

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

Department of Parks, Montgomery County, Maryland
10611 New Hampshire Ave., Silver Spring, Maryland 20903



MCPB Date: 11/19/2009
Agenda Item # 6

DATE: November 13, 2009
TO: Montgomery County Parks Commission
VIA: Mary R. Bradford, Director of Parks
FROM: Gene Giddens, Acting Deputy Director
Christine Brett, Chief, Enterprise Division *C. Brett*
SUBJECT: Enterprise Fund - 8 Month Projections for FY10 Budget

Summary

The FY10 Enterprise Fund projections show a gain of \$270,300 as compared to a budgeted loss of (\$270,300). This positive swing of \$540,600 is due in largely to lower expenditures which are projected to be \$1,122,000 lower than the FY10 budget. At the same time, the FY10 revenues are projected to be \$481,000 less than the budgeted revenue.

The FY10 projected revenues decreased due to a delayed opening of the Wheaton Tennis Facility. The facility is showing financial gains in class revenue and contract play over 2007, the last year the facility was open. However, the seasonal clientele is less than 2007. The FY10 projected expenditures have decreased due to frozen positions, reduced repair costs, and lower than budgeted utility costs.

Ice Rinks

The Ice Rinks FY10 projected revenues are \$3,964,000, which is \$247,000 less than the budgeted \$4,211,200. This is due to the Wheaton Ice Arena's continued struggles to find a client base. The projections do show that the revenues are \$64,000 higher for the first four months of FY10 versus the first four months of FY09. This is due to Cabin John Ice Rink hosting 2 championship competitions during the fall.

Tennis

The Tennis facilities FY10 budgeted revenue of \$1,792,000 is \$127,000 more than the projected amount of \$1,664,500. The reduction is due to the decrease of seasonal clientele at Wheaton Tennis as this facility is trying to rebuild its clientele. On the positive side, Wheaton had a successful summer camp and class program; including working with the Montgomery County Tennis Association for League Play tennis programs. During the winter season, Wheaton Tennis Facility will host a number of MCTA leagues, including the Super Seniors on Wednesdays. The first 4 months of FY10 compared to the same base period of FY09, shows a significant increase of approximately \$180,000.

Event Centers

For the first four months of both FY09 and FY10, the Event Centers posted revenues of \$152,000. However, the annual revenue projection for FY10 is \$415,000 compared to \$333,000 for FY09. This is attributable to increased marketing and a new fee structure. During the last quarter of FY09, a Marketing Specialist was hired to evaluate the current fee structure and update the appearance to the facilities, primarily Rockwood Manor. As a result, the seasonal/non-seasonal fee base was revamped to allow flexibility for the customer. In addition, the number of programs offered has been increased to provide a service to the public, and to showcase the facility to prospective clients. For FY09, there were 225 registrants for programs. In the first four months of FY10, there have been 239 registrants with the most popular activity being the Princess Gala. The latest program was the "Not So Big" Wedding, with over 50 vendors showing casing to 500 attendees, and resulting in 6 bookings on the day of the event.

Park Facilities

In FY10, the Park Facilities are projected to generate a profit of \$621,800 which is \$27,600 higher than the FY10 budget. The park amenities continue to enhance our patrons' experience.

**Montgomery County Department of Parks - Enterprise Fund
Comparison - Four Month Year to Date Actuals FY09 vs FY10**

Enterprise Fund Summary	FY 09 Actuals 10/31/08	FY10 Actuals 10/31/2009	Variance	%Δ	Explanation
Total Revenue	2,705,940	3,193,686	487,746	18%	Tennis center operating
Total Expenditures	2,013,602	2,067,626	54,024	3%	Lapsed positions
Net Increase/ (Decrease)in Cash	692,338	1,126,060	433,722		

Revenue	FY09 Actuals 10/31/2008	FY10 Actuals 10/31/2009	Variance	%Δ	Explanation: Increase/Decrease Revenue due to:
Ice Rinks	1,040,499	1,104,959	64,460	6%	• Hosting Potomac Open Competition • Hosting South Atlantics Competition • Expanded Summer Camp Offerings
Indoor Tennis	225,029	404,942	179,913	80%	• Re-opening of Wheaton Indoor Tennis
Event Centers	152,775	151,367	(1,408)	-1%	• Maintaining Revenues in difficult economic times
Park Facilities	1,260,848	1,364,401	103,553	8%	• Extended Wheaton Train hours • Nice weekend weather contributed to more boating opportunities
Golf Courses	26,789	168,017	141,228	527%	• Revenue from Montgomery Co. (\$150,000) to cover Sligo Creek Golf Course, Concession \$18,000
Total Revenue	2,705,940	3,193,686	487,746	18%	

EXPENDITURES	FY09 Actuals 10/31/2008	FY10 Actuals 10/31/2009	Variance	%Δ	Explanation Increase/Decrease Expenditures due to:
Ice Rinks	859,934	911,974	52,040	6%	• Repaired Boiler at Cabin John Ice
Indoor Tennis	223,360	256,178	32,818	15%	• Re-evaluated staff hours and cut intermittent salary costs
Event Centers	156,754	136,564	(20,190)	-13%	• Decreased personnel costs
Park Facilities	765,164	612,910	(152,254)	-20%	• Paid off debt from purchase of train engine • Closely monitored staff hours • No large purchases were needed
Golf Courses	8,390	150,000	141,610	1688%	• Expenditure of \$150,000 on Sligo Golf
Total Expenditures	2,013,602	2,067,626	54,024	3%	

Montgomery County Department of Parks Four Month Actuals FY10

Revenue	FY09 Actuals 10/31/2009	FY10 Actuals 10/31/2009	Variance	%Δ	Explanation: Increase/Decrease Revenue due to:
Ice Rinks	1,040,499	1,104,959	64,460	6	• Hosting Potomac Open Competition • Hosting South Atlantics Competition • Expanded Summer Camp Offerings
Indoor Tennis	225,029	404,942	179,913	80	• Re-opening of Wheaton Indoor Tennis
Event Centers	152,775	151,367	(1,408)	(1)	• Maintaining Revenues in difficult economic times
Park Facilities	1,260,848	1,364,401	103,553	8	• Extended Wheaton Train hours • Nice weekend weather contributed to more boating opportunities
Golf Courses	26,789	168,017	141,228	527	
Total Revenue	1,485,877	3,025,669	1,539,792	104	

EXPENDITURES		FY09 Actuals 10/31/2008	FY10 Actuals 10/31/2009	Variance	%Δ	Explanation
Increase/Decrease expenditures due to:						
Ice Rinks		858,934	911,974	53,040	6	• Repaired Boiler at Cabin John Ice
Admin Services			235,861			
Debt Service						
Total		858,934	1,147,835	288,901	34	
Indoor Tennis		223,360	256,178	32,818	15	• Re-evaluated staff hours and cut intermittent salary costs
Admin Services			100,386			
Total		223,360	356,564	133,204	60	
Event Centers		136,564	156,754	20,190	15	• Decreased personnel costs
Admin Services			26,188			
Total		136,564	182,942	46,378	34	
Park Facilities		765,164	612,910	(152,254)	(20)	• Paid off debt from purchase of train engine
Admin Services			174,812			• Closely monitored staff hours
Total		765,164	787,722	22,558	3	• No large purchases were needed
Golf Courses		8,390	0	(8,390)	(100)	• Administrative allocations and chargebacks reduced
Debt Service						
Admin Services			179,589			
Total		8,390	179,589	171,199	2,041	

Total Expenditures 1,992,412 2,654,652 662,240 33

FY09 Actuals		FY10 Actuals		Explanation	
10/31/2008		10/31/2009		Variance	%Δ Increase/Decrease expenditures due to:
Admin Services					
Revenue	0	1,946	1,946	#DIV/0!	
Expenditures	(563,799)	(597,253)			
Admin Services		566,836			
Total	(563,799)	(28,471)	535,328	(95)	
Indoor Tennis	0	(100,386)	(100,386)	#DIV/0!	
Event Centers	0	(26,188)	(26,188)	#DIV/0!	
Park Facilities	0	(174,812)	(174,812)	#DIV/0!	
Golf Courses	0	(179,589)	(179,589)	#DIV/0!	
Total	0	(179,589)	(179,589)	#DIV/0!	

Total Revenue

GOLF COURSES

ICE RINKS

TENNIS FACILITIES

EVENT CENTERS

Note: This report includes principal payments and capital outlay and does not include depreciation expense.

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION
MONTGOMERY COUNTY ENTERPRISE FUNDS
BUDGET BASIS FINANCIAL REPORT FOR THE FORTH MONTHS ENDED OCTOBER 31, 2009
AND ESTIMATIONS TO JUNE 30, 2010

	Actual		Projections	Variance	Actual		Actual	Actual
	Budget	10/31/09			10/31/08	06/30/09		
PARK FACILITIES								
Revenues	\$ 3,120,300	\$ 1,364,401	2,915,977	\$ (204,323)	\$ 1,260,848	\$ 2,794,246		
Expenditures	(2,079,300)	(612,910)	(1,911,700)	167,600	(765,164)	(1,839,974)		
Administrative Services	(479,300)	(174,812)	(404,900)	74,400	-	(372,596)		
Operating Income (Loss)	561,700	576,679	599,377	37,677	495,684	581,676		
Debt Service Payments	-	-	-	-	-	(103,960)		
Other Non-Operating Revenues (Expenses)	22,500	4,885	22,400	(100)	8,915	-		
Operating Transfers In (out)	-	-	-	-	-	-		
Net Income (Loss)	\$ 584,200	\$ 581,564	\$ 621,777	\$ 37,577	\$ 504,599	\$ 477,716		
ENTERPRISE ADMIN								
Revenues	\$ -	\$ 1,946	\$ -	\$ -	\$ 641	\$ -		
Expenditures	(1,554,100)	(597,253)	(1,313,700)	240,400	(563,799)	(1,247,391)		
Administrative Services	1,554,100	566,836	1,313,700	(240,400)	-	1,247,391		
Operating Income (Loss)	-	(28,471)	-	-	(563,158)	-		
Debt Service Payments	-	-	-	-	-	(14,406)		
Other Non-Operating Revenues (Expenses)	-	-	-	-	-	-		
Operating Transfers In (out)	-	-	-	-	-	-		
Net Income (Loss)	\$ -	\$ (28,471)	\$ -	\$ -	\$ (563,158)	\$ (14,406)		
TOTAL - ENTERPRISE								
Revenues	\$ 10,119,500	\$ 3,195,632	\$ 9,638,477	\$ (481,023)	\$ 2,706,581	\$ 8,543,849		
Expenditures	(9,176,500)	(2,664,879)	(8,054,776)	1,121,724	(2,577,401)	(8,020,046)		
Administrative Services	-	-	-	-	-	(1)		
Operating Income (Loss)	943,000	530,753	1,583,701	640,701	129,180	523,802		
Debt Service Payments	(1,298,300)	-	(1,298,300)	-	-	(1,363,936)		
Other Non-Operating Revenues (Expenses)	50,000	9,155	49,900	(100)	17,250	24,196		
Operating Transfers In (out)	35,000	35,000	(65,000)	(100,000)	619,000	619,000		
Net Income (Loss)	\$ (270,300)	\$ 574,908	\$ 270,301	\$ 540,601	\$ 765,430	\$ (196,938)		

Note: This report includes principal payments and capital outlay and does not include depreciation expense.