.9%	2.3%	7.4%	8.0%	14.6%	0.2%	0.7%	15.3%

\*This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

<sup>1</sup>Effective January 1, 2016, employee contributions for Plan C were changed from 8.50% of base pay to 9% of base pay and for Plan D were changed from 7.50% of base pay to 8.00% of base pay.

<sup>2</sup>Covered payroll for FYE 2019 and later is as of the beginning of the year. Covered payroll for years prior to FYE 2019 is as of the valuation date one year prior to the beginning of the fiscal year.

**Schedule of Required Supplementary Information for Defined Benefit Pension Plans****(Unaudited)****(continued)****Schedule of Employer Contributions to The Maryland National Capital Park and Planning Commission  
Employees' Retirement System**

Fiscal Year ended June 30	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency/ (Excess)	Covered Payroll <sup>1</sup>	Actual Contribution as a % of Covered Payroll
2012	\$ 32,182,287	\$ 32,182,287	\$ -	\$ 140,407,414	22.9%
2013	23,806,058	23,806,058	-	132,490,722	18.0%
2014	28,750,323	28,750,323	-	129,911,593	22.1%
2015	28,149,976	28,149,976	-	129,134,125	21.8%
2016	27,191,305	27,191,305	-	135,041,803	20.1%
2017	20,268,189	20,268,189	-	141,670,765	14.3%
2018	19,422,872	24,822,301	(5,399,429)	143,534,600	17.3%
2019	17,514,943	24,792,093	(7,277,150)	156,412,817	15.9%
2020	19,244,687	19,244,687	-	160,221,081	12.0%
2021	22,312,947	22,312,947	-	172,387,068	12.9%

<sup>1</sup>Covered payroll for FYE 2019 and later is as of the beginning of the year. Covered payroll for years prior to FYE 2019 is as of the valuation date one year prior to the beginning of the fiscal year.

**Notes to Required Supplementary Information****(1) Changes in Actuarial Assumptions**

The investment rate of return was changed from 6.85% to 6.80%.

**(2) Methods and Assumptions used in Calculations of Actuarially Determined Contributions**

Actuarial Cost Method	Entry Age
Amortization Period	15 year open
Asset Valuation Method	5 year asset smoothing
Inflation	2.40%
Salary Increases	2.50% plus service based increases
Investment Rate of Return	6.80%, net of investment expense and including inflation
Mortality	RP-2000 Mortality table with male rates set forward 1 year and female rates set forward 2 years, with generational adjustments for mortality improvements based on Scale BB factors. An alternate table was used for the valuation of disabled members.

**Schedule of Required Supplementary Information for Other Postemployment Benefits Plan**  
(Unaudited)

**Schedule of Changes in the Commission's Net OPEB Liability\***

	2021	2020	2019	2018	2017
<u>Total OPEB Liability</u>					
Service Cost	\$ 8,796,209	\$ 7,784,558	\$ 7,400,091	\$ 7,032,667	\$ 4,937,962
Interest	27,384,477	23,749,404	22,889,039	21,376,943	20,940,838
Difference between expected and actual experience	(11,228,930)	49,640,440	(1,388,644)	7,297,620	-
Changes in assumptions	2,578,453	(6,899,291)	2,322,737	2,224,999	-
Benefit payments (net of retiree contributions)	(17,087,199)	(16,613,803)	(16,018,832)	(13,337,628)	(16,435,761)
Net change in total OPEB liability	10,443,010	57,661,308	15,204,391	24,594,601	9,443,039
Total OPEB liability - beginning	409,199,094	351,537,786	336,333,395	311,738,794	302,295,755
Total OPEB liability - ending (a)	<u>\$ 419,642,104</u>	<u>\$ 409,199,094</u>	<u>\$ 351,537,786</u>	<u>\$ 336,333,395</u>	<u>\$ 311,738,794</u>
<u>Plan Fiduciary Net Position</u>					
Contributions - employer, including implicit subsidies	\$ 25,386,388	\$ 24,351,580	\$ 23,649,833	\$ 18,490,959	\$ 18,754,591
Net investment income	36,760,105	(5,054,584)	1,973,442	6,795,459	8,774,168
Benefit payments, net of retiree contributions	(17,087,199)	(16,613,803)	(16,018,832)	(13,337,628)	(13,749,844)
Administrative expenses	(672,189)	(604,777)	-	(597,012)	(410,564)
Net change in plan fiduciary net position	44,387,105	2,078,416	9,604,443	11,351,778	13,368,351
Plan fiduciary net position - beginning	84,377,417	82,299,001	72,694,558	61,342,780	47,974,429
Plan fiduciary net position - ending (b)	<u>\$ 128,764,522</u>	<u>\$ 84,377,417</u>	<u>\$ 82,299,001</u>	<u>\$ 72,694,558</u>	<u>\$ 61,342,780</u>
Net OPEB liability - ending (a-b)	<u>\$ 290,877,582</u>	<u>\$ 324,821,677</u>	<u>\$ 269,238,785</u>	<u>\$ 263,638,837</u>	<u>\$ 250,396,014</u>

**Schedule of the Commission's Net OPEB Liability and Related Ratios\***

	2021	2020	2019	2018	2017
Total OPEB liability	419,642,104	409,199,094	351,537,786	336,333,395	311,738,794
Plan fiduciary net position	128,764,522	84,377,417	82,299,001	72,694,558	61,342,780
Net OPEB liability	<u>290,877,582</u>	<u>324,821,677</u>	<u>269,238,785</u>	<u>263,638,837</u>	<u>250,396,014</u>
Plan fiduciary net position as a percentage of the total OPEB liability	30.7%	20.6%	23.4%	21.6%	19.7%
Covered-employee payroll	172,387,068	160,221,081	156,412,817	143,534,600	141,670,765
Net OPEB liability as a percentage of covered-employee payroll**	168.7%	202.7%	172.1%	183.7%	176.7%

**Schedule of Money-Weighted Rate of Returns for Years Ended June 30:**

	2021	2020	2019	2018	2017
	34.5%	-6.1%	2.5%	10.1%	16.1%

\*These schedules are intended to show information for 10 years. Additional years will be displayed as they become available.

\*\* Contributions to the OPEB plan are not based on a measure of pay.

**Schedule of Required Supplementary Information for Other Postemployment Benefits Plan**

**(Unaudited)**

(continued)

**Schedule of Employer Contributions to The Maryland National Capital Park and Planning Commission Other Postemployment Benefits Trust (000's)**

Fiscal Year ended June 30	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency/ (Excess)	Covered-Employee Payroll	Actual Contribution as a % of Covered Payroll
2012	\$ 28,553	\$ 16,243	\$ 12,310	\$ 123,684	13.1%
2013	21,812	17,758	4,054	119,966	14.8%
2014	18,611	18,509	102	126,868	14.6%
2015	19,143	15,901	3,242	134,536	11.8%
2016	18,044	16,847	1,197	136,049	12.4%
2017	20,037	16,107	3,930	141,671	11.4%
2018	22,162	19,088	3,074	143,544	13.3%
2019	22,935	23,650	(715)	156,413	15.1%
2020	23,954	24,352	(398)	160,221	15.2%
2021	28,148	25,359	2,789	172,387	14.7%

**Notes to Required Supplementary Information**

**(1) Changes in Actuarial Assumptions**

The investment rate of return was changed from 6.85% to 6.80%.

**(2) Methods and Assumptions used in Calculations of Actuarially Determined Contributions**

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level percentage of payroll
ERI Amortization Period	The additional liability attributable to the Early Retirement Incentive (ERI) is amortized over a 15 year closed period with 7 years remaining as of 7/1/2018
Non-ERI Amortization Period	28 year closed
Inflation	2.40%
Salary Increases	2.50%
Investment Rate of Return	6.80%, net of investment expense and including inflation
Healthcare Cost Trend Rates	5.30% initially, grading down to 3.68% for medical and pharmacy benefits 4.0% for dental 4.0% for vision
Healthy - Pre-Retirement	RP-2000 fully generational mortality table projected using scale BB, set forward 1 year for males and 2 years for females
Healthy - Post Retirement	RP-2000 fully generational mortality table projected using scale BB, set forward 1 year for males and 2 years for females
Disabled	RP-2000 fully generational disabled mortality table projected using scale BB, set forward 1 year for males and 2 years for females

## PART IIB

# Financial Section

### COMBINING STATEMENTS AND SCHEDULES



Montgomery Parks Annual Friendship Picnic.

#### **SPECIAL REVENUE FUNDS**

The Special Revenue Funds account for certain revenues which are dedicated by the Commission to certain purposes other than debt service and are used in general operations comprised of park operation and maintenance, recreation (Prince George's County only), and planning administration.

#### **DEBT SERVICE FUNDS**

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



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

Schedule 1

Combining Balance Sheet  
Nonmajor Governmental Funds  
June 30, 2021

	MONTGOMERY COUNTY						PRINCE GEORGE'S COUNTY					
	Special Revenue Funds			Advance Land Acquisition Debt Service			Special Revenue Funds			Advance Land Acquisition Debt Service		
	Planning	Parks	Total Special Revenue	Park Debt Service	Land Acquisition Debt Service	Total	Planning	Parks	Total Special Revenue	Park Debt Service	Land Acquisition Debt Service	Total
<b>ASSETS</b>												
Equity in Pooled Cash and Investments	\$ 3,777,644	\$ 2,096,432	\$ 5,874,076	\$ -	\$ -	\$ 5,874,076	\$ -	\$ -	\$ 8,490,468	\$ -	\$ -	\$ 8,490,468
Taxes Receivable	-	-	-	-	48,806	48,806	-	-	-	17	17	17
Accounts Receivable	-	6,621	6,621	-	6,621	6,621	-	-	-	-	1,300	1,300
Due from County Government	-	26,694	26,694	-	-	26,694	-	-	725,914	-	-	725,914
Inventories	-	-	-	-	-	-	-	-	1,384,428	-	-	1,384,428
Deposits and Other	-	-	-	-	-	-	-	-	96,291	-	-	96,291
Total Assets	\$ 3,777,644	\$ 2,129,747	\$ 5,907,391	\$ -	\$ 48,806	\$ 5,956,197	\$ -	\$ -	\$ 10,698,401	\$ 17	\$ 17	\$ 10,698,418
<b>LIABILITIES</b>												
Accounts Payable	\$ 6,600	\$ 107,526	\$ 114,126	\$ -	\$ -	\$ 114,126	\$ -	\$ -	\$ 57,630	\$ -	\$ -	\$ 57,630
Accrued Liabilities	402	10,762	11,164	-	-	11,164	-	-	43,925	-	-	43,925
Deposits and Deferred Revenue	5,938	29,206	35,144	-	36,056	71,200	-	-	230,178	-	-	230,178
Total Liabilities	12,940	147,494	160,434	-	36,056	196,490	-	-	331,733	-	-	331,733
<b>FUND BALANCES</b>												
Fund Balance:												
Nonspendable to:												
Recreation	-	-	-	-	-	-	-	-	1,384,428	-	-	1,384,428
Committed to:												
Planning	81,227	-	81,227	-	-	81,227	-	-	-	-	-	81,227
Parks	-	822,280	822,280	-	-	822,280	-	-	87,377	-	-	87,377
Recreation	-	-	-	-	-	-	-	-	445,818	-	-	445,818
Assigned to:												
Planning	3,683,477	-	3,683,477	-	-	3,683,477	-	-	-	-	-	3,683,477
Parks	-	1,159,973	1,159,973	-	12,750	1,172,723	-	-	2,457,962	17	17	2,457,979
Recreation	-	-	-	-	-	-	-	-	5,991,083	-	-	5,991,083
Total Fund Balances	\$ 3,764,704	\$ 1,982,253	\$ 5,746,957	\$ -	\$ 12,750	\$ 5,759,707	\$ -	\$ -	\$ 10,366,685	\$ 17	\$ 17	\$ 10,366,695
Total Liabilities and Fund Balances	\$ 3,777,644	\$ 2,129,747	\$ 5,907,391	\$ -	\$ 48,806	\$ 5,956,197	\$ -	\$ -	\$ 10,698,401	\$ 17	\$ 17	\$ 10,698,418

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

**Schedule 2**

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
Nonmajor Governmental Funds  
For the Year Ended June 30, 2021

	MONTGOMERY COUNTY						PRINCE GEORGES COUNTY					
	Special Revenue Funds			Advance Land Acquisition Debt Service			Special Revenue Fund Parks and Recreation			Advance Land Acquisition Debt Service		
	Planning	Parks	Total Special Revenue	Park Debt Service	Land Acquisition Debt Service	Total	Parks and Recreation	Park Debt Service	Land Acquisition Debt Service	Total	Total Nonmajor Governmental Funds	
<b>REVENUES:</b>												
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,085,302	\$ -	\$ -	\$ -	\$ 74	\$ 74	\$ 2,085,376
Intergovernmental - Federal	-	6,507	6,507	-	-	6,507	-	-	-	-	-	19,939
Intergovernmental - County	-	1,728,360	1,728,360	-	-	1,728,360	-	-	-	-	-	2,779,926
Charges for Services	2,710,288	135,452	2,845,740	-	-	2,845,740	-	-	-	-	-	3,011,138
Rentals and Concessions	-	58,301	58,301	-	-	58,301	-	-	-	-	-	601,908
Interest	3,574	922	4,496	-	-	4,496	-	-	-	-	-	11,397
Contributions	162,806	8,621	171,427	-	-	171,427	-	-	-	-	-	190,746
Miscellaneous	14,200	19,624	33,824	-	-	33,824	-	-	-	-	-	58,632
Total Revenues	2,890,868	1,957,787	4,848,655	-	-	6,933,957	-	-	-	74	74	8,759,062
<b>EXPENDITURES:</b>												
Principal Retirements	-	-	-	4,200,000	130,000	4,330,000	-	-	-	-	-	12,221,658
Interest	-	-	-	1,735,524	11,100	1,746,624	-	-	-	-	-	5,562,776
Other Debt Service Costs	-	-	-	92,200	-	92,200	-	-	-	-	-	177,600
Contributions	-	-	-	-	1,938,246	1,938,246	-	-	-	120	120	1,938,366
Planning and Zoning	4,155,609	-	4,155,609	-	-	4,155,609	-	-	-	-	-	4,155,609
Park Operations and Maintenance	-	2,069,122	2,069,122	-	-	2,069,122	-	-	-	-	-	3,327,813
Recreation	-	-	-	-	-	-	-	-	-	-	-	1,106,018
Total Expenditures	4,155,609	2,069,122	6,224,731	6,027,724	2,079,346	14,331,801	11,793,210	11,793,210	120	14,158,039	28,489,840	
Excess (Deficiency) of Revenues Over Expenditures	(1,264,741)	(111,335)	(1,376,076)	(6,027,724)	5,956	(7,397,844)	(539,678)	(11,793,210)	(46)	(12,332,934)	(19,730,778)	
<b>OTHER FINANCING SOURCES (USES):</b>												
Refunding Bonds Issued	-	-	-	16,417,170	-	16,417,170	-	-	-	-	-	35,536,785
Payment to Refunding Bond Escrow Agent	-	-	-	(16,324,969)	-	(16,324,969)	-	-	-	-	-	(35,359,184)
Transfers In	-	70,000	70,000	5,935,523	6,005,523	6,005,523	-	-	-	-	-	17,713,333
Total Other Financing Sources (Uses)	-	70,000	70,000	6,027,724	-	6,097,724	-	-	-	-	-	17,890,934
Net Change in Fund Balances	(1,264,741)	(41,335)	(1,306,076)	-	5,956	(1,300,120)	(539,678)	-	(46)	(539,724)	(1,839,844)	
Fund Balances - Beginning	5,029,445	2,023,588	7,053,033	-	6,794	7,059,827	10,906,346	-	63	10,906,409	17,966,236	
Fund Balances - Ending	3,764,704	1,982,253	5,746,957	-	12,750	5,759,707	10,366,668	-	17	10,366,685	16,126,392	

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

Schedule 3

**Combining Schedule of Revenues, Expenditures/Encumbrances, and Changes in Fund Balance  
Budget (Non-GAAP Budgetary Basis) and Actual - Special Revenue Funds  
For the Year Ended June 30, 2021**

	Montgomery County				Prince George's County			
	Budgeted Amounts		Actual	Variance Positive (Negative)	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final			Original	Final		
<b>Revenues:</b>								
Intergovernmental	\$ 1,902,450	\$ 1,902,450	\$ 1,734,867	\$ (167,583)	\$ 950,000	\$ 1,064,998	\$ 114,998	
Charges for Services	3,122,860	3,122,860	2,845,740	(277,120)	6,001,712	165,398	(5,836,314)	
Rentals and Concessions	162,400	162,400	58,301	(104,099)	945,022	543,607	(401,415)	
Interest	110,000	110,000	4,496	(105,504)	50,000	6,901	(43,099)	
Contributions	219,000	219,000	171,427	(47,573)	115,536	19,319	(96,217)	
Miscellaneous	64,000	64,000	33,824	(30,176)	67,092	24,808	(42,284)	
<b>Total Revenues</b>	<b>5,580,710</b>	<b>5,580,710</b>	<b>4,848,655</b>	<b>(732,055)</b>	<b>8,129,362</b>	<b>1,825,031</b>	<b>(6,304,331)</b>	
<b>Expenditures/Encumbrances:</b>								
Current -								
County Planning and Zoning	4,385,001	4,385,001	4,000,001	385,000	-	-	-	
Park Operations and Maintenance	2,967,428	2,967,428	1,933,655	1,033,773	1,466,206	1,293,475	172,731	
Recreation	-	-	-	-	6,691,856	1,029,959	5,661,897	
<b>Total Expenditures/Encumbrances</b>	<b>7,352,429</b>	<b>7,352,429</b>	<b>5,933,656</b>	<b>1,418,773</b>	<b>8,158,062</b>	<b>2,323,434</b>	<b>5,834,628</b>	
<b>Excess (Deficiency) of Revenues over Expenditures/Encumbrances</b>	<b>(1,771,719)</b>	<b>(1,771,719)</b>	<b>(1,085,001)</b>	<b>686,718</b>	<b>(28,700)</b>	<b>(498,403)</b>	<b>(469,703)</b>	
<b>Excess (Deficiency) of Revenues over Expenditures/Encumbrances - Budget Basis</b>	<b>\$ (1,771,719)</b>	<b>\$ (1,771,719)</b>	<b>(1,015,001)</b>	<b>756,718</b>	<b>\$ (28,700)</b>	<b>(498,403)</b>	<b>\$ (469,703)</b>	
<b>Fund Balances - Budget Basis, July 1</b>			<b>5,858,451</b>			<b>10,331,876</b>		
<b>Fund Balances - Budget Basis, June 30</b>			<b>\$ 4,843,450</b>			<b>\$ 9,833,473</b>		

The funds budgets are approved by the respective County Council only for the total of both funds



Bladensburg Waterfront Park located along the Anacostia River offers riverboat tours, canoeing, kayaking as well as biking and hiking trails.

## **ENTERPRISE FUNDS**

Enterprise Funds are used to account for facilities that are operated in a manner similar to private business enterprises, where the Commission's intent is that the costs of providing goods or services to the others (both external customers as well as some internal customers) will be recovered primarily through user charges.

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

Schedule 4

Schedule of Net Position  
Enterprise Funds  
June 30, 2021 and 2020

	Recreational and Cultural Facilities						
	Wheaton Headquarters		Montgomery County		Prince George's County		Totals
	June 30, 2021	June 30, 2020	June 30, 2021	June 30, 2020	June 30, 2021	June 30, 2020	
<b>ASSETS</b>							
Current Assets:							
Equity in Pooled Cash and Investments	\$ 571,838	\$ 116,191	\$ 8,382,143	\$ 3,264	\$ 12,058,872	\$ 8,501,598	
Accounts Receivable	-	-	16,962	186,405	168,721	203,367	
Due from Other Government	-	-	15,513	7,280	-	22,793	
Inventories	-	-	215,501	420,510	525,785	636,011	
Total Current Assets	571,838	116,191	8,630,119	617,459	12,753,378	9,363,769	
Noncurrent Assets:							
Capital Assets:							
Land	-	-	11,584,468	6,459,131	18,043,599	18,043,599	
Buildings and Improvements	133,627,454	-	27,285,274	72,358,592	233,271,320	99,649,222	
Infrastructure	-	-	33,685	26,610	180,146	173,071	
Machinery, Equipment and Intangibles	-	-	3,088,558	5,004,375	8,327,187	8,092,933	
Construction in Progress	-	-	9,525,061	-	9,525,061	9,043,367	
Less - Accumulated Depreciation	(2,227,124)	-	(27,329,992)	(48,968,927)	(80,717,628)	(76,298,919)	
Total Capital Assets (net of depreciation)	131,400,330	-	23,895,401	34,999,632	188,629,685	58,703,273	
Total Noncurrent Assets	131,400,330	-	23,895,401	34,999,632	188,629,685	58,703,273	
Total Assets	131,972,168	116,191	32,333,760	35,617,091	201,383,063	68,067,042	
<b>DEFERRED OUTFLOWS OF RESOURCES</b>							
Pension Deferrals	-	-	742,666	1,534,389	1,289,695	2,277,055	
OPEB Deferrals	-	-	668,769	1,691,126	1,913,415	6,007,691	
Total Deferred Outflows of Resources	-	-	1,411,435	3,225,515	3,203,110	4,884,746	
<b>LIABILITIES</b>							
Current Liabilities:							
Accounts Payable	156,315	-	219,707	367,657	589,787	587,364	
Accrued Salaries and Benefits	1,469	-	169,664	315,966	794,605	485,630	
Compensated Absences	-	-	92,601	230,007	184,539	322,608	
Due to Other Government	327,054	-	-	-	327,054	-	
Revenue Collected in Advance	-	-	717,447	101,960	807,957	819,407	
Total Current Liabilities	484,838	-	1,199,419	1,015,590	2,703,942	2,215,009	
Noncurrent Liabilities:							
Compensated Absences	-	-	237,661	460,266	1,073,064	697,927	
Net Other Post-Employment Benefit Liability	-	-	4,191,121	9,465,930	12,178,882	13,657,051	
Net Pension Liability	-	-	1,558,765	3,272,339	674,486	4,831,104	
Total Noncurrent Liabilities	-	-	5,987,547	13,198,535	13,926,432	19,186,082	
Total Liabilities	484,838	-	7,186,966	14,214,125	16,630,374	21,401,091	
<b>DEFERRED INFLOWS OF RESOURCES</b>							
Pension Deferrals	-	-	423,683	856,566	3,371,400	1,280,249	
OPEB Deferrals	-	-	104,785	196,762	1,373,877	301,547	
Total Deferred Inflows of Resources	-	-	528,468	1,053,328	4,745,277	1,581,796	
<b>NET POSITION</b>							
Net Invested in Capital Assets	131,400,330	-	23,703,641	34,999,632	188,629,685	58,703,273	
Unrestricted	87,000	116,191	2,573,916	(11,424,479)	(5,419,163)	(8,734,372)	
Total Net Position	\$ 131,487,330	\$ 116,191	\$ 26,277,557	\$ 23,575,153	\$ 183,210,522	\$ 49,968,901	

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

Schedule 5

Schedule of Revenues, Expenses, and Changes in Fund Net Position  
Enterprise Funds

For the Years Ended June 30, 2021 and 2020

Recreational and Cultural Facilities

	Wheaton Headquarters				Montgomery County				Prince George's County				Totals	
	Year Ended June 30,		Year Ended June 30,		Year Ended June 30,		Year Ended June 30,		Year Ended June 30,		Year Ended June 30,		Year Ended June 30,	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Operating Revenues:														
Intergovernmental														
Sales	-	-	175,470	15,513	182,079	7,280	357,549	22,793						
Charges for Services	25,000	-	334,316	606,247	970,292	1,443,144	1,304,608	2,049,391						
Rentals and Concessions	1,299,722	116,099	4,672,559	5,718,383	2,229,370	2,923,357	6,926,929	8,641,740						
Total Operating Revenues	1,324,722	116,099	6,853,894	8,914,283	4,338,508	6,499,839	12,517,124	15,530,221						
Operating Expenses:														
Cost of Goods Sold	-	-	191,868	333,881	452,910	827,503	644,778	1,161,384						
Personnel Services	199,540	-	5,420,933	5,780,902	8,348,431	11,508,651	13,968,904	17,289,553						
Supplies and Materials	74,386	-	155,879	458,195	1,028,993	1,136,764	1,259,258	1,594,959						
Communications	6,517	-	44,103	46,936	134,643	104,215	185,263	151,151						
Utilities	536,903	-	805,508	774,152	1,128,375	1,354,945	2,470,786	2,129,097						
Maintenance	330,501	-	191,688	294,450	973,419	1,454,371	1,495,608	1,748,821						
Contractual Services	176,361	-	326,982	509,236	184,749	498,244	688,092	1,007,480						
Other Services and Charges	-	-	287,398	405,896	476,456	472,853	763,854	878,749						
Administrative Services	-	-	-	-	287,667	276,027	287,667	276,027						
Depreciation	2,227,124	-	487,299	803,153	1,845,409	1,944,552	4,559,832	2,747,705						
Total Operating Expenses	3,551,332	-	7,911,658	9,406,801	14,861,052	19,578,125	26,324,042	28,984,926						
Operating Income Gain/(Loss)	(2,226,610)	116,099	(1,057,764)	(492,518)	(10,522,544)	(13,078,286)	(13,806,918)	(13,454,705)						
Non-Operating Revenues (Expenses):														
Investment Earnings	143	92	13,303	361,280	12,192	289,926	25,638	651,298						
Gain (Loss) on Disposal of Asset	-	-	25,203	(2,836)	-	7,974	25,203	5,138						
Total Non-Operating Revenue (Expense)	143	92	38,506	358,444	12,192	297,900	50,841	656,436						
Gain/(Loss) before Capital Contributions and Transfers	(2,226,467)	116,191	(1,019,258)	(134,074)	(10,510,352)	(12,780,386)	(13,756,077)	(12,798,269)						
Capital Contributions	133,597,606	-	-	-	13,400,092	8,157,592	133,597,606	-						
Transfers In	-	-	-	-	-	-	13,400,092	8,157,592						
Change in Net Position	131,371,139	116,191	(1,019,258)	(134,074)	2,889,740	(4,622,794)	133,241,621	(4,640,677)						
Total Net Position - Beginning	116,191	-	26,277,557	26,411,631	23,575,153	28,197,947	49,968,901	54,609,578						
Total Net Position - Ending	131,487,330	116,191	25,258,299	26,277,557	26,464,893	23,575,153	183,210,522	49,968,901						

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

**Schedule 6**

**Schedule of Cash Flows - Enterprise Funds  
For the Years Ended June 30, 2021 and 2020**

	Recreational and Cultural Facilities					
	Wheaton Headquarters		Montgomery County		Prince George's County	
	Year Ended June 30, 2021	2020	Year Ended June 30, 2021	2020	Year Ended June 30, 2021	2020
<b>Cash Flows from Operating Activities:</b>						
Receipts from Customers and Users	1,324,722	\$ 116,099	\$ 7,079,170	\$ 9,298,389	\$ 4,334,317	\$ 6,548,954
Payments to Suppliers	(641,299)	-	-	(989,304)	(4,437,569)	(5,782,166)
Payments to Employees	(6,071)	-	(4,265,645)	(5,364,830)	(9,280,604)	(11,352,049)
Payments for Interfund Services Used	(192,000)	-	(468,211)	(352,070)	-	-
Payments for Administrative Charges	-	-	(2,164,164)	(1,812,423)	(287,667)	(276,027)
Net Cash Provided (Used) by Operating Activities	485,352	116,099	181,150	779,762	(9,671,523)	(10,861,288)
<b>Cash Flows from Noncapital Financing Activities:</b>						
Transfers In from Other Funds	-	-	-	-	13,400,092	8,157,592
Net Cash Flows from Noncapital Financing Activities	-	-	-	-	13,400,092	8,157,592
<b>Cash Flows from Capital and Related Financing Activities:</b>						
Acquisition and Construction of Capital Assets	(29,848)	-	(679,059)	(2,250,815)	(179,731)	(95,142)
Proceeds from Capital Asset Disposal	-	-	25,203	(2,836)	-	7,974
Net Cash Used by Capital and Related Financing Activities	(29,848)	-	(653,856)	(2,253,651)	(179,731)	(87,168)
<b>Cash Flows from Investing Activities:</b>						
Interest on Investments	143	92	13,303	361,280	12,192	289,926
Net Increase in Cash and Cash Equivalents	455,647	116,191	(459,403)	(1,112,609)	3,561,030	(2,504,938)
Cash, Cash Equivalents and Restricted Cash, July 1	116,191	-	8,382,143	9,494,752	3,264	2,504,202
Cash, Cash Equivalents and Restricted Cash, June 30	571,838	116,191	7,922,740	8,382,143	3,564,294	3,264
<b>Reconciliation of Operating Income/(Loss) to Net Cash Provided (Used) by Operating Activities:</b>						
Operating Income (Loss)	(2,226,610)	\$ 116,099	\$ (1,057,764)	\$ (492,518)	\$ (10,522,544)	\$ (13,806,918)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:						
Depreciation	2,227,124	-	487,299	803,153	1,845,409	1,944,552
Effect of Changes in Operating Assets and Liabilities in:						
Accounts Receivable	-	-	16,162	(16,162)	18,484	(45,565)
Due from County Government	327,054	-	-	539,079	-	-
Due to County Government	-	-	-	(15,513)	7,280	(7,280)
Due from Other Government	-	-	-	(22,029)	47,191	72,530
Inventories, at Cost	-	-	63,035	(48,677)	(105,215)	(5,801)
Accounts Payable	156,315	-	(48,677)	43,048	(344,732)	2,423
Accrued Salaries and Benefits	1,469	-	120,630	(132,184)	186,876	308,975
Compensated Absences	-	-	130,302	(27,824)	106,766	92,852
Net Pension Liability	-	-	(252,650)	58,836	(825,457)	253,630
Net Other Post Employment Liability	-	-	688,795	165,174	(400,358)	154,852
Revenue Collected in Advance	-	-	18,505	(123,298)	101,960	(11,450)
Total Adjustments	2,711,962	-	1,238,914	1,272,280	851,021	2,216,998
Net Cash Provided (Used) by Operating Activities	485,352	116,099	181,150	779,762	(9,671,523)	(10,861,288)
<b>Schedule of non-cash capital and related financing activities:</b>						
Contributions of capital assets	\$ 133,627,454	\$ -	\$ -	\$ -	\$ -	\$ 133,627,454
Purchase of machinery, equipment, and vehicles on account	\$ -	\$ -	\$ 175,096	\$ -	\$ -	\$ 175,096



Summer concert series in the park at Brookside Gardens.

## **INTERNAL SERVICE FUNDS**

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

### **Capital Equipment Funds**

The Capital Equipment Funds (Montgomery County, Prince George's County, and CAS) are used to account for the acquisition of equipment for other Commission funds through the use of tax-exempt financing and/or user fees.

### **Risk Management Funds**

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

### **Largo Headquarters Fund**

The Largo Headquarters Fund is used to account for the land acquisition and construction of the Largo Headquarters. The Fund will be used in the future for the cost of operations.

### **Executive Building Fund**

The Executive Building Fund is used to account for the cost of operating the Executive Office Building in Prince George's County and was used to account for the renovation costs of that building which was acquired in February of 1992.

### **Employee Benefits Fund**

The Employee Benefits Fund is used to account for the costs related to employees' life and health insurance coverage, and the flexible spending program.

### **Commission Wide IT Initiatives Fund**

The Commission Wide IT Initiatives Fund is used to account for the acquisition of certain IT equipment and software which benefit the entire Commission. These purchases are financed by user fees to the participating Commission funds.



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

Schedule 7

**Internal Service Funds  
Combining Statement of Net Position  
For the Year Ended June 30, 2021**

	MONTGOMERY COUNTY			PRINCE GEORGE'S COUNTY			COMMISSION WIDE FUNDS				Total June 30, 2020
	Capital Equipment	Risk Management	Laigo Headquarters	Capital Equipment	Risk Management	CAS Capital Equipment	Executive Building	Employee Benefits	Commission Wide IT Initiatives		
<b>ASSETS</b>											
Current Assets:											
Equity in Pooled Cash and Investments	\$ 3,099,556	\$ 12,692,998	\$ 46,773,898	\$ 3,880,793	\$ 21,676,177	\$ 257,848	\$ 4,840,561	\$ 15,888,885	\$ 3,995,939	\$	\$ 113,106,655
Accounts Receivable	-	15,489	-	-	-	-	-	1,253,926	320	-	1,269,945
Due from County Government	-	250,000	-	-	250,000	-	-	-	-	-	500,000
Due from Other Governments	-	-	-	-	-	-	655	-	-	-	655
Deposits and Other	-	-	-	-	-	-	-	472,360	-	-	472,360
Total Current Assets	3,099,556	12,958,497	46,773,898	3,880,793	21,926,177	257,848	4,841,216	17,615,171	3,996,459	-	115,349,615
Noncurrent Assets:											
Capital Assets:											
Land	-	-	12,887,286	-	-	-	748,497	-	-	-	13,635,783
Buildings and Improvements	96,898	-	-	36,748	-	-	3,181,444	-	-	-	3,315,090
Infrastructure	-	-	-	-	-	-	15,657	-	-	-	15,657
Machinery, Equipment and Intangibles	34,746,472	149,640	-	8,371,184	781,186	2,416,837	535,601	-	2,133,818	-	49,134,738
Construction in Progress	-	-	344,831	-	(781,186)	(1,757,142)	-	-	(1,995,611)	-	344,831
Less-Accumulated Depreciation	(25,686,145)	(149,640)	-	(7,347,150)	-	659,695	(3,135,596)	-	138,207	-	(40,852,470)
Total Capital Assets (net of accumulated depreciation)	9,157,225	-	13,232,117	1,060,782	(781,186)	659,695	1,345,603	-	138,207	-	25,593,629
Total Assets	12,256,781	12,958,497	60,006,015	4,941,575	21,926,177	917,543	6,186,819	17,615,171	4,134,666	-	140,943,244
<b>DEFERRED OUTFLOWS OF RESOURCES</b>											
Pension Deferrals	-	63,045	-	-	63,046	-	26,514	97,715	156,134	-	406,454
OPEB Deferrals	-	55,731	-	-	37,156	-	111,462	111,462	130,036	-	390,116
Total Deferred Outflows of Resources	-	118,776	-	-	118,777	-	63,670	209,177	286,170	-	796,570
<b>LIABILITIES</b>											
Current Liabilities:											
Accounts Payable	441,509	394,208	-	-	394,412	-	28,899	1,185,149	98,437	-	2,543,614
Current Portion of Claims Payable	-	1,518,753	-	-	2,426,117	-	-	2,315,476	1,909	-	6,262,255
Accrued Salaries and Benefits	-	20,541	-	-	20,541	-	9,321	33,285	49,001	-	132,689
Current Portion of Bonds Payable	600,000	-	-	-	-	-	-	-	-	-	600,000
Current Portion of Compensated Absences	15,000	6,490	-	-	6,491	-	919	13,916	7,293	-	35,109
Interest Payable	-	-	-	-	-	-	-	-	-	-	15,000
Total Current Liabilities	1,056,509	1,939,992	-	-	2,847,561	-	39,139	3,547,826	157,640	-	9,588,667
Noncurrent Liabilities:											
Claims Payable - Net of Current Portion	-	4,511,043	-	-	7,233,134	-	-	-	-	-	11,744,177
Bonds Payable - Net of Current Portion	1,312,700	-	-	-	-	-	-	-	-	-	1,312,700
Compensated Absences - Net of Current Portion	-	50,939	-	-	50,939	-	18,925	70,982	123,592	-	315,377
Net Other Post-Employment Benefit Liability	-	354,726	-	-	354,726	-	236,497	709,452	827,682	-	2,483,083
Net Pension Liability	-	32,972	-	-	32,971	-	13,867	51,103	81,655	-	212,568
Total Noncurrent Liabilities	1,312,700	4,949,680	-	-	7,671,770	-	269,289	831,537	1,032,929	-	16,067,905
Total Liabilities	2,369,209	6,889,672	-	-	10,519,331	-	308,428	4,379,363	1,190,569	-	25,656,572
<b>DEFERRED INFLOWS OF RESOURCES</b>											
Pension Deferrals	-	164,807	-	-	164,807	-	69,312	255,439	408,151	-	1,062,516
OPEB Deferrals	-	40,016	-	-	40,017	-	26,679	80,033	93,370	-	280,115
Total Deferred Inflows of Resources	-	204,823	-	-	204,824	-	95,991	335,472	501,521	-	1,342,631
<b>NET POSITION</b>											
Net Investment in Capital Assets	7,244,525	-	13,232,117	1,060,782	-	659,695	1,345,603	-	138,207	-	23,680,929
Unrestricted	2,643,047	5,982,778	46,773,898	3,880,793	11,320,799	257,848	4,500,467	13,109,513	2,590,539	-	91,059,682
Total Net Position	9,887,572	5,982,778	60,006,015	4,941,575	11,320,799	917,543	5,846,070	13,109,513	2,728,746	-	114,740,611

**THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION**  
**Schedule 8**  
**Internal Service Funds**  
**Combining Statement of Revenues, Expenses, and Changes in Fund Net Position**  
**For the Year Ended June 30, 2021**

	MONTGOMERY COUNTY				PRINCE GEORGE'S COUNTY				COMMISSION WIDE FUNDS				Total June 30, 2020
	Capital Equipment	Risk Management	Largo Headquarters	Capital Equipment	Risk Management	CAS Capital Equipment	Executive Building	Employee Benefits	Commission Wide IT Initiatives				
Operating Revenues:													
Intergovernmental-Federal		7,656	\$ -	\$ -	7,656	24,225	\$ 101,583	\$ -	132,661	\$ 273,781			
Charges for Services	2,969,900	3,080,300	-	-	4,056,100	323,000	1,352,000	38,905,706	5,806,582	56,493,588			
Claim Recoveries		216,868			684,209					901,077			
Total Operating Revenues	2,969,900	3,304,824	-	-	4,747,965	347,225	1,453,583	38,905,706	5,939,243	57,668,446			
Operating Expenses:													
Personal Services		410,965	-	-	410,966	-	211,622	1,017,660	1,754,353	3,805,566			
Supplies and Materials	114,166	20,886	-	-	20,886	24,225	162,471	-	443,326	785,960			
Other Contractual Services		385,971	-	-	600,410	-	-	557,721	-	1,544,102			
Claims Incurred		824,618	-	-	1,191,049	-	-	26,759,005	-	28,774,672			
Insurance		65,706	-	-	102,210	-	-	8,510,684	-	8,678,600			
Other Services and Charges	181,541	414,463	-	23,075	813,615	-	590,715	343,049	2,790,453	5,156,611			
Depreciation	2,891,726	-	-	815,339	-	197,675	66,886	-	161,201	4,132,827			
Total Operating Expenses	3,187,433	2,122,609	-	838,414	3,139,136	221,900	1,031,694	37,188,119	5,149,033	52,878,338			
Operating Income (Loss)	(217,533)	1,182,215	-	(838,414)	1,608,829	125,325	421,889	1,717,587	790,210	4,790,108			
Nonoperating Revenues (Expenses):													
Interest Income	2,601	6,940	6,015	2,830	15,591	29	2,914	7,684	1,915	46,519			
Interest Expense	(51,700)	-	-	-	-	-	-	-	-	(51,700)			
Gain (Loss) on Disposal of Asset	99,780	824,618	-	-	(274,449)	-	(271,535)	-	-	(174,669)			
Total Nonoperating Revenues (Expenses)	50,681	6,940	6,015	2,830	15,591	29	7,684	7,684	1,915	(179,850)			
Income (Loss) Before Contributions and Transfers	(166,852)	1,189,155	6,015	(835,584)	1,624,420	125,354	150,354	1,725,271	792,125	4,610,258			
Contributions and Transfers In (Out):													
Contributions from General Government Assets	-	-	60,000,000	-	-	-	-	-	-	60,000,000			
Transfers In/(Out)	562,194	-	60,000,000	-	-	-	-	(562,194)	-	60,000,000			
Net Operating Transfers	562,194	-	60,000,000	-	-	-	-	(562,194)	-	60,000,000			
Change in Net Position	395,342	1,189,155	60,006,015	(835,584)	1,624,420	125,354	150,354	1,163,077	792,125	64,610,258			
Total Net Position, July 1	9,492,230	4,793,623	-	5,777,159	9,696,379	792,189	5,695,716	11,946,436	1,936,621	50,130,353			
Total Net Position, June 30	9,887,572	5,982,778	60,006,015	4,941,575	11,320,799	917,543	5,846,070	13,108,513	2,728,746	114,740,611			

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

**Schedule 9**

Combining Statement of Cash Flows - Internal Service Funds  
For the Year Ended June 30, 2021

	MONTGOMERY COUNTY				PRINCE GEORGES COUNTY				COMMISSION WIDE FUNDS				TOTAL				
	Capital Equipment	Risk Management	Largo Headquarters	Capital Equipment	Risk Management	CAS Capital Equipment	Executive Building	Employee Benefits	Commission Wide IT Initiatives	Capital Equipment	Risk Management	Largo Headquarters		Capital Equipment	Executive Building	Employee Benefits	Commission Wide IT Initiatives
Cash Flows from Operating Activities:																	
Receipts from Customers and Users	2,978,368	3,339,730	-	-	4,812,571	347,225	1,471,435	38,878,212	5,939,243	57,766,784							
Payments to Suppliers	-	(1,807,775)	-	-	(3,449,489)	(24,225)	(746,414)	(34,306,439)	(3,212,302)	(43,546,644)							
Payments to Employees	-	(516,502)	-	-	(516,503)	-	(210,454)	(790,783)	(1,088,132)	(3,122,374)							
Payments for Interfund Services Used	(181,541)	(281,238)	-	(23,075)	(281,238)	-	-	(343,050)	-	(1,110,142)							
Net Cash Provided (Used) by Operating Activities	2,796,827	734,215	-	(23,075)	565,341	323,000	514,567	3,437,940	1,638,809	9,987,624							
Cash Flows from Noncapital Financing Activities:																	
Transfers In/(Out) to Other Funds	562,194	-	60,000,000	-	-	-	-	(562,194)	-	60,000,000							
Net Cash Flows from Noncapital Financing Activities	562,194	-	60,000,000	-	-	-	-	(562,194)	-	60,000,000							
Cash Flows from Capital and Related Financing Activities:																	
Acquisition of Capital Assets	(2,541,425)	-	(13,232,117)	(209,566)	-	-	-	-	-	(15,983,108)							
Proceeds from Disposal of Capital Assets	99,780	-	-	-	-	-	-	-	-	99,780							
Interest Paid on Bonds Payable	(105,000)	-	-	-	-	-	-	-	-	(105,000)							
Principal Paid on Bonds Payable	(600,000)	-	-	-	-	-	-	-	-	(600,000)							
Net Cash Used by Capital and Related Financing Activities	(3,146,645)	-	(13,232,117)	(209,566)	-	-	-	-	-	(16,588,328)							
Cash Flows from Investing Activities:																	
Interest on Investments	2,601	6,940	6,015	2,830	15,591	29	2,914	7,683	1,915	46,518							
Net Increase (Decrease) in Cash and Cash Equivalents	214,977	741,155	46,773,898	(229,811)	580,932	323,029	517,481	2,883,429	1,640,724	53,445,814							
Cash and Cash Equivalents, July 1	2,884,579	11,951,843	-	4,110,604	21,095,245	(65,181)	4,323,080	13,005,456	2,355,215	59,660,841							
Cash and Cash Equivalents, June 30	3,099,556	12,692,998	46,773,898	3,880,793	21,676,177	257,848	4,840,561	15,888,885	3,985,939	113,106,655							
Operating Income (Loss)	(217,533)	1,182,215	-	(838,414)	1,608,829	125,325	421,889	1,717,587	790,210	4,790,108							
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:																	
Depreciation	2,891,726	-	-	815,339	-	197,675	66,886	-	161,201	4,132,827							
Effect of Changes in Assets and Liabilities in:																	
Accounts Receivable	-	4,300	-	-	34,000	-	-	(27,494)	-	10,806							
Due from Other Governments	-	30,606	-	-	30,606	-	17,852	-	-	79,064							
Prepaid Expenses	-	-	-	-	-	-	-	-	-	-							
Accounts Payable	122,634	164,970	-	-	165,174	-	6,772	711,970	21,177	1,192,697							
Claims Payable	-	(542,339)	-	-	(1,167,731)	-	-	809,000	-	(901,070)							
Accrued Salaries and Benefits	-	2,119	-	-	2,118	-	645	3,990	13,437	22,309							
Compensated Absences	-	21,927	-	-	21,928	-	4,834	24,298	48,513	121,500							
Net Pension Liability	-	(2,224)	-	-	(2,226)	-	(11,887)	(24,769)	179,791	136,685							
Net Other Post Employment Liability	3,014,360	(127,359)	-	815,339	(127,357)	197,675	7,576	223,358	424,480	400,698							
Total Adjustments	3,014,360	(448,000)	-	815,339	(1,043,488)	197,675	92,678	1,720,353	848,599	5,197,516							
Net Cash Provided (Used) by Operating Activities	2,796,827	734,215	-	(23,075)	565,341	323,000	514,567	3,437,940	1,638,809	9,987,624							

Schedule of non-cash capital and related financing activities:  
Purchase of machinery, equipment, and vehicles on account

\$	8,468	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	8,468
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Families exploring at Dinosaur Park.

### **FIDUCIARY FUNDS**

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

### **Pension Trust Funds**

The Pension Trust Funds are used to account for activities related to benefits for retired employees. This includes 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. This also includes all activities related to the Commission's portion of medical costs of retirees.

### **Private Purpose Trust Funds**

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

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

Schedule 10

Combining Statements of Net Position  
Fiduciary Fund Types  
June 30, 2021

	PENSION TRUST FUNDS				PRIVATE PURPOSE TRUST FUNDS		
	Employees' Retirement Fund	Other Post Employment Benefits Fund	Total Pension Trust Funds	Montgomery County	Prince George's County	Total Private Purpose Trust Funds	
<b>ASSETS</b>							
Equity in Pooled Cash and Investments	\$ -	\$ 920,001	\$ 920,001	\$ 10,389,990	\$ 342,716	\$ 10,732,706	
Cash	60,881	3,060,881	3,060,881	-	-	-	
Fixed Income Securities	231,300,499	26,183,032	257,483,531	-	-	-	
International Fixed Income Securities	7,625,831	-	7,625,831	-	-	-	
Venture Capital/Alternative Investments	277,066,810	-	277,066,810	-	-	-	
Corporate Stock	426,549,360	-	426,549,360	-	-	-	
International Corporate Stock	77,233,352	-	77,233,352	-	-	-	
Real Estate Investments	68,440,536	9,635,329	78,075,865	-	-	-	
Short Term Investments	21,772,477	-	21,772,477	-	-	-	
Mutual Funds	-	89,946,161	89,946,161	-	-	-	
Collateral for Securities Lending Transactions	39,501,241	-	39,501,241	-	-	-	
Accounts Receivable	6,684	-	6,684	-	2,500	2,500	
Accrued Income on Investments	722,836	-	722,836	-	-	-	
Land Held for Other Governments	-	-	-	56,566,705	26,995,413	83,562,118	
Other	837,640	-	837,640	-	-	-	
Total Assets	1,151,118,147	129,684,523	1,280,802,670	66,956,695	27,340,629	94,297,324	
<b>LIABILITIES</b>							
Investments Payable	1,172,168	-	1,172,168	-	-	-	
Accounts Payable	1,667,874	-	1,667,874	-	-	-	
Claims Payable	-	920,001	920,001	-	-	-	
Obligation for Collateral Received under Securities Lending Transactions	40,556,217	-	40,556,217	-	-	-	
Deposits	-	-	-	-	-	-	
Total Liabilities	43,396,259	920,001	44,316,260	-	-	-	
<b>NET POSITION</b>							
Assets Held in Trust for:							
Land Held for Transfer	-	-	-	56,566,705	26,995,413	83,562,118	
Pension Benefits	1,107,721,888	-	1,107,721,888	-	-	-	
Other Postemployment Benefits	-	128,764,522	128,764,522	-	-	-	
Other Purposes	-	-	-	10,389,990	345,216	10,735,206	
Total Net Position	1,107,721,888	128,764,522	1,236,486,410	66,956,695	27,340,629	94,297,324	

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

Schedule 11

Combining Statements of Changes in Net Position

Fiduciary Fund Types

For the Year Ended June 30, 2021

	PENSION TRUST FUNDS			PRIVATE PURPOSE TRUST FUNDS		
	Employees' Retirement Fund	Other Post Employment Benefits Fund	Totals	Montgomery County	Prince George's County	Totals
<b>ADDITIONS:</b>						
Contributions:						
Employer	\$ 22,312,947	\$ 22,627,755	\$ 44,940,702	\$ -	\$ -	\$ -
Plan Members	8,084,657	-	8,084,657	-	-	-
Plan Members for Current Benefits	-	3,375,598	3,375,598	-	-	-
Private Donations	-	-	-	1,878	8,843	10,721
Total Contributions	30,397,604	26,003,353	56,400,957	1,878	8,843	10,721
Contributions from Commission Debt Service Funds	-	-	-	1,938,246	120	1,938,366
Federal Grants - Medicare	-	2,731,635	2,731,635	-	-	-
Investment Earnings:						
Interest	12,170,998	-	12,170,998	4,800	245	5,045
Dividends	3,152,182	3,200,562	6,352,744	-	-	-
Net Increase (Decrease) in the Fair Value of Investments	182,575,527	33,559,543	216,135,070	-	-	-
Total Investment Earnings	197,898,707	36,760,105	234,658,812	4,800	245	5,045
Less Investment Advisory and Management Fees	(3,228,153)	-	(3,228,153)	-	-	-
Net Income from Investing Activities	194,670,554	36,760,105	231,430,659	4,800	245	5,045
Securities Lending Activity						
Securities Lending Income	116,026	-	116,026	-	-	-
Securities Lending Fees	(28,856)	-	(28,856)	-	-	-
Net Income from Securities Lending Activity	87,170	-	87,170	-	-	-
Total Net Investment Income	194,757,724	36,760,105	231,517,829	4,800	245	5,045
Total Additions and Investment Income	225,155,328	65,495,093	290,650,421	1,944,924	9,208	1,954,132
<b>DEDUCTIONS:</b>						
Benefits	57,659,732	20,435,798	78,095,530	-	-	-
Refunds of Contributions	378,267	-	378,267	-	-	-
Administrative expenses	1,984,031	672,190	2,656,221	-	-	-
Other	-	-	-	208	2,550	2,758
Total Dedicutions	60,022,030	21,107,988	81,130,018	208	2,550	2,758
Change in Net Position	165,133,298	44,387,105	209,520,403	1,944,716	6,658	1,951,374
Net Position - Beginning	942,588,590	84,377,417	1,026,966,007	65,011,979	27,333,971	92,345,950
Net Position - Ending	\$ 1,107,721,888	\$ 128,764,522	\$ 1,236,486,410	\$ 66,956,695	\$ 27,340,629	\$ 94,297,324

## PART III

# Statistical Section



Stainless Steel Pergola and hand rails incorporated with natural stone.

## STATISTICAL SECTION

This part of The Maryland-National Capital Park and Planning Commission's (Commission) Annual Comprehensive Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the Commission's overall financial health.

<b><u>Contents</u></b>	<b><u>Page</u></b>
<b>Financial Trends</b> .....	124
<i>These schedules contain trend information to help the reader understand how the Commission's financial performance and well-being have changed over time.</i>	
<b>Revenue Capacity</b> .....	129
<i>These schedules contain information to help the reader assess the Commission's most significant local revenue source, the property tax.</i>	
<b>Debt Capacity</b> .....	133
<i>These schedules present information to help the reader assess the affordability of the Commission's current levels of outstanding debt and the Commission's ability to issue additional debt in the future.</i>	
<b>Demographic and Economic Information</b> .....	137
<i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the Commission's financial activities take place.</i>	
<b>Operating Information</b> .....	140
<i>These schedules contain service and infrastructure data to help the reader understand how the information in the Commission's financial report relates to the services the Commission provides and the activities it performs.</i>	

Sources: Unless otherwise noted, the information in these schedules is derived from the Annual Comprehensive Financial Reports for the relevant year.



THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

TABLE 1

Net Position by Category (1)  
Last Ten Fiscal Years  
Entity-wide Basis

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Governmental Activities:</b>										
Net Investment in Capital Assets	\$ 611,517,276	\$ 653,877,083	\$ 693,097,777	\$ 736,481,893	\$ 768,265,017	\$ 796,599,317	\$ 836,941,457	\$ 843,266,615	\$ 896,148,855	\$ 939,803,148
Unrestricted	246,549,209	255,869,413	235,827,877	150,941,241	160,074,081	170,061,764	14,102,419	68,534,208	103,473,483	166,137,124
Subtotal Governmental Activities Net Position	858,066,485	909,746,496	928,925,654	887,423,134	928,339,098	966,661,081	851,043,876	911,800,823	999,622,338	1,105,940,272
<b>Business-type Activities:</b>										
Net Investment in Capital Assets	70,761,443	68,756,299	65,025,744	62,315,460	62,832,510	60,589,583	60,373,190	59,105,021	58,703,273	188,629,685
Unrestricted	2,835,118	4,105,493	5,596,649	4,303,685	4,445,974	4,973,537	(3,615,130)	(4,495,443)	(8,734,372)	(5,419,163)
Subtotal Business-type Activities Net Position	73,596,561	72,861,792	70,622,393	66,619,145	67,278,484	65,563,120	56,758,060	54,609,578	49,968,901	183,210,522
<b>Primary Government:</b>										
Net Investment in Capital Assets	682,278,719	722,633,382	758,123,521	798,797,353	831,097,527	857,188,900	897,314,647	902,371,636	954,852,128	1,128,432,833
Unrestricted	249,384,327	259,974,906	241,424,526	155,244,926	164,520,055	175,035,301	10,487,289	64,038,765	94,739,111	160,717,961
Total Government Net Position	\$ 931,663,046	\$ 982,608,288	\$ 999,548,047	\$ 954,042,279	\$ 995,617,582	\$ 1,032,224,201	\$ 907,801,936	\$ 966,410,401	\$ 1,049,591,239	\$ 1,289,150,794

(1) Accounting standards require that net position be reported in three components in the financial statements: net investment in capital assets; restricted; and unrestricted. Net positions are considered restricted only when an external party places a restriction on how the resources may be used. FY14 was not restated per GASB 68.

Source: The Maryland-National Capital Park and Planning Commission, Finance Department

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

TABLE 2

Change in Net Position  
Last Ten Fiscal Years  
Entity-wide Basis

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Expenses</b>										
<b>Governmental Activities:</b>										
General Government	\$ 18,141,138	\$ 16,859,031	\$ 17,923,030	\$ 21,133,262	\$ 18,943,664	\$ 18,210,634	\$ 21,196,865	\$ 19,909,334	\$ 22,179,103	\$ 21,725,069
County Planning and Zoning	56,148,279	45,516,295	58,569,504	49,147,835	57,308,580	57,302,000	55,800,239	61,301,202	54,044,564	58,764,352
Park Operations and Maintenance	200,435,112	199,288,578	204,795,846	227,849,560	243,036,938	231,398,938	244,824,141	237,052,714	251,990,224	243,477,349
Recreation Programs	65,883,047	55,798,559	66,430,209	65,247,292	50,263,579	71,198,062	71,853,383	74,366,416	72,667,214	57,195,838
Interest on Long-term Debt	3,403,501	3,097,948	3,413,225	3,899,873	4,048,509	3,688,429	4,855,256	5,927,669	5,788,706	4,746,799
Subtotal Governmental Activities	344,011,077	320,561,411	351,131,814	367,277,822	373,600,369	381,798,063	398,529,884	398,557,335	406,669,811	385,909,407
<b>Business-type Activities:</b>										
Wheaton Headquarters	-	-	-	-	-	-	-	-	-	3,551,332
Recreational and Cultural Facilities	31,821,425	29,529,919	31,055,261	30,963,611	30,424,060	30,874,630	30,953,400	32,091,343	28,979,788	22,747,507
Total Government Expenses	375,832,502	350,091,330	382,187,075	398,241,433	404,024,429	412,672,693	429,483,284	430,648,678	435,649,599	412,208,246
<b>Program Revenues</b>										
<b>Governmental Activities:</b>										
County Planning and Zoning	6,720,072	6,427,774	3,684,750	5,009,943	4,665,238	4,755,212	6,269,945	5,953,158	4,784,682	4,874,948
Park Operations and Maintenance	25,600,847	32,345,050	38,430,593	51,261,581	50,130,304	34,763,962	35,685,457	32,360,408	51,122,661	35,182,349
Recreation Programs	14,393,407	14,253,411	15,447,503	14,594,279	15,308,306	15,837,672	16,492,208	15,458,774	11,300,422	5,439,104
Subtotal Governmental Activities	46,714,326	53,026,235	57,562,846	70,865,803	70,103,848	55,356,846	58,447,610	53,772,340	67,207,765	45,496,401
<b>Business-type Activities:</b>										
Wheaton Headquarters	-	-	-	-	-	-	-	-	-	134,922,328
Recreational and Cultural Facilities	20,615,539	19,955,060	19,857,218	19,404,116	21,913,505	19,899,293	20,201,065	20,419,748	15,530,221	11,192,402
Total Government Program Revenues	67,329,865	72,981,295	77,420,064	90,269,919	92,017,353	75,256,139	78,648,675	74,192,088	82,737,986	191,611,131
Net Government Expenses	(308,502,637)	(277,110,035)	(304,767,011)	(307,971,514)	(312,007,076)	(337,416,554)	(350,834,609)	(356,456,590)	(352,911,613)	(220,597,115)
<b>General Revenues and Other Changes in Net Position</b>										
Governmental Activities	328,140,900	319,215,187	312,748,126	317,896,201	344,420,407	364,763,200	387,759,742	405,541,942	427,283,561	446,730,940
Business-type Activities	10,197,951	8,840,090	8,958,644	9,824,108	9,169,894	9,259,973	9,174,077	9,523,113	8,808,890	13,425,730
Total Primary Government	338,338,851	328,055,277	321,706,770	327,720,309	353,590,301	374,023,173	396,933,819	415,065,055	436,092,451	460,156,670
<b>Change in Net Position</b>										
Governmental Activities	30,844,149	51,680,011	19,179,158	21,484,182	40,923,886	38,321,983	47,677,468	60,756,947	87,821,515	106,317,934
Business-type Activities	(1,007,935)	(734,769)	(2,239,399)	(1,735,387)	659,339	(1,715,364)	(1,578,259)	(2,148,482)	(4,640,677)	133,241,621
Total Primary Government	29,836,214	50,945,242	16,939,759	19,748,795	41,583,225	36,606,619	46,099,210	58,608,465	83,180,838	239,559,555

Source: The Maryland-National Capital Park and Planning Commission, Finance Department

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

TABLE 3

Government Wide Revenues  
Last Ten Fiscal Years  
Entity-wide Basis

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Program Revenues</b>										
<b>Governmental Activities:</b>										
County Planning and Zoning										
Charges for services	5,283,065	4,684,322	2,798,897	4,031,622	3,846,984	3,850,889	5,198,977	4,956,799	3,514,890	3,937,064
Operating grants and contributions	1,437,007	1,743,452	885,853	978,321	818,254	904,323	1,070,968	996,359	1,269,792	937,884
Total County Planning and Zoning	6,720,072	6,427,774	3,684,750	5,009,943	4,665,238	4,755,212	6,269,945	5,953,158	4,784,682	4,874,948
Park Operations and Maintenance										
Charges for services	6,475,293	6,627,653	7,467,087	7,670,790	8,075,175	9,269,553	9,269,129	8,573,012	6,700,021	10,556,467
Operating grants and contributions	2,469,032	3,891,896	4,091,322	4,078,663	4,837,912	5,480,518	5,685,017	5,811,520	7,537,409	7,251,316
Capital grants and contributions	16,656,522	21,825,501	26,872,184	39,512,128	37,217,217	20,013,891	20,731,311	17,975,876	36,885,231	17,374,566
Total Park Operations and Maintenance	25,600,847	32,345,050	38,430,593	51,261,581	50,130,304	34,763,962	35,685,457	32,360,408	51,122,661	35,182,349
Recreation Programs										
Charges for services	14,035,495	13,807,912	14,624,585	14,259,526	14,986,083	15,277,062	15,852,675	13,734,206	10,181,498	2,936,638
Operating grants and contributions	357,912	445,499	822,918	334,753	322,223	560,610	639,533	1,724,568	1,118,924	2,502,466
Total Recreation Programs	14,393,407	14,253,411	15,447,503	14,594,279	15,308,306	15,837,672	16,492,208	15,458,774	11,300,422	5,439,104
Total Governmental Activities	46,714,326	53,026,235	57,562,846	70,865,803	70,103,848	55,356,846	58,447,610	53,772,340	67,207,765	45,496,401
<b>Business-type Activities:</b>										
Wheaton Headquarters										
Charges for services	-	-	-	-	-	-	-	-	-	1,324,722
Capital grants and contributions	-	-	-	-	-	-	-	-	-	133,597,606
Total Wheaton Headquarters	-	-	-	-	-	-	-	-	-	134,922,328
Recreational and Cultural Facilities										
Charges for services	20,284,112	19,943,177	19,790,531	19,404,116	20,018,525	19,899,293	20,201,065	20,419,748	15,507,428	10,834,853
Operating grants and contributions	331,427	11,883	66,687	-	-	-	-	-	22,793	357,549
Capital grants and contributions	20,615,539	19,955,060	19,857,218	19,404,116	21,913,505	19,899,293	20,201,065	20,419,748	15,530,221	11,192,402
Total Recreational and Cultural Facilities	20,615,539	19,955,060	19,857,218	19,404,116	21,913,505	19,899,293	20,201,065	20,419,748	15,530,221	146,114,730
Total Business-type Activities	67,329,865	72,981,295	77,420,064	90,269,919	92,017,353	75,256,139	78,648,675	74,192,088	82,737,986	191,611,131
<b>General Revenues and Other Changes in Net Position</b>										
<b>Governmental Activities</b>										
Property Taxes	336,318,601	327,652,882	320,703,674	326,435,823	352,283,467	371,471,118	391,094,596	401,180,520	425,742,423	459,815,827
Unrestricted Investment Earnings	1,971,299	388,205	966,672	1,186,182	1,208,287	2,362,429	5,413,567	12,946,277	9,698,730	315,205
Transfers	(10,149,000)	(8,825,900)	(8,922,220)	(9,725,804)	(9,071,347)	(9,070,347)	(8,748,421)	(8,584,855)	(8,157,592)	(13,400,092)
Total Governmental Activities	328,140,900	319,215,187	312,748,126	317,896,201	344,420,407	364,763,200	387,759,742	405,541,942	427,283,561	446,730,940
Business-type Activities										
Unrestricted Investment Earnings	48,951	14,190	36,424	98,304	98,547	189,626	425,656	938,258	651,298	25,638
Transfers	10,149,000	8,825,900	8,922,220	9,725,804	9,071,347	9,070,347	8,748,421	8,584,855	8,157,592	13,400,092
Total Business-type Activities	10,197,951	8,840,090	8,958,644	9,824,108	9,169,894	9,259,973	9,174,077	9,523,113	8,808,890	13,425,730
Total Primary Government	338,338,851	328,055,277	321,706,770	327,720,309	353,590,301	374,023,173	396,933,819	415,065,055	436,092,451	460,156,670

Source: The Maryland-National Capital Park and Planning Commission, Finance Department

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

Table 4

Fund Balances of Governmental Funds  
Last Ten Fiscal Years  
(modified accrual basis of accounting)

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021 (1)
<b>General Fund</b>										
Committed	\$ 22,569,621	\$ 40,161,623	\$ 34,526,773	\$ 38,094,884	\$ 44,020,683	\$ 47,883,493	\$ 42,359,298	\$ 51,598,979	\$ 64,650,641	\$ 70,468,943
Assigned	4,539,255	45,483,383	43,892,210	10,096,236	7,617,518	5,698,844	24,064,324	21,330,591	11,223,282	8,616,507
Unassigned	135,512,477	157,066,229	131,532,584	141,069,582	173,398,306	205,668,037	221,562,189	231,028,997	244,324,408	208,821,163
<b>Total General Fund</b>	<b>162,821,353</b>	<b>242,711,235</b>	<b>209,951,567</b>	<b>189,260,702</b>	<b>225,036,507</b>	<b>259,250,374</b>	<b>287,985,811</b>	<b>303,958,567</b>	<b>320,198,331</b>	<b>287,906,613</b>
<b>All Other Governmental Funds</b>										
Nonspendable	-	-	-	-	709,067	684,987	664,069	675,216	1,151,859	1,384,428
Restricted	4,721,415	3,012,510	35,891,912	10,801,732	11,520,094	4,142,855	16,508,941	20,662,338	24,005,612	10,961,465
Committed	41,712,327	44,051,299	58,578,055	73,077,026	90,931,936	76,280,863	42,287,022	50,173,887	53,610,791	33,074,508
Assigned	121,437,924	53,920,956	45,053,357	39,895,940	13,179,838	13,233,159	20,369,083	44,597,154	75,510,690	124,387,749
Unassigned	(20,735,656)	(21,738,490)	(21,538,004)	(28,741,034)	(35,701,052)	(27,523,472)	(4,278,195)	(1,440,769)	(4,162,497)	(6,624,911)
<b>Total All Other Governmental Funds</b>	<b>147,136,010</b>	<b>79,246,275</b>	<b>117,985,320</b>	<b>95,033,664</b>	<b>80,639,883</b>	<b>66,818,392</b>	<b>75,550,920</b>	<b>114,667,826</b>	<b>150,116,455</b>	<b>163,183,239</b>
<b>Total All Governmental Funds</b>	<b>\$ 309,757,363</b>	<b>\$ 321,957,510</b>	<b>\$ 327,936,887</b>	<b>\$ 284,294,366</b>	<b>\$ 305,676,390</b>	<b>\$ 326,068,766</b>	<b>\$ 363,536,731</b>	<b>\$ 418,626,393</b>	<b>\$ 470,314,786</b>	<b>\$ 451,089,852</b>

(1) The increase in 2020 total governmental fund balance in comparison with the prior year is explained in Management's Discussion and Analysis.

Source: The Maryland-National Capital Park and Planning Commission, Finance Department

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

TABLE 5

Changes in Fund Balances of Governmental Funds  
Last Ten Fiscal Years  
(modified accrual basis of accounting)

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Revenues</b>										
Property Taxes	\$ 337,691,448	\$ 326,432,203	\$ 320,991,095	\$ 326,780,905	\$ 351,693,057	\$ 371,473,276	\$ 390,983,807	\$ 401,046,180	\$ 424,691,149	\$ 458,426,743
Intergovernmental	18,129,050	23,361,183	24,926,111	29,264,973	36,293,326	22,210,719	22,973,721	21,896,860	35,775,752	27,340,524
Charges for Services	14,395,378	13,876,989	12,690,918	13,785,655	14,240,682	14,915,205	16,419,720	15,163,739	10,589,643	8,026,896
Rentals and Concessions	10,102,872	10,381,093	11,274,636	11,118,577	11,873,440	12,143,332	12,473,801	10,931,428	8,378,593	3,085,779
Interest	1,723,915	312,015	845,032	985,395	1,000,594	1,985,186	4,687,567	11,405,925	8,677,272	268,686
Miscellaneous	2,239,456	1,665,051	2,029,981	2,049,264	3,395,932	5,556,543	3,676,924	2,041,130	11,799,327	6,858,002
<b>Total Revenues</b>	<b>384,282,119</b>	<b>376,028,534</b>	<b>372,757,773</b>	<b>383,984,769</b>	<b>418,497,031</b>	<b>428,284,261</b>	<b>451,215,540</b>	<b>462,485,262</b>	<b>499,911,736</b>	<b>504,006,630</b>
<b>Expenditures</b>										
General Government	17,286,400	16,888,747	17,915,857	20,711,512	18,269,180	16,965,608	20,685,289	20,847,721	21,896,627	21,832,188
Planning and Zoning	53,490,374	45,431,143	59,145,520	48,366,254	55,499,233	54,429,803	53,806,455	61,626,137	51,408,732	60,564,474
Park Operations and Maintenance	168,990,977	176,450,186	191,014,322	201,201,932	202,138,039	201,073,472	218,456,669	218,007,785	223,908,504	232,406,719
Recreation	63,824,544	55,118,442	68,442,367	66,269,563	65,707,901	68,659,354	69,434,167	72,831,339	69,310,593	58,113,944
Contributions	21,125	-	-	(1,284)	774	430	1,775,763	1,822,325	1,871,435	1,938,366
Debt Service										
Principal	11,999,335	11,719,539	10,741,975	12,094,850	10,433,171	11,126,946	11,676,181	10,140,000	11,995,000	12,221,658
Interest	3,361,761	3,218,877	2,984,223	3,687,985	3,252,466	4,459,106	4,687,879	5,783,038	6,408,629	5,562,776
Other Debt Service Costs	427,602	10,860	539,209	30,197	435,015	159,718	250,702	602,442	70,246	177,600
Capital Projects	59,679,383	46,159,542	49,513,661	65,106,465	67,476,263	50,461,849	60,220,947	53,998,650	63,195,985	57,191,348
<b>Total Expenditures</b>	<b>379,081,501</b>	<b>354,997,336</b>	<b>400,297,134</b>	<b>417,467,474</b>	<b>423,212,042</b>	<b>407,336,286</b>	<b>440,994,052</b>	<b>445,659,437</b>	<b>450,065,751</b>	<b>450,009,073</b>
<b>Other Financing Sources (Uses)</b>										
Proceeds from General Obligation Bonds	10,500,000	-	40,565,000	-	31,500,000	8,000,000	33,000,000	43,000,000	10,000,000	-
Refunding Bonds Issued	16,425,000	-	-	-	12,515,000	-	-	-	-	35,536,785
Premiums on Bonds Issued	2,614,073	-	1,870,807	-	3,955,202	514,748	2,994,898	3,848,692	-	-
Payment to Refunding Bond Escrow Account	(18,130,936)	-	-	(14,041,382)	(14,041,382)	-	-	-	-	(35,359,184)
Transfers In	28,262,071	66,307,473	38,972,506	33,406,016	43,733,117	23,614,019	30,128,661	49,876,391	75,548,144	70,220,202
Transfers Out	(38,411,071)	(75,133,373)	(47,894,726)	(43,131,820)	(51,998,914)	(32,684,366)	(38,877,082)	(58,461,246)	(83,705,736)	(143,620,294)
<b>Total Other Financing Sources (Uses)</b>	<b>1,259,137</b>	<b>(8,825,900)</b>	<b>33,513,587</b>	<b>(9,725,804)</b>	<b>25,663,023</b>	<b>(555,599)</b>	<b>27,246,477</b>	<b>38,263,837</b>	<b>1,842,408</b>	<b>(73,222,491)</b>
Net Change in Fund Balances	6,459,755	12,205,298	5,974,226	(43,208,509)	20,948,012	20,392,376	37,487,965	55,089,662	51,688,393	(19,224,934)
Beginning Fund Balance	303,297,608	309,757,363	321,962,661	327,936,887	284,728,378	305,676,390	326,068,766	363,536,731	418,626,393	470,314,786
<b>Ending Fund Balance</b>	<b>\$ 309,757,363</b>	<b>\$ 321,962,661</b>	<b>\$ 327,936,887</b>	<b>\$ 284,728,378</b>	<b>\$ 305,676,390</b>	<b>\$ 326,068,766</b>	<b>\$ 363,536,731</b>	<b>\$ 418,626,393</b>	<b>\$ 470,314,786</b>	<b>\$ 451,089,852</b>
Debt Service as a Percentage of Noncapital Expenditures	4.97%	5.03%	4.05%	4.64%	3.94%	4.55%	4.50%	4.20%	4.76%	4.52%

Source: The Maryland-National Capital Park and Planning Commission, Finance Department

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

TABLE 6

Assessed and Estimated Actual Value of Taxable Property

Last Ten Fiscal Years

(Dollars in Thousands)

MONTGOMERY COUNTY

Fiscal Year	Real Property			Personal Property (1)			Total (2)		Ratio of Total Assessed Value To Total Estimated Actual Value %
	Assessed Value	Estimated Actual Value	Total Direct Tax Rate	Assessed/Estimated Actual Value	Direct Tax Rate	Assessed Value	Estimated Actual Value		
2012	\$ 162,197,150	\$ 174,593,272	0.904	\$ 3,718,946	2.247	\$ 165,916,096	\$ 178,312,218	93.05	
2013	158,272,831	172,786,933	0.990	3,604,479	2.463	161,877,310	176,391,412	91.77	
2014	159,891,865	173,043,144	1.008	3,709,328	2.509	163,601,193	176,752,472	92.56	
2015	163,656,758	169,416,934	0.995	3,655,133	2.473	167,311,891	173,072,067	96.67	
2016	170,176,446	181,812,442	0.986	3,884,349	2.450	174,060,795	185,696,791	93.73	
2017	177,495,353	190,650,218	1.025	4,051,372	2.547	181,546,725	194,701,590	93.24	
2018	183,993,871	195,946,614	1.000	4,188,565	2.487	188,182,436	200,135,179	94.03	
2019	189,051,019	196,518,731	0.980	4,055,453	2.439	193,106,472	200,574,184	96.28	
2020	193,487,139	204,359,040	0.977	4,100,967	2.432	197,588,106	208,460,007	94.78	
2021	198,347,862	209,965,979	0.969	4,682,193	2.436	203,030,055	214,648,172	94.59	

PRINCE GEORGE'S COUNTY

Fiscal Year	Real Property			Personal Property (1)			Total (2)		Ratio of Total Assessed Value To Total Estimated Actual Value %
	Assessed Value	Estimated Actual Value	Total Direct Tax Rate	Assessed/Estimated Actual Value	Direct Tax Rate	Assessed Value	Estimated Actual Value		
2012	\$ 81,798,606	\$ 83,404,281	0.905	\$ 2,743,679	2.000	\$ 84,542,285	\$ 86,147,960	98.14	
2013	75,777,582	76,633,200	0.903	2,741,339	2.283	78,518,921	79,374,539	98.92	
2014	73,012,715	74,563,618	0.897	2,731,340	2.268	75,744,055	77,294,958	97.99	
2015	73,863,286	76,307,098	0.902	2,884,495	2.278	76,747,781	79,191,593	96.91	
2016	76,419,813	80,392,826	0.945	2,966,106	2.372	79,385,919	83,358,932	95.23	
2017	80,672,198	86,941,640	0.936	3,190,976	2.352	83,863,174	90,132,616	93.04	
2018	86,644,518	92,548,041	0.960	3,420,670	2.401	90,065,188	95,968,711	93.85	
2019	91,769,699	97,534,897	0.969	3,268,932	2.426	95,038,631	100,803,829	94.28	
2020	97,072,912	102,537,101	0.958	3,217,004	2.610	100,289,916	105,754,105	94.83	
2021	102,353,668	108,467,097	0.978	3,508,881	2.388	105,862,549	111,975,978	94.54	

Note: (1) For personal property, the assessed value and estimated value are the same.

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

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

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

TABLE 7

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

**M-NCPPC TAXES**

MONTGOMERY COUNTY (1)

Fiscal Year	Park Operations			Advance Land Acquisition	County-wide Property Taxes	
	Administration	Operations	Total		Within County	Total
2012	\$ 0.0170/0.0430	\$ 0.0480/0.1200	\$ 0.0010/0.0030	\$ 0.0660/0.1660	\$ 0.8810/2.1910	\$ 0.9470/2.3570
2013	0.0180/0.0450	0.0540/0.1350	0.0010/0.0030	0.0730/0.1830	0.9170/2.2800	0.9900/2.4630
2014	0.0180/0.0450	0.0530/0.1330	0.0010/0.0030	0.0720/0.1810	0.9360/2.3280	1.0080/2.5090
2015	0.0170/0.0430	0.0560/0.1400	0.0010/0.0030	0.0740/0.1860	0.9207/2.2873	0.9947/2.4733
2016	0.0180/0.0450	0.0552/0.1380	0.0010/0.0025	0.0742/0.1855	0.9116/2.2643	0.9858/2.4498
2017	0.0170/0.0425	0.0548/0.1370	0.0010/0.0025	0.0728/0.1820	0.9521/2.3649	1.0249/2.5469
2018	0.0172/0.0430	0.0554/0.1385	0.0010/0.0025	0.0736/0.1840	0.9260/2.3031	0.9996/2.4871
2019	0.0156/0.0390	0.0530/0.1325	0.0010/0.0025	0.0696/0.1740	0.9102/2.2651	0.9798/2.4391
2020	0.0170/0.0425	0.0560/0.1400	0.0010/0.0025	0.0740/0.1850	0.9030/2.2474	0.9770/2.4324
2021	0.0176/0.0440	0.0600/0.1500	0.0010/0.0025	0.0786/0.1965	0.8983/2.2393	0.9769/2.4358

PRINCE GEORGE'S COUNTY (1)

Fiscal Year	Park Operations			Advance Land Acquisition	County-wide Property Taxes	
	Administration	Operations	Recreation		Total	Within County
2011	\$ 0.0466/0.1165	\$ 0.1719/0.4298	\$ 0.0592/0.1480	\$ 0.0013/0.0032	\$ 0.2790/0.6975	\$ 1.3708/3.1775
2012	0.0466/0.1165	0.1719/0.4298	0.0605/0.1512	0.0000/0.0000	0.2790/0.6975	1.3764/3.1775
2013	0.0541/0.1353	0.1544/0.3860	0.0705/0.1762	0.0000/0.0000	0.2790/0.6975	1.3738/3.4605
2014	0.0541/0.1353	0.1544/0.3860	0.0705/0.1762	0.0000/0.0000	0.2790/0.6975	1.3681/3.4459
2015	0.0541/0.1353	0.1544/0.3860	0.0705/0.1762	0.0000/0.0000	0.2790/0.6975	1.3729/3.4555
2016	0.0566/0.1415	0.1594/0.3985	0.0780/0.1950	0.0000/0.0000	0.2940/0.7350	1.6651/3.5873
2017	0.0566/0.1415	0.1594/0.3985	0.0780/0.1950	0.0000/0.0000	0.2940/0.7350	1.4224/3.5671
2018	0.0566/0.1415	0.1594/0.3985	0.0780/0.1950	0.0000/0.0000	0.2940/0.7350	1.4456/3.6160
2019	0.0566/0.1415	0.1594/0.3985	0.0780/0.1950	0.0000/0.0000	0.2940/0.7350	1.4546/3.6406
2020	0.0566/0.1415	0.1594/0.3985	0.0780/0.1950	0.0000/0.0000	0.2940/0.7350	1.4437/3.8246
2021	0.0566/0.1415	0.1594/0.3985	0.0780/0.1950	0.0000/0.0000	0.2940/0.7350	1.4640/3.6033

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

(1) Rates shown are for Real/Personal.

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

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

TABLE 8

Principal Taxpayers

Current Fiscal Year and Nine Years Ago

MONTGOMERY COUNTY

<u>Taxpayer</u>	2021			2012		
	Total Assessment	Rank	Percentage of Total Assessed Valuation	Total Assessment	Rank	Percentage of Total Assessed Valuation
Potomac Electric Power Company	\$ 1,139,436,824	1	0.56 %	\$ 751,658,563	1	0.45 %
JBG Smith	679,754,685	2	0.33	-	-	-
Federal Realty Investment Trust	642,598,160	3	0.32	196,688,020	9	0.12
Montgomery Mall LLC	593,090,243	4	0.29	293,001,260	3	0.18
CP 7272 Wisconsin Ave LLC	541,911,067	5	0.27	-	-	-
GI Partners	539,170,000	6	0.27	-	-	-
ARE-Maryland	531,408,090	7	0.26	-	-	-
Verizon Inc.	455,749,520	8	0.22	572,981,617	2	0.35
Washington Metropolitan Area Transit Authority	420,897,000	9	0.21	-	-	-
Medimmune, LLC	378,735,570	10	0.19	223,005,690	5	0.13
Washington Gas Light Co.	-	-	-	263,742,870	4	0.16
Chevy Chase Land Co	-	-	-	207,018,567	6	0.12
Camalier, Anne D et al, Trustee	-	-	-	205,657,500	7	0.12
7501 Wisconsin Ave LLC	-	-	-	200,032,490	8	0.12
Wheaton Plaza Reg Shopping Center	-	-	-	175,771,910	10	0.11
<b>Total</b>	<b>\$ 5,922,751,159</b>		<b>2.92 %</b>	<b>\$ 3,089,558,487</b>		<b>1.86 %</b>
<b>Total Assessable Base</b>	<b>\$ 203,030,054,909</b>		<b>100.00 %</b>	<b>\$ 165,916,095,469</b>		<b>100.00 %</b>

PRINCE GEORGE'S COUNTY

<u>Taxpayer</u>	2021			2012		
	Total Assessment	Rank	Percentage of Total Assessed Valuation	Total Assessment	Rank	Percentage of Total Assessed Valuation
National Harbor, LLC	\$ 1,118,620,767	1	1.06 %	\$ -	-	- %
Potomac Electric Power Company	744,068,960	2	0.70	475,442,520	2	0.55
Gaylord National, LLC.	670,823,133	3	0.63	571,965,510	1	0.67
Washington Gas Light Company	319,659,220	4	0.30	250,452,830	4	0.29
Empirian Village of Maryland, LLC	293,144,034	5	0.28	202,332,116	7	0.24
Verizon Maryland	285,785,010	6	0.27	355,498,130	3	0.41
Greenbelt Homes, Incorporated	242,273,483	7	0.23	235,186,522	5	0.27
Baltimore Gas and Electric Company	230,079,110	8	0.22	158,123,710	9	0.18
SSC Maryland Apartments, LLC	212,898,904	9	0.20	-	-	-
Wyndam Vacation Resorts, Inc	208,975,933	10	0.20	-	-	-
JKC Stadium (FedEx Field)	-	-	-	218,537,900	6	0.26
NRG(Mirant) Chalk Point, LLC	-	-	-	167,145,266	8	0.20
Zell, Samuel TRS	-	-	-	131,996,866	10	0.15
<b>Total</b>	<b>\$ 4,326,328,554</b>		<b>4.09 %</b>	<b>\$ 2,766,681,370</b>		<b>3.23 %</b>
<b>Total Assessable Base</b>	<b>\$ 105,862,550,404</b>		<b>100.00 %</b>	<b>\$ 85,677,847,299</b>		<b>100.00 %</b>

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



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

TABLE 9

Property Tax Levies and Collections  
Last Ten Fiscal Years

MONTGOMERY COUNTY

Fiscal Year	Total Tax Levy	Current Tax Collections	Percent of Levy Collected	Collections in Subsequent Years	Total Collections	Percent of Total Collections to Tax Levy
2012	\$ 98,068,320	\$ 98,064,266	100.0 %	\$ (65,935)	\$ 97,998,331	99.9 %
2013	106,088,181	105,178,075	99.1	408,295	105,586,370	99.5
2014	105,671,395	105,042,397	99.4	89,886	105,132,283	99.5
2015	111,224,664	110,366,064	99.2	283,196	110,649,260	99.5
2016	115,877,295	114,942,121	99.2	(42,207)	114,899,914	99.2
2017	118,471,849	117,462,502	99.1	194,792	117,657,294	99.3
2018	111,483,310	111,208,047	99.8	22,239	111,230,286	99.8
2019	120,289,659	119,640,275	99.5	356,181	119,996,456	99.8
2020	130,730,282	129,096,564	98.8	801,490	129,898,054	99.4
2021	141,409,737	140,594,608	99.4	-	140,594,608	99.4

PRINCE GEORGE'S COUNTY

Fiscal Year	Total Tax Levy	Current Tax Collections	Percent of Levy Collected	Collections in Subsequent Years	Total Collections	Percent of Total Collections to Tax Levy
2012	\$ 237,755,078	\$ 234,227,123	98.5 %	\$ 19,802	\$ 234,246,925	98.5 %
2013	220,093,844	218,774,290	99.4	32,318	218,806,608	99.4
2014	219,461,895	211,642,952	96.4	(19,943)	211,623,009	96.4
2015	215,646,159	215,367,043	99.9	4,242	215,371,285	99.9
2016	235,659,561	234,870,980	99.7	(5,755)	234,865,225	99.7
2017	249,913,802	249,903,802	100.0	(229,623)	249,674,179	99.9
2018	268,697,483	267,943,624	99.7	14,032	267,957,656	99.7
2019	282,499,972	281,764,984	99.7	734,988	282,499,972	100.0
2020	296,981,830	294,224,035	99.1	2,757,795	296,981,830	100.0
2021	314,281,598	313,167,413	99.6	-	313,167,413	99.6

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

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

TABLE 10

Ratios of Outstanding Debt by Type  
Last Ten Fiscal Years

MONTGOMERY COUNTY

Year	Governmental Activities (1)		Business-Type Activities (1)		Advance Land Acquisition General Obligation Bonds(1)	Ratios			Ratios		
	General Obligation Bonds	Notes Payable	Revenue Bonds and Notes	Revenue Bonds and Notes		Total Primary Government(1)	Percentage Of Personal Income	Outstanding Debt Per Capita	Total Debt (1)	Percentage Of Personal Income	Outstanding Debt Per Capita
2012	\$ 34,590	\$ -	\$ 1,064	\$ -	\$ 1,905	0.05	%	\$ 37,559	0.05	%	\$ 37.37
2013	32,240	-	222	-	1,665	0.04		34,127	0.05		33.62
2014	44,616	-	-	-	1,430	0.06		46,046	0.06		44.94
2015	41,464	-	-	-	1,200	0.05		42,664	0.05		41.31
2016	51,857	-	-	-	1,075	0.06		52,932	0.06		50.95
2017	56,953	-	-	-	1,020	0.06		57,973	0.06		55.38
2018	52,924	-	-	-	885	0.06		53,809	0.06		51.32
2019	64,917	-	-	-	750	0.07		65,667	0.07		62.50
2020	69,749	-	-	-	620	0.07		70,369	0.07		66.26
2021	65,965	-	-	-	490	0.07		66,455	0.07		62.15

PRINCE GEORGE'S COUNTY

Year	Governmental Activities (1)		Business-Type Activities (1)		Advance Land Acquisition General Obligation Bonds(1)	Ratios			Ratios		
	General Obligation Bonds	Notes Payable	Revenue Bonds and Notes	Revenue Bonds and Notes		Total Primary Government(1)	Percentage Of Personal Income (2)	Outstanding Debt Per Capita (2)	Total Debt (1)	Percentage Of Personal Income (2)	Outstanding Debt Per Capita (2)
2012	\$ 56,363	\$ 120	\$ -	\$ -	\$ -	0.15	%	\$ 56,483	0.15	%	\$ 64.10
2013	47,086	-	-	-	-	0.12		47,086	0.12		52.90
2014	67,280	-	-	-	-	0.17		67,280	0.17		74.39
2015	58,860	-	-	-	-	0.14		58,860	0.14		64.71
2016	73,329	-	-	-	-	0.17		73,329	0.17		80.75
2017	64,534	-	-	-	-	0.15		64,534	0.15		70.70
2018	92,162	-	-	-	-	0.21		92,162	0.21		101.35
2019	119,227	-	-	-	-	0.26		119,227	0.26		131.12
2020	110,946	-	-	-	-	0.23		110,946	0.23		121.97
2021	84,464	-	-	-	-	na		84,464	na		na

Notes: (1) 000's omitted and general obligation bonds presented net of original issuance discounts and premiums.

(2) See Table 14 for personal income and population data. Data are not available for Prince George's County for FY 2021.

Source: The Maryland-National Capital Park and Planning Commission, Montgomery and Prince George's County Governments

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

TABLE 11

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

MONTGOMERY COUNTY

Year	Population	Park Acquisition and Development Bonds			Advance Land Acquisition Bonds			Net Bonded Debt Per Capita
		Assessed Value (2)	General Bonded Debt Outstanding (1)	Ratio of Net Bonded Debt to Assessed Value	Assessed Value (2)	General Bonded Debt Outstanding (1)	Ratio of Net Bonded Debt to Assessed Value	
2012	1,005,079	\$ 143,754,415	\$ 35,654	0.02 %	\$ 165,916,424	\$ 1,905	0.001 %	\$ 1.90
2013	1,015,172	140,577,467	32,462	0.02	161,877,310	1,665	0.001	1.64
2014	1,024,617	141,899,535	44,616	0.03	163,601,193	1,430	0.001	1.40
2015	1,032,814	142,418,524	41,464	0.03	163,656,758	1,200	0.001	1.16
2016	1,038,846	151,113,059	51,857	0.03	174,057,795	1,075	0.001	1.03
2017	1,046,822	157,476,558	56,953	0.04	181,546,725	1,020	0.001	0.97
2018	1,048,478	163,053,038	52,924	0.03	188,182,436	885	0.000	0.84
2019	1,050,688	167,427,077	64,917	0.04	193,106,472	750	0.000	0.71
2020	1,062,061	171,202,657	69,749	0.04	197,588,106	620	0.000	0.58
2021	1,069,320	175,812,274	65,965	0.04	203,030,055	490	0.000	0.46

PRINCE GEORGE'S COUNTY

Year	Population	Park Acquisition and Development Bonds			Advance Land Acquisition Bonds			Net Bonded Debt Per Capita
		Assessed Value (2)	General Bonded Debt Outstanding (1)	Ratio of Net Bonded Debt to Assessed Value	Assessed Value (2)	General Bonded Debt Outstanding (1)	Ratio of Net Bonded Debt to Assessed Value	
2012	881,138	\$ 79,043,657	\$ 56,363	0.07 %	\$ 84,542,285	\$ -	- %	n.a.
2013	890,081	73,123,809	47,086	0.06	78,518,921	-	-	n.a.
2014	904,430	70,551,045	67,280	0.10	75,744,055	-	-	n.a.
2015	909,535	71,578,363	58,860	0.08	76,747,781	-	-	n.a.
2016	908,049	74,240,911	73,329	0.10	79,385,919	-	-	n.a.
2017	912,756	78,488,744	64,534	0.08	83,863,174	-	-	n.a.
2018	909,308	84,361,738	92,162	0.11	90,065,188	-	-	n.a.
2019	909,327	89,052,828	119,227	0.13	95,038,631	-	-	n.a.
2020	909,612	100,289,916	110,946	0.11	100,289,916	-	-	n.a.
2021	n.a.	99,283,346	84,464	0.09	105,862,549	-	-	n.a.

Notes: n.a. represents information that was unavailable at the time the tables were updated

Notes: (1) 000's omitted and this is the general bonded debt of both governmental and business-type activities, net of the original issuance discounts and premiums

(2) Metropolitan District only

Source: Assessed Value is from Montgomery County and Prince George's County Governments

Population estimates are from the U.S. Bureau of the Census, Population Estimates Branch

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

Table 12

Direct and Overlapping Governmental Activities Debt

June 30, 2021

	Debt Outstanding	Estimated Percentage Applicable	Montgomery County Estimated Share of Overlapping Debt	Prince George's County Estimated Share of Overlapping Debt	Total Estimated Share of Overlapping Debt
<b>Overlapping Debt:</b>					
<b>Montgomery County:</b>					
Montgomery County Government Direct Debt	\$ 4,368,682,858	100.00%	\$ 4,368,682,858	\$ -	\$ 4,368,682,858
MCPS - capital leases	61,462,834	100.00%	61,462,834	-	61,462,834
MCC - capital leases	76,894,739	100.00%	76,894,739	-	76,894,739
Kingsview Village Center - bonds	106,363	100.00%	106,363	-	106,363
West Germantown - bonds	7,720,000	100.00%	7,720,000	-	7,720,000
Towns, Cities and Villages	38,318,171	100.00%	38,318,171	-	38,318,171
<b>Prince George's County:</b>					
Prince George's County Direct Debt	2,697,284,434	100.00%	-	2,697,284,434	2,697,284,434
Towns, Cities and Villages (2)	72,024,452	100.00%	-	72,024,452	72,024,452
Total Overlapping Debt			4,553,184,965	2,769,308,886	7,322,493,851
M-NCPPC Direct Debt Outstanding (1)			66,454,837	103,466,815	169,921,652
Total Direct and Overlapping Debt			\$ 4,619,639,802	\$ 2,872,775,701	\$ 7,492,415,503

Note: (1) Direct Debt is comprised of Park bonds and ALA bonds.

(2) Source of Debt Outstanding for Towns, Cities and Villages is estimated 2020 data from Prince George's County.

Source: Montgomery County and Prince George's County Governments and The Maryland-National Capital Park and Planning Commission (M-NCPPC).

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

TABLE 13

Computation of Legal Debt Margin  
Park Acquisition and Development Bonds  
Last Ten Fiscal Years

Park Acquisition and Development Bonds  
Guaranteed by Montgomery County

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Assessed Valuation - Metropolitan District										
Real Property	\$ 141,405,815,234	\$ 137,631,593,595	\$ 139,493,523,923	\$ 139,619,578,920	\$ 147,958,539,731	\$ 154,201,308,882	\$ 159,617,272,071	\$ 164,081,315,722	\$ 167,810,011,796	\$ 171,863,784,195
Personal Property	2,348,600,250	2,945,872,990	2,406,010,695	2,798,945,126	3,154,519,664	3,275,248,906	3,435,766,393	3,345,760,910	3,392,645,188	3,949,490,038
Total Assessed Value	143,754,415,484	140,577,466,585	141,899,534,618	142,418,524,046	151,113,059,395	157,476,557,788	163,053,038,464	167,427,076,532	171,202,656,984	175,812,274,233
Annual Revenue from mandatory park tax levied for each \$100 of assessed valuation										
Real Property at 3.6 cents (9 cents for FY 2001 and prior)	50,906,093	49,547,374	50,217,669	50,263,048	53,265,074	55,512,471	57,462,218	59,069,274	60,411,604	61,870,962
Personal Property at 9 cents	2,113,740	2,651,286	2,165,410	2,519,051	2,839,088	2,947,724	3,092,190	3,011,185	3,053,381	3,553,641
	53,019,833	52,198,660	52,383,079	52,782,099	56,104,142	58,460,195	60,554,408	62,080,459	63,464,985	65,424,603
Revenue available from mandatory park tax over next thirty years - Legal Debt Limit	1,590,594,990	1,565,959,800	1,571,492,370	1,583,462,970	1,663,124,260	1,753,805,850	1,816,632,240	1,862,413,770	1,903,949,550	1,962,738,090
Debt Service Applicable to Limit	44,791,154	37,422,603	56,282,000	51,568,000	62,543,000	68,466,000	63,043,000	77,825,105	83,668,695	76,084,057
Legal Debt Margin	\$ 1,545,803,836	\$ 1,528,537,197	\$ 1,515,210,370	\$ 1,531,894,970	\$ 1,620,581,260	\$ 1,685,339,850	\$ 1,753,589,240	\$ 1,784,588,665	\$ 1,820,280,855	\$ 1,886,654,033
Debt Service Applicable to Limit as a Percentage of the Limit	2.82%	2.39%	3.58%	3.26%	3.72%	3.90%	3.47%	4.18%	4.39%	3.88%

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

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Assessed Valuation - Metropolitan District										
Real Property	\$ 76,465,608,181	\$ 70,552,234,135	\$ 67,889,278,067	\$ 68,858,615,833	\$ 71,447,943,979	\$ 75,478,470,361	\$ 81,117,524,396	\$ 85,954,431,107	\$ 97,072,911,961	\$ 96,950,634,324
Personal Property	2,578,049,126	2,571,574,560	2,561,766,520	2,719,747,118	2,792,967,386	3,010,273,510	3,244,213,192	3,098,396,530	3,217,004,390	3,332,711,320
Total Assessed Value	79,043,657,307	73,123,808,695	70,451,044,587	71,578,362,951	74,240,911,365	78,488,743,871	84,361,737,588	89,052,827,637	100,289,916,351	99,283,345,644
Annual Revenue from mandatory park tax levied for each \$100 of assessed valuation										
Real Property at 4 cents (10 cents for FY 2001 and prior)	30,586,243	28,220,894	27,195,711	27,543,446	28,579,178	30,191,388	32,447,010	34,381,772	38,829,165	38,380,254
Personal Property at 10 cents	2,578,049	2,571,575	2,561,767	2,719,747	2,792,967	3,010,274	3,244,213	3,098,397	3,217,004	3,332,711
	33,164,292	30,792,469	29,757,478	30,263,193	31,372,145	33,201,662	35,691,223	37,480,169	42,046,169	41,712,965
Revenue available from mandatory park tax over next thirty years - Legal Debt Limit	994,928,760	923,774,070	892,724,340	907,895,790	941,164,350	986,049,860	1,070,736,690	1,124,405,070	1,261,385,070	1,251,388,950
Debt Service Applicable to Limit	66,636,492	54,054,273	83,126,000	72,384,000	90,091,000	79,263,000	113,273,000	147,384,000	135,264,000	121,590,760
Legal Debt Margin	\$ 928,292,268	\$ 869,719,797	\$ 809,598,340	\$ 835,511,790	\$ 851,073,350	\$ 916,786,860	\$ 957,463,690	\$ 977,021,070	\$ 1,126,121,070	\$ 1,129,798,190
Debt Service Applicable to Limit as a Percentage of the Limit	6.70%	5.85%	9.31%	7.97%	9.57%	7.96%	10.58%	13.11%	10.72%	9.72%

Source: Montgomery County and Prince Georges County Governments and The Maryland-National Capital Park and Planning Commission

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

TABLE 14

Demographic Statistics  
Last Ten Fiscal Years

MONTGOMERY COUNTY

Year	Population (1)	Total Personal Income Income 000's omitted (2,3)	Per Capita Income (4)	Labor Force (5)	Unemployment Rate (6)	Registered Pupils (7)
2012	1,005,079	\$ 77,350,599	\$ 76,960	540,810	5.1 %	146,497
2013	1,015,172	74,736,876	73,620	543,134	4.9	148,779
2014	1,024,617	76,751,191	74,907	544,271	4.3	151,298
2015	1,032,814	82,460,250	79,840	547,229	3.8	153,852
2016	1,038,846	87,319,432	84,054	544,649	3.3	156,447
2017	1,046,822	90,014,129	85,988	554,112	3.3	159,010
2018	1,048,478	91,903,198	87,654	556,234	3.1	161,545
2019	1,050,688	94,708,400	90,139	565,463	2.9	162,680
2020	1,062,061	98,000,000	92,273	548,398	6.3	165,267
2021	1,069,320	95,200,000	89,029	537,620	5.9	160,564

PRINCE GEORGE'S COUNTY

Year	Population (8)	Total Personal Income Income 000's omitted (2)	Per Capita Income (2) (4)	Labor Force (9)	Unemployment Rate (6)	Registered Pupils (10)
2012	881,138	\$ 38,481,250	\$ 43,672	469,150	6.8 %	123,833
2013	890,081	38,595,921	43,362	467,318	6.9	123,737
2014	904,430	40,215,913	44,465	469,359	6.2	125,136
2015	909,535	40,806,805	44,866	495,449	4.7	127,576
2016	908,049	41,922,938	46,168	498,002	4.4	128,936
2017	912,756	43,030,211	47,143	513,393	4.7	130,814
2018	909,308	44,938,165	49,420	504,423	4.1	132,322
2019	909,327	46,034,388	50,625	515,140	4.0	132,667
2020	909,612	49,296,368	54,195	503,509	7.9	135,962
2021	n.a.	n. a.	n. a.	n. a.	n.a	n.a.

Notes: n.a. represents information that was unavailable at the time the tables were updated

- (1) Source: Data for 2012-2021 estimated by the Montgomery County, Department of Finance
- (2) Source: Bureau of Economic Analysis, U.S. Department of Commerce (Income data for 2021 is not currently available for Prince George's County)
- (3) Source: Data for 2012-2021 estimated by the Montgomery County, Department of Finance
- (4) Source: Per Capita Income is derived by dividing personal income by population
- (5) Source: Bureau of Labor Statistics, U.S. Department of Labor
- (6) Source: Maryland Department of Labor, Licensing and Regulations. Represents yearly average figures.
- (7) Source: Data for 2012-2021 estimated by the Montgomery County, Department of Finance
- (8) Source: Data for 2012-2020 are estimates derived by the Prince George's County Department of Finance from the U.S. Bureau of the Census. Estimates for 2021 are not available  
Data for 2021 estimates are provided by the U.S. Bureau of the Census, Population Estimates Branch.
- (9) Source: Maryland Department of Labor, Career and Workforce Information, updated June 2021. Prince George's County data for 2020 is an estimate
- (10) Source: www.mdreportcard.org, 2020 for Prince George's County. Estimates for 2021 are not available.

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

TABLE 15

Total Government Employees by Function  
Last Ten Fiscal Years

MONTGOMERY COUNTY

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Governmental Activities</b>										
Commissioners Office	9.50	9.00	9.00	9.50	9.50	9.50	9.50	9.50	9.50	9.50
Department of Human Resources and Management	15.25	13.50	14.00	14.75	15.00	15.00	16.26	16.64	16.64	16.64
Department of Finance	28.80	27.50	24.30	24.30	25.19	25.19	25.19	18.57	19.58	20.02
Inspector General	1.50	1.50	1.50	2.00	2.00	2.00	2.20	2.20	2.20	2.20
Legal Department	12.25	12.25	13.50	13.50	13.50	13.50	13.70	13.00	13.00	13.00
Corporate IT	-	-	-	-	-	-	-	7.90	7.90	8.84
Merit System Board	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25
General Government:	67.55	64.00	62.55	64.30	65.44	65.44	67.10	68.06	69.07	70.45
County Planning and Zoning:										
Office of the Planning Director	6.00	6.00	6.00	4.00	4.00	5.00	6.00	5.89	6.77	6.85
Management Services	22.39	21.60	21.65	15.45	16.75	16.75	16.88	17.60	16.91	9.63
Communications Division	-	-	-	-	-	-	-	-	-	10.00
Functional Planning and Policy	14.50	14.40	15.18	18.40	18.50	19.50	18.47	18.49	18.39	19.35
Area 1	11.49	12.75	11.95	12.00	11.00	9.45	9.35	12.86	11.69	11.15
Area 2	15.49	16.25	16.15	15.50	15.15	15.10	15.79	13.62	15.10	15.48
Area 3	16.19	15.50	15.95	16.20	16.20	15.15	13.82	13.94	14.03	13.11
Development Applications and Regulatory Coordination	12.64	10.85	10.10	9.85	10.70	12.35	11.34	11.23	9.77	9.17
Center for Research and Information Systems	-	-	-	15.90	16.00	16.00	17.04	17.06	17.03	16.20
Information Technology and Innovation	-	-	-	8.00	8.00	8.00	8.00	7.00	7.00	6.00
Research and Special Projects	-	-	-	-	-	-	-	-	-	-
Total County Planning and Zoning	111.30	111.30	111.98	115.30	116.30	117.30	116.69	117.69	116.69	116.94
Park Operations and Maintenance:										
Director of Parks	5.00	6.00	7.80	7.80	10.20	12.70	12.80	13.80	12.30	12.30
Park Information and Customer Service	18.00	18.20	19.10	-	-	-	-	-	-	-
Public Affairs and Community Partnerships	-	-	-	19.60	20.40	22.90	22.70	22.80	27.50	25.60
Management Services	20.60	20.10	20.20	12.00	11.10	12.90	13.90	14.90	19.40	19.30
Information Technology and Innovation	-	-	-	8.10	8.10	8.70	8.60	10.50	11.20	11.30
Park Planning and Stewardship	25.70	24.80	26.60	29.50	38.30	42.70	47.30	47.00	50.80	54.30
Park Development	24.80	23.80	23.80	25.80	25.40	25.10	25.80	26.50	27.00	27.60
Park Police	104.90	109.40	109.40	111.90	111.90	111.60	112.20	112.10	114.30	114.60
Horticultural, Forestry, and Environmental Ed	73.20	79.40	80.60	84.00	88.70	92.40	97.20	99.30	93.50	92.60
Facilities Management (formerly Central Maintenance)	91.10	89.80	89.80	95.20	95.90	98.30	98.60	97.20	101.90	103.50
Northern Region	101.00	100.00	103.20	107.90	115.00	119.00	120.80	122.90	122.00	124.20
Southern Region	153.90	151.20	153.50	154.20	156.40	158.70	162.30	162.50	171.00	169.90
Support Services	1.10	2.90	1.10	2.60	2.60	2.60	3.10	3.10	3.10	3.50
Property Management	2.50	5.00	6.00	7.00	7.00	7.00	7.00	7.00	5.80	5.80
Total Park Operations and Maintenance	621.80	630.60	641.10	665.00	691.00	714.60	732.30	739.60	759.80	764.50
<b>Business-Type Activities</b>										
Recreational and Cultural Facilities	117.20	118.90	116.00	110.30	110.00	119.30	126.70	125.40	120.70	121.80
Total Workyears	917.85	924.80	931.63	954.90	982.74	1,016.64	1,042.79	1,050.75	1,066.26	1,073.69

Source: The Maryland-National Capital Park and Planning Commission Adopted Annual Budget, various years.

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

TABLE 15  
continued

Total Government Employees by Function  
Last Ten Fiscal Years

**PRINCE GEORGE'S COUNTY**

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Governmental Activities</b>										
Commissioners Office	14.00	13.50	13.50	13.50	13.50	13.50	13.50	14.50	14.50	14.50
Department of Human Resources and Management	25.25	23.15	23.65	24.90	24.20	26.15	29.14	29.76	30.26	30.26
Department of Finance	29.80	28.50	31.70	31.70	32.81	32.81	32.81	23.93	24.42	24.98
Inspector General	2.50	2.50	2.50	3.00	3.00	3.00	3.30	3.30	3.30	3.30
Corporate IT	-	-	-	-	-	-	-	10.10	10.10	9.16
Legal Department	9.75	9.75	10.00	10.00	10.00	10.00	10.30	12.00	12.00	12.00
Merit System Board	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25
General Government:	<u>81.55</u>	<u>77.65</u>	<u>81.60</u>	<u>83.35</u>	<u>83.76</u>	<u>85.71</u>	<u>89.30</u>	<u>93.84</u>	<u>94.83</u>	<u>94.45</u>
County Planning and Zoning:										
Director's Office	28.00	28.50	32.50	35.50	27.50	27.50	30.50	30.50	28.50	28.50
Development Review	56.00	53.00	53.00	53.00	55.00	51.00	51.00	54.00	54.00	55.00
Community Planning	42.60	39.60	37.75	33.75	26.63	26.75	25.75	25.75	28.75	28.75
Information Management	28.00	28.00	28.00	27.00	25.00	24.00	24.00	25.00	27.00	29.00
County-Wide Planning	45.00	40.00	40.00	42.00	43.00	41.00	41.00	41.00	44.00	45.00
Total County Planning and Zoning	<u>199.60</u>	<u>189.10</u>	<u>191.25</u>	<u>191.25</u>	<u>177.13</u>	<u>170.25</u>	<u>172.25</u>	<u>176.25</u>	<u>182.25</u>	<u>186.25</u>
Park Operations and Maintenance:										
Office of the Director	3.00	3.00	3.00	13.00	19.00	19.00	14.00	9.00	12.00	12.22
Administrative Services	15.50	38.50	38.50	39.50	52.00	52.00	62.50	74.10	83.10	84.77
Administration and Development	2.00	6.00	6.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Public Affairs and Marketing	14.00	14.00	14.00	-	-	-	-	-	-	-
IT & Communications	29.20	28.20	30.20	32.20	31.20	31.20	33.90	33.90	32.90	33.38
Park Police	146.50	146.50	150.50	150.50	155.50	155.50	156.50	161.00	166.50	170.35
Park Planning and Development	56.50	55.00	55.00	55.00	55.00	55.00	60.60	58.15	60.20	62.80
Facility Operations	291.90	285.60	293.10	310.60	315.10	317.60	347.50	333.38	341.50	375.29
Area Operations	241.50	247.50	255.50	262.50	263.00	264.15	270.45	283.90	286.70	287.30
Total Park Operations and Maintenance	<u>800.10</u>	<u>824.30</u>	<u>845.80</u>	<u>865.30</u>	<u>892.80</u>	<u>896.45</u>	<u>947.45</u>	<u>955.43</u>	<u>984.90</u>	<u>1,028.11</u>
Recreation Programs:										
Administrative Services	18.00	-	-	-	-	-	-	-	-	-
Public Affairs and Marketing	2.00	2.00	3.00	-	-	-	-	-	-	-
Administration and Development	3.00	-	-	-	-	-	-	-	-	-
Facility Operations	179.40	212.40	215.40	222.40	250.90	254.90	270.30	299.75	345.16	458.07
Area Operations	723.70	689.20	713.20	722.20	792.20	783.73	908.83	911.57	925.20	908.20
Total Recreation Programs	<u>926.10</u>	<u>903.60</u>	<u>931.60</u>	<u>944.60</u>	<u>1,043.10</u>	<u>1,038.63</u>	<u>1,179.13</u>	<u>1,211.32</u>	<u>1,270.36</u>	<u>1,366.27</u>
<b>Business-Type Activities</b>										
Recreational and Cultural Facilities	193.00	188.00	180.00	181.00	202.00	202.00	203.00	199.00	206.10	258.60
Total Workyears	<u>2,200.35</u>	<u>2,182.65</u>	<u>2,230.25</u>	<u>2,265.50</u>	<u>2,398.79</u>	<u>2,393.04</u>	<u>2,591.13</u>	<u>2,635.84</u>	<u>2,738.44</u>	<u>2,933.68</u>

Source: The Maryland-National Capital Park and Planning Commission Adopted Annual Budget, various years.



THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

TABLE 16

Operating Indicators by Function  
Last Ten Fiscal Years

MONTGOMERY COUNTY

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Governmental Activities</b>										
General Government, Commission-Wide:										
Number of Positions Advertised	147	109	109	285	442	472	461	527	621	476
Number of Vendors in Directory	15,926	10,226	4,509	5,470	6,284	7,036	7,691	8,568	8,976	9,226
Number of MFD Vendors in Directory	4,547	4,957	205	421	577	717	1,353	1,765	1,861	1,878
<b>County Planning and Zoning:</b>										
Number of Master & Sectional Map Amendment Plans Completed	3	2	8	4	4	3	6	2	3	4
Number of Regulatory Planning Reviews	352	284	294	234	256	215	226	209	223	185
Number of Transportation Studies	47	40	23	24	21	25	19	16	9	13
Number of Site Plan and Project Plans Reviews	81	99	85	90	72	60	112	86	96	93
Number of Daily Website Visits	3,225	5,521	4,181	5,242	5,455	5,104	5,588	5,783	6,448	7,030
Number of GIS Updates	69,237	22,017	93,116	28,899	126,197	n/a	n/a	875,035	131,465	128,322
Number of Regulatory Project Views on DAIC	n/a	n/a	n/a	n/a	272,999	317,858	611,177	730,559	808,332	819,243
Number of Users Accessing GIS licenses	n/a	n/a	n/a	n/a	179	179	177	181	187	187
<b>Park Operations and Maintenance:</b>										
Number of Playground Renovations Completed	8	7	5	5	5	6	5	5	4	3
Total Acres of Parkland Acquired	355	75	665	432	314	91	82	33	13	84
Trees Planted for Reforestation Projects	6,300	34,942	2,076	414	646	912	1,351	766	1,039	832
Major Maintenance Requests Completed	98	94	87	90	117	119	120	120	104	99
Service Requests Completed	6,453	6,801	6,583	9,117	8,491	10,208	10,233	12,875	9,887	5,473
Number of Customers Attending Nature Programs	27,274	32,183	39,157	40,985	41,226	41,045	46,891	51,616	34,700	7,467
<b>Business-Type Activities</b>										
Recreational and Cultural Facilities:										
Number of Ice Rink Customers	402,438	432,154	375,912	520,388	532,732	604,889	638,599	647,497	358,242	194,659
Number of Indoor Tennis Customers	106,435	110,826	124,713	117,283	115,777	119,537	122,535	136,280	103,744	67,373
Number of Park Facilities Customers	626,243	519,704	333,689	404,885	662,538	652,642	727,542	658,346	412,421	395,542
Number of Conference Center Customers	40,943	50,509	47,347	58,373	54,376	49,350	43,599	47,567	34,177	4,414

Source: The Maryland-National Capital Park and Planning Commission Proposed Annual Budget, various years.  
n/a - not available.

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

TABLE 16  
continued

Operating Indicators by Function  
Last Ten Fiscal Years

PRINCE GEORGE'S COUNTY

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Governmental Activities</b>										
County Planning and Zoning:										
Number of New Applications for Preliminary Plans	120	120	169	157	134	350	375	26	60	32
Number of New Zoning Applications	61	60	34	48	51	50	50	39	54	42
Number of Help Desk Requests Completed	4,332	4,000	2,769	3,200	3,267	3,300	3,300	3,050	3,100	3,200
Number of GIS Requests Delivered	200	210	201	150	50	105	50	110	50	229
Number of Historic Area Work Permits	n/a	n/a	n/a	n/a	95	85	85	85	100	110
Number of Transportation Referrals Received	113	128	126	141	142	182	170	324	350	378
Number of Environmental Referrals Received	342	350	424	392	362	382	382	819	875	900
Number of Walk-in Customers Served	4,580	5,000	4,812	5,059	4,728	4,900	5,000	4,562	4,950	4,900
Number of Telephone Calls Responded to	4,562	5,000	4,919	4,489	5,041	5,500	5,750	8,034	6,800	9,600
<b>Park Operations and Maintenance:</b>										
Number of Park acres	27,628	27,000	27,625	27,125	27,150	28,125	28,500	28,400	28,600	31,000
Number of completed Capital Improvement projects	30	45	28	12	37	24	29	15	19	31
Number of picnic shelters rentals	929	599	590	610	635	660	670	730	750	750
Number of ADA Accommodations	2,800	2,633	3,056	3,100	3,150	3,250	3,300	3,300	3,600	n/a
Number of Community Sponsored Events	322	452	447	463	539	511	530	547	555	n/a
Number of Community Outreach events	322	330	330	240	300	162	165	270	280	n/a
<b>Recreation Programs:</b>										
Number of permits for Recreation building use	n/a	630	640	655	660	690	690	990	1,000	1,000
Total Parks Direct Accounts	n/a	294,414	323,727	335,345	350,000	355,000	355,000	150,000	160,000	175,000
Number of youth volunteer hours served	425	461	425	435	25,000	25,000	20,000	25,000	30,000	27,000
Number of Art class registrants	7,000	2,576	2,967	2,950	2,800	2,600	2,500	2,600	1,000	1,050
Number of Therapeutic Recreation programs	405	453	460	465	464	465	465	475	485	515
<b>Business-Type Activities</b>										
Recreational and Cultural Facilities										
Number of Rounds of Golf	n/a	78,006	74,923	76,848	75,000	78,000	76,000	76,000	65,000	67,000
Number of Fitness center memberships	5,600	12,654	6,875	12,930	14,000	15,000	15,500	18,500	22,000	n/a
Number of swimming class participants	17,806	12,017	12,619	14,659	13,000	9,500	10,000	11,000	14,000	15,000
Number of Instructional tennis class participants	n/a	2,625	2,950	2,758	2,850	n/a	n/a	2,400	2,500	2,700
Number of event days at Show Place Arena	208	332	291	299	300	n/a	n/a	n/a	n/a	n/a

Source: The Maryland-National Capital Park and Planning Commission Proposed Annual Budget, various years . FY21 estimated data.  
n/a - not available

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

TABLE 17

Capital Asset Statistics by Function  
Last Ten Fiscal Years

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<u>COMMISSION-WIDE</u>										
<b>Governmental Activities</b>										
General Government:										
Office Building	1	1	1	1	1	1	1	1	1	1
<u>MONTGOMERY COUNTY</u>										
<b>Governmental Activities</b>										
County Planning and Zoning:										
Office Building	1	1	1	1	1	1	1	1	1	1
Park Operations and Maintenance:										
Athletic Fields	347	350	350	350	367	354	343	342	366	363
Basketball Courts	207	207	207	207	214	216	221	225	225	228
Campsites	108	107	107	107	102	102	102	102	102	102
Dog Parks	5	5	5	5	6	6	6	6	6	7
Historic Buildings	43	117	117	117	117	117	117	111	111	114
Office Building	13	13	13	13	13	13	13	13	13	12
Picnic Shelters	129	130	130	130	134	135	136	136	131	136
Playgrounds	290	291	291	291	285	284	290	273	276	276
Recreation Buildings	29	25	25	25	28	28	28	28	28	28
Rental Buildings	49	53	53	53	52	52	52	59	61	61
Skateboard Park	2	3	3	3	3	3	3	3	3	3
Tennis Courts	317	315	315	315	304	302	302	304	301	299
<b>Business-Type Activities</b>										
Recreational and Cultural Facilities:										
Antique Carousel	1	1	1	1	1	1	1	1	1	1
Conference Centers	5	5	5	5	5	5	5	5	5	5
Equestrian Centers	6	6	6	6	6	6	6	6	6	6
Ice Rinks	2	2	2	2	2	2	2	2	2	2
Indoor Tennis Facilities	2	2	2	2	2	2	3	3	3	3
Miniature Trains	2	2	2	2	2	2	2	2	2	2
Miniature Golf Course	1	1	1	1	1	1	1	1	1	1
Splash Park	1	1	1	1	1	1	1	1	1	1
<u>PRINCE GEORGE'S COUNTY</u>										
<b>Governmental Activities</b>										
Park Operations and Maintenance:										
Athletic Fields	390	392	392	392	392	392	392	392	392	392
Basketball Courts	214	215	215	218	219	219	219	219	219	219
Marina	-	-	-	-	-	-	-	1	1	1
Office Building	14	14	14	14	14	14	14	14	14	14
Parking Lots	4	4	4	4	5	6	6	6	6	6
Pedestrian Bridges	2	2	2	3	3	3	3	6	6	6
Picnic Shelters	88	88	88	91	92	94	94	94	94	94
Playgrounds	229	240	240	252	254	254	254	260	260	260
Recreation Buildings	28	34	34	34	34	35	38	38	38	38
Tennis Courts	163	163	163	164	165	165	165	165	165	165
Trails and Pathways	4	4	4	4	4	4	4	5	5	5
Recreation Programs:										
Community Centers	31	31	31	31	36	36	36	36	36	36
Historic Buildings	15	15	15	15	16	16	16	16	16	16
Swimming Pools	11	11	11	11	13	16	17	17	17	17
<b>Business-Type Activities</b>										
Recreational and Cultural Facilities:										
Airport	1	1	1	1	1	1	1	1	1	1
Equestrian Center	1	1	1	1	1	1	1	1	1	1
Golf Courses	3	3	3	3	4	4	4	4	4	4
Ice Rinks	2	2	2	2	2	2	2	2	2	2
Marina	1	1	1	1	1	1	1	-	-	-
Sports and Learning Complex	1	1	1	1	1	1	1	1	1	1
Tennis Bubbles	2	2	2	2	2	2	2	2	2	2
Trap and Skeet Range	2	2	2	2	2	2	2	2	2	2

Source: The Maryland-National Capital Park and Planning Commission, Finance Department.

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

TABLE 18

Principal Employers

Current Fiscal Year and Nine Years Ago

MONTGOMERY COUNTY

Employer	2021			2012		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
U.S. Department of Health and Human Services	25,000 - 30,000	1	6.24 %	25,000 - 30,000	1	5.85 %
Montgomery County Public Schools	25,000 - 30,000	2	5.11	20,000 - 25,000	2	4.79
Montgomery County Government	10,000 - 15,000	3	2.84	5,000 - 10,000	4	1.60
U.S. Department of Defense	5,000 - 10,000	4	1.70	10,000 - 15,000	3	2.66
Adventist Healthcare	5,000 - 10,000	5	1.70	5,000 - 10,000	6	1.60
Holy Cross Hospital of Silver Spring	2,500 - 5,000	6	0.85	*		-
Marriott International Admin Svcs, Inc.	2,500 - 5,000	7	0.85	5,000 - 10,000	7	1.60
Montgomery Community College	2,500 - 5,000	8	0.85	2,500 - 5,000	10	0.80
Government Employees Insurance Co.	2,500 - 5,000	9	0.85	*		-
U.S. Department of Commerce	2,500 - 5,000	10	0.85	5,000 - 10,000	5	1.60
Lockheed Martin Corporation	**		-	5,000 - 10,000	8	1.60
Giant Food Corporation	**		-	*		-
Verizon	**		-	2,500 - 5,000	9	0.80
Total			<u>21.84 %</u>			<u>22.90 %</u>

PRINCE GEORGE'S COUNTY

Employer	2020 (1)			2011		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Joint Base Andrews Naval Air Facility Washington*	18,000	1	3.57 %	**		- %
University System of Maryland (2)	13,000	2	2.58	**		-
NASA/Goddard Space Flight Center *	12,200	3	2.42	**		-
University of Maryland Capital Region Health	4,800	4	0.95	**		-
U.S. Internal Revenue Service *	4,500	5	0.89	**		-
United States Census Bureau *	4,285	6	0.85	**		-
United Parcel Service	3,300	7	0.66	4,220	1	0.90
National Maritime Intelligence-Integration Office**	3,000	8	0.60	**		-
MGM National Harbor	2,400	9	0.48	**		-
Prince George's Community College	1,800	10	0.36	**		-
Giant Food, Inc.	**		-	3,600	2	0.77
Verizon	**		-	2,738	3	0.58
Dimensions Health Corporation	**		-	2,500	4	0.53
Gaylord National Resort and Convention Center	**		-	2,000	5	0.43
Shoppers Food Warehouse	**		-	1,975	6	0.42
Safeway Stores, Inc.	**		-	1,605	7	0.34
Chevy Chase Bank	**		-	1,456	8	0.31
Target	**		-	1,400	9	0.30
Doctor's Community Hospital	**		-	1,300	10	0.28
Total	<u>67,285</u>		<u>13.36 %</u>	<u>22,794</u>		<u>4.85 %</u>

Note:

- (1) In 2021, Information is not yet available.
- (2) Includes UMPC, UMUC and Bowie State University
- (\*) Employee counts for federal and military facilities exclude contractors.
- (\*\*) Employer is not one of the ten largest employers during the year noted.

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

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

SUPPLEMENTAL ENTERPRISE INFORMATION

Condensed Schedule of Revenues and Expenses  
For the Fiscal Year Ended June 30, 2021

MONTGOMERY COUNTY

	Recreational Facilities							Sub-total	Wheaton HQ	Total
	Ice Rinks	Golf Courses	Park Facilities	Indoor Tennis	Conference Centers	MC Erit Admin				
Operating Revenues	\$ 2,592,976	\$ 79,422	\$ 2,725,503	\$ 1,258,774	\$ 194,277	\$ 2,942	\$ 6,853,894	\$ 1,324,722	\$ 8,178,616	
Operating Expenses Before Depreciation	3,203,104	(5,951)	2,654,898	1,232,708	347,022	(7,422)	7,424,359	1,324,208	8,748,567	
Operating Income (Loss) Before Depreciation	(610,128)	85,373	70,605	26,066	(152,745)	10,364	(570,465)	514	(569,951)	
Depreciation	209,474	113,787	101,250	48,898	6,468	7,422	487,299	2,227,124	2,714,423	
Operating Income (Loss)	(819,602)	(28,414)	(30,645)	(22,832)	(159,213)	2,942	(1,057,764)	(2,226,610)	(3,284,374)	
Nonoperating Revenues (Expenses)	8,000	-	24,294	6,039	173	-	38,506	143	38,649	
Transfers In (Out)	-	-	-	-	-	-	-	-	-	
Net Income (Loss)	<u>\$ (811,602)</u>	<u>\$ (28,414)</u>	<u>\$ (6,351)</u>	<u>\$ (16,793)</u>	<u>\$ (159,040)</u>	<u>\$ 2,942</u>	<u>\$ (1,019,258)</u>	<u>\$ (2,226,467)</u>	<u>\$ (3,245,725)</u>	

PRINCE GEORGE'S COUNTY

Recreational Facilities

	Recreational Facilities							Sports and Learning Complex	Bladensburg Marina	Total
	Airport	Equestrian Center/ Multipurpose Arena	Golf Courses	Ice Rinks	Regional Parks	Trap and Skeet Center				
Operating Revenues	\$ 259,958	\$ 123,289	\$ 2,286,524	\$ 32,343	\$ 229,816	\$ 654,480	\$ 752,098	\$ -	\$ 4,338,508	
Operating Expenses Before Depreciation	716,197	2,067,991	2,942,907	543,766	1,133,892	808,148	4,802,742	-	13,015,643	
Operating Income (Loss) Before Depreciation	(456,239)	(1,944,702)	(656,383)	(511,423)	(904,076)	(153,668)	(4,050,644)	-	(8,677,135)	
Depreciation	13,422	486,076	171,405	85,269	18,928	25,563	1,044,746	-	1,845,409	
Operating Income (Loss)	(469,661)	(2,430,778)	(827,788)	(596,692)	(923,004)	(179,231)	(5,095,390)	-	(10,522,544)	
Nonoperating Revenues (Expenses)	450	3,558	3,376	2,345	853	220	-	1,390	12,192	
Transfers In (Out)	257,260	1,928,010	924,262	964,961	2,181,279	(20,753)	6,165,073	1,000,000	13,400,092	
Net Income (Loss)	<u>\$ (211,951)</u>	<u>\$ (499,210)</u>	<u>\$ 99,850</u>	<u>\$ 370,614</u>	<u>\$ 1,259,128</u>	<u>\$ (199,764)</u>	<u>\$ 1,069,683</u>	<u>\$ 1,001,390</u>	<u>\$ 2,889,740</u>	

Source: The Maryland-National Capital Park and Planning Commission, Finance Department.

## ACKNOWLEDGMENTS

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

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TaPrece Williams

## **Photo Index**

### **Cover: 2021 Prince George's County**

The new Tucker Road Ice Rink has an NHL-size rink, a dance room for stretching, a heated seating area, a cafe and a lounge featuring a fireplace. The Prince George's County community helped design the rink.

### **Page 8: Collage**

Kids having fun on a playground jungle gym; Seniors playing pickleball; kids participating in bubble ball camp; Prince George's County Motorcycle Park Police in front of Newton-White Manson; kids participating in field sports camp; families and friends enjoying movie night in the park; Yoga in the park at Brookside Gardens, and kids showing off the results of tie dye shirts.

### **Photo Credits:**

KahlilD Gill - Prince George's County Cover, pages - 8, 19, 111, and 119.

Marilyn Stone, Marilyn Sklar, Ocho De Bastos, Art Pittman, John Yanson - Montgomery County Department of Parks: pages - 1, 8, 107, 115, and 122.

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The Maryland-National Capital  
Park and Planning Commission



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-