

D30N00
Maryland Food Center Authority

Operating Budget Data

(\$ in Thousands)

	<u>FY 17</u> <u>Actual</u>	<u>FY 18</u> <u>Working</u>	<u>FY 19</u> <u>Allowance</u>	<u>FY 18-19</u> <u>Change</u>	<u>% Change</u> <u>Prior Year</u>
Nonbudgeted Fund	\$3,844	\$3,905	\$3,737	-\$167	-4.3%

- The fiscal 2019 operating expenses of the Maryland Food Center Authority (MFCA) decrease by \$167,431, or 4.3%, compared to fiscal 2018.
- Major changes result primarily from the anticipation of fewer vacant units and changes in billing to tenants for water/sewer. MFCA pays the proportionate share of certain expenses typically billed to tenants for vacant units. Fewer vacant units reduces the share that MFCA must pay for those expenses.
- The projected operating revenue in fiscal 2019 for MFCA increases by \$333,507, or 7%, compared to fiscal 2018. The increases result primarily from annual inflationary increases for rent and an increase in the number of filled units at the site of the Maryland Market Center Site A. MFCA also anticipates an increase in entrance fees due to a new truck wash facility.

Personnel Data

	<u>FY 17</u> <u>Actual</u>	<u>FY 18</u> <u>Working</u>	<u>FY 19</u> <u>Allowance</u>	<u>FY 18-19</u> <u>Change</u>
Regular Positions	33.00	23.00	23.00	0.00
Contractual FTEs	<u>1.20</u>	<u>1.20</u>	<u>1.20</u>	<u>0.00</u>
Total Personnel	34.20	24.20	24.20	0.00

- There are no changes in the number of regular positions in MFCA in fiscal 2019. However, MFCA has altered its position count to better reflect the number of filled positions. MFCA reports that 10 of its 33 authorized positions are vacant, a vacancy rate of 30.3%. As a result, the position count reflects 23 positions rather than 33.
- MFCA has no changes in the number of contractual full-time equivalents.

Note: Numbers may not sum to total due to rounding.

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Analysis in Brief

Major Trends

MFCA Responds to Tenant Needs: MFCA annually conducts a survey of tenant needs. In fiscal 2017, MFCA received 30 survey responses and had only 1 unsatisfactory response. MFCA reports that it works with tenants on issues and concerns and addresses them to the extent feasible.

Landfill Avoidance: MFCA has sought to reduce the amount of waste generated at the markets that is entering into landfills for several years. However, it has had difficulties diverting the waste as planned. MFCA anticipates beginning to divert waste soon due to the availability of an anaerobic digester on MFCA-owned land. MFCA's Board of Directors has approved a ground lease to a company who has plans to build the anaerobic digester. The lease must still be approved by the Board of Public Works before it can be finalized. When constructed, MFCA will be able to divert waste from landfills to the facility.

Issues

Maryland Market Center Redevelopment: For several years, MFCA has considered the possibility of a redevelopment project referred to as the Maryland Market Center. Agency capital funding first began in fiscal 2015 for site work. In calendar 2017, MFCA released a feasibility study for the project. The first phase of the project will be a renovation project of the Wholesale Seafood Market now known as the Maryland Market Center Site A. Following completion of the initial renovation project, MFCA plans to expand the building. MFCA has budgeted \$4.5 million in fiscal 2018 for the renovation of vacant units and \$1 million in fiscal 2019 for the project.

Operating Budget Recommended Actions

1. Nonbudgeted.

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Maryland Food Center Authority

Operating Budget Analysis

Program Description

The Maryland Food Center Authority (MFCA) is a nonbudgeted agency, located at the Maryland Food Center in Jessup, Maryland. MFCA has a mission of enhancing and providing economic growth opportunities for Maryland’s agricultural, seafood, and food-related industries. MFCA acts as a landlord to the tenants of the Maryland Wholesale Produce Market and the Maryland Wholesale Seafood Market, now known as the Maryland Market Center Site A and B. MFCA also leases land to other tenants that operate in the Maryland Food Center, such as a truck parking lot and a distribution company. Tenants of the Wholesale Produce Market and the Maryland Market Center lease offices, storage, and dock facilities from MFCA. MFCA also owns the Rock Hall Clam House in Kent County.

The key goals of MFCA are to:

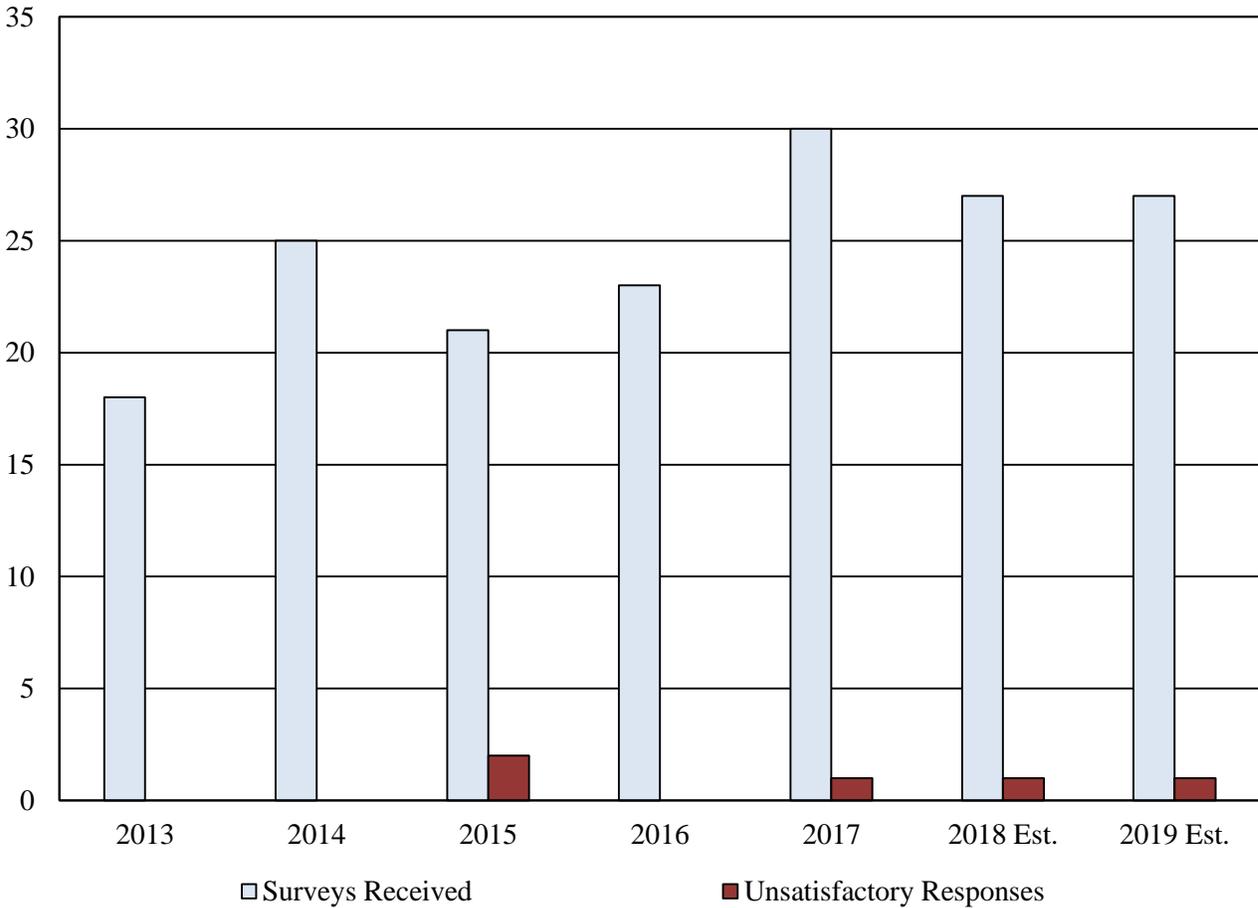
- maintain safe, sanitary, and efficient facilities; and
- maintain open communication with customers.

Performance Analysis: Managing for Results

1. MFCA Responds to Tenant Needs

MFCA operates as a landlord to the tenants occupying the space previously known as the Wholesale Seafood Market and the Wholesale Produce Market, now known as the Maryland Market Center Sites A and B. As a result, some measure of the success of MFCA is necessarily related to its ability to maintain good relations with, and respond to the needs of, tenants. MFCA conducts tenant surveys, which provides an opportunity to receive feedback on the agency’s performance. As shown in **Exhibit 1**, in fiscal 2017, MFCA received 30 survey responses, the highest number in recent years. MFCA received one unsatisfactory response among the 30 survey responses received. MFCA works with tenants on issues and concerns and addresses them to the extent feasible. However, at times, addressing a tenant’s particular concern is not always economically feasible and/or would cause dissatisfaction among other tenants, limiting MFCA’s ability to fully address all concerns of tenants.

Exhibit 1
MFCA Tenant Survey Responses
Fiscal 2013-2019 Est.

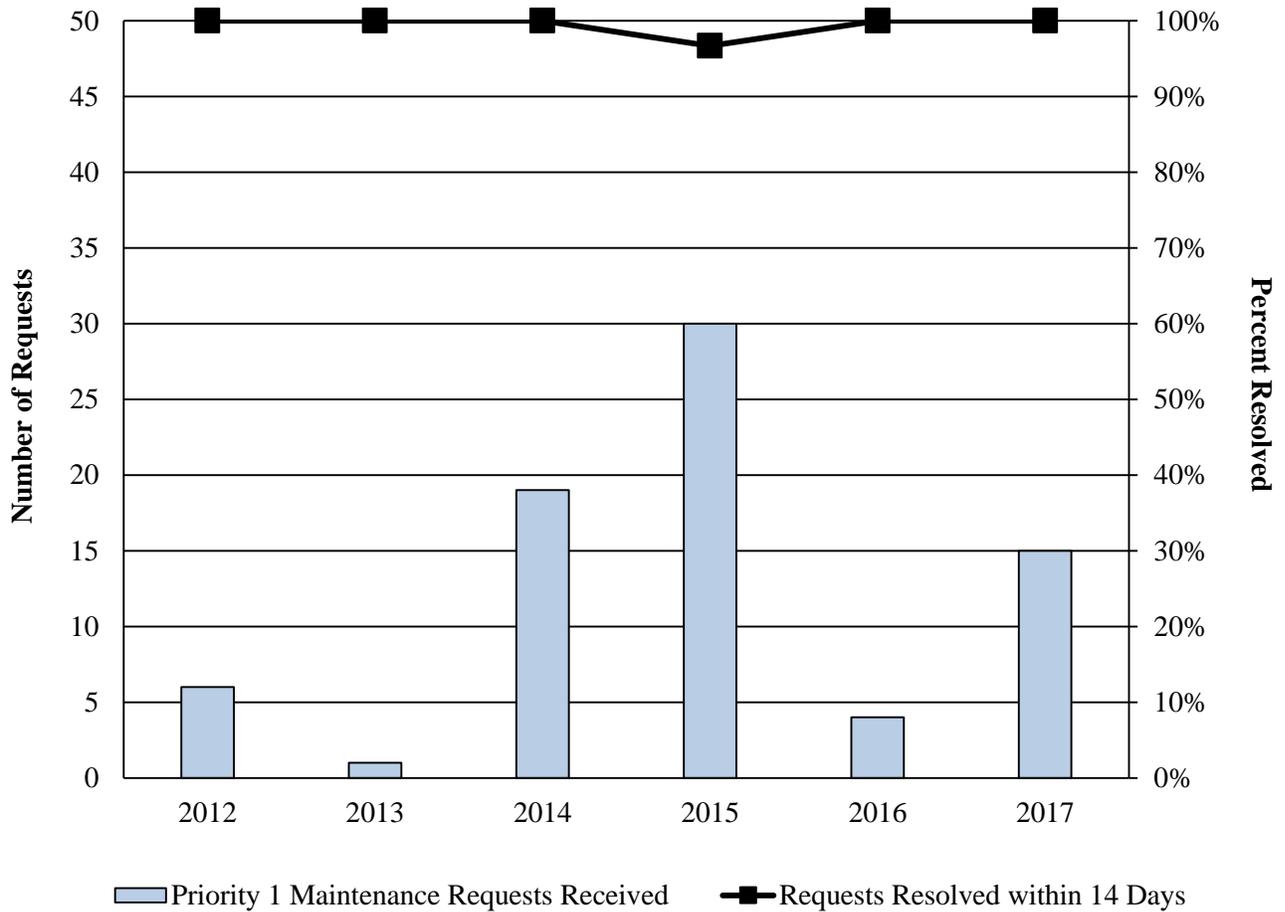


MFCA: Maryland Food Center Authority

Source: Maryland Food Center Authority; Department of Budget and Management

MFCA also tracks the response of maintenance staff to Priority 1 maintenance requests, which are those requests that require immediate attention (for example, water leaks or safety hazards). The number of Priority 1 maintenance requests fluctuates from year to year, as shown in **Exhibit 2**. MFCA has been able to respond to 100% of Priority 1 maintenance requests within 14 days in five of the last six years.

**Exhibit 2
Maintenance Requests Completed
Fiscal 2012-2017**



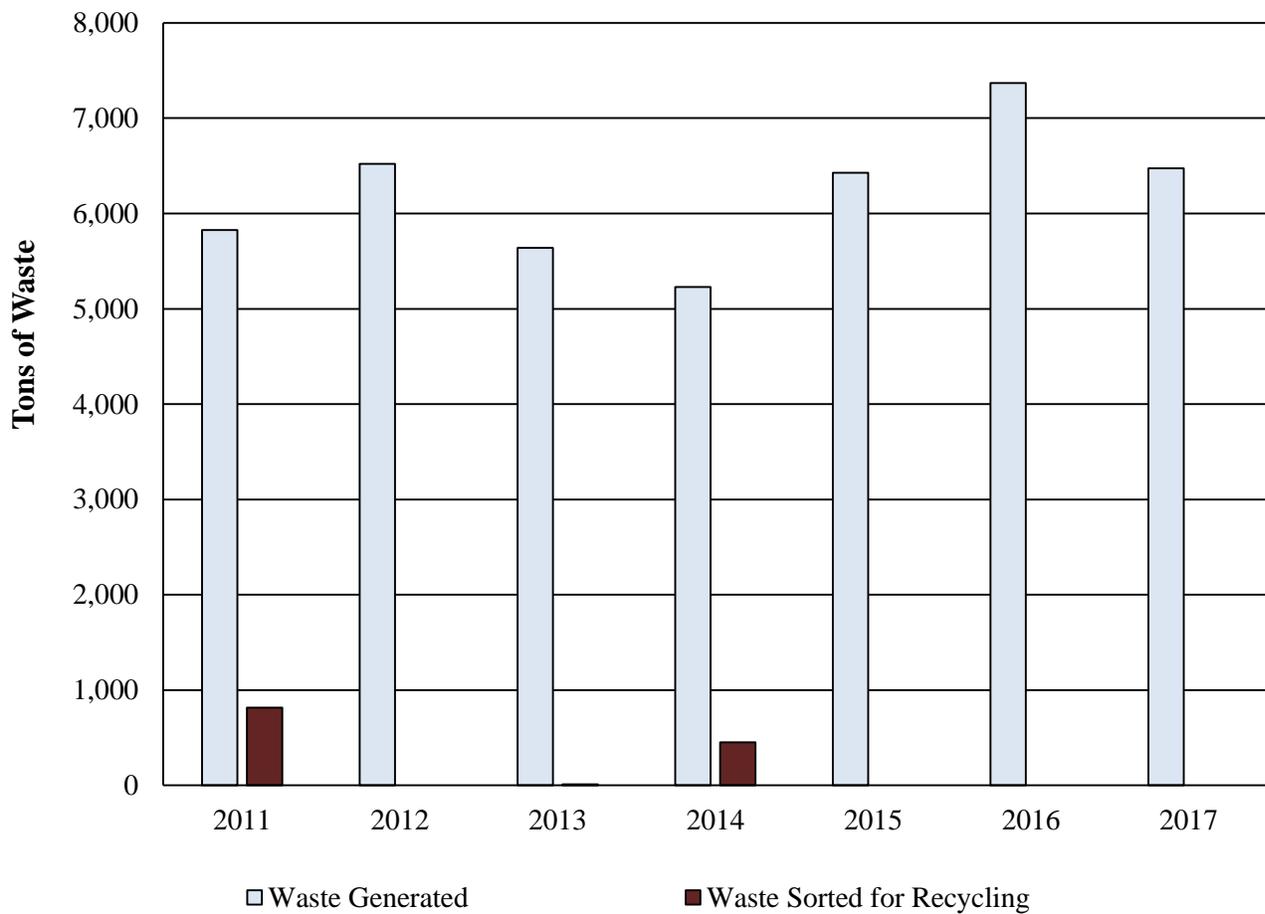
Source: Maryland Food Center Authority; Department of Budget and Management

2. Landfill Avoidance

MFCA annually reports on the percent of waste generated at the markets that did not go into a public landfill as part of its goal of maintaining safe, sanitary, and efficient facilities. Composting was expected to be a large part of the recycling program. However, this aspect of the program has experienced difficulties limiting MFCA’s ability to divert waste. In calendar 2011, the Maryland Department of the Environment (MDE) put composting facilities on hold after the agency determined it was not an approved practice, primarily because there were not regulations in place. MDE later drafted regulations and composting restarted. A lack of available facilities prevented composting in

recent years and limited the diversion of waste, as shown in **Exhibit 3**. MFCA is anticipating beginning a new waste diversion program soon. MFCA’s Board of Directors has approved a ground lease with a company that plans to construct an anaerobic digester on MFCA-owned land. The ground lease must still be approved by the Board of Public Works (BPW). The ground lease is expected to go before BPW in early 2018. If constructed as planned, MFCA will be able to take food waste to the facility, diverting waste from landfills.

Exhibit 3
Landfill Avoidance
Fiscal 2011-2017



Source: Maryland Food Center Authority

Fiscal 2018 and 2019 Budget

MFCA, a nonbudgeted fund agency, submits its budget to the General Assembly for informational purposes only, and an analysis is only prepared in alternate years.

The MFCA fiscal 2018 budget increased by \$60,569, or 1.6%, compared to the fiscal 2017 actual expenditures. Actual fiscal 2017 expenditures in some areas were lower than budgeted, which distorts the magnitude of some changes between fiscal 2017 and 2018. For example, snow removal expenses increase by \$32,623 in fiscal 2018 compared to fiscal 2017, largely because snowfall removal costs in fiscal 2017 were more than \$22,000 lower than budgeted.

As shown in **Exhibit 4**, the MFCA fiscal 2019 budget decreases by \$167,431, or 4.3%, compared to fiscal 2018. MFCA currently has budgeted certain costs that would not be expected to ultimately be spent due to statewide personnel decisions. For example, the fiscal 2018 and 2019 budgets include \$1,458 for deferred compensation matches. Although MFCA may budget for these matches, if State employees do not receive these benefits, MFCA does not provide these benefits. In addition, while MFCA has not budgeted in fiscal 2019 for any general salary increase, MFCA would provide such an increase if one is granted to other State employees. As a result, salary and wage expenses in fiscal 2019 at MFCA would be expected to increase based on the planned general salary increase in fiscal 2019.

Exhibit 4
Proposed Budget
Maryland Food Center Authority
(\$ in Thousands)

How Much It Grows:	Nonbudgeted <u>Fund</u>	<u>Total</u>
Fiscal 2017 Actual	\$3,844	\$3,844
Fiscal 2018 Working Appropriation	3,905	3,905
Fiscal 2019 Allowance	<u>3,737</u>	<u>3,737</u>
Fiscal 2018-2019 Amount Change	-\$167	-\$167
Fiscal 2018-2019 Percent Change	-4.3%	-4.3%

Where It Goes:

Personnel Expenses

Employee retirement.....	\$6
Social Security contributions and unemployment compensation	2
Workers compensation	-11

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Where It Goes:

Cost Allocations

Retirement administrative fee	4
Annapolis Data Center charges.....	-1
Statewide personnel system allocation	-6
Department of Budget and Management paid telecommunications	-8

Other Changes

Landfill expenses primarily to align with actual expenses in the Wholesale Produce Market.....	15
Motor vehicle expenses primarily due to aging of equipment.....	10
Exterminator costs due to increased need and contract costs	7
Association and membership dues to align with recent experience.....	-8
Electricity costs due to filling of vacant units for which MFCA pays expenses	-15
Water/sewer costs primarily due to use of submeters in the Maryland Market Center Site A	-19
Expenses associated with MFCA share of costs for vacant units due to a reduction in vacant units	-140
Other expenses.....	-5

Total **-\$167**

MFCA: Maryland Food Center Authority

Note: Numbers may not sum to total due to rounding.

Changes in Billing for Certain Expenses to Tenants Reduces Budget

MFCA has begun excluding certain costs as reimbursable expenses of the market. Tenants will pay the full cost of these expenses based on the tenant’s utilization of the service. These items as a result will not be included in the budget of MFCA, and this change has resulted in several reductions in the fiscal 2018 and 2019 budgets of MFCA. MFCA began this change with the landfill expenses at the Maryland Market Center Site A, where tenants are now being billed based on the actual share of their waste rather than the previous proportionate share of expenses based on the number of units occupied by the tenant. The fiscal 2018 budget reduces costs related to landfill expenses by \$161,117 compared to fiscal 2017. With this new billing process, MFCA budgets only a limited cost of landfill expenses for these tenants (\$1,000) at the Maryland Market Center Site A, which is substantially lower than the actual expenses of nearly \$150,000 in fiscal 2017 spent under the prior billing system. In total, in fiscal 2019, landfill expenses increase by \$15,000 (6.3%) to align with experience for the Maryland Market Center Site B. In the future, MFCA plans to begin charging landfill expenses for that site in the same way as is now happening at the Maryland Market Center Site A.

In addition, MFCA has installed water submeters at the Maryland Market Center Site A and begun billing tenants based on actual water usage instead of a proportionate share of costs. Ultimately, MFCA anticipates reducing the budget for this cost at the market to close to \$0. However, in fiscal 2018 and 2019 some costs remain budgeted for this expense. This change has reduced water/sewer related expenses at that market by \$116,820 in fiscal 2018 and \$20,500 in fiscal 2019. A slight increase in water/sewer costs in the Maryland Market Center Site B partially offsets the reduction in the fiscal 2019 budget.

Filling of Vacant Units Reduces Costs

For all expenses except the landfill and water expenses at the Maryland Market Center Site A, expenses of the market facilities are charged back to tenants on a proportional basis. However, at times, there are vacant units. For vacant units, MFCA pays for the proportionate share of expenses. As a result, the budget will increase or decrease in certain areas based on the number of vacant units. The Maryland Market Center Site A has had a significantly higher than normal vacancy rate in recent years as MFCA considered redevelopment plans. As plans have evolved, and MFCA changed plans from tearing down the facility to a renovation, MFCA has begun filling vacant units. For example, the vacancy rate for units in this market is 50% in fiscal 2018, but MFCA anticipates the vacant rate will be reduced to 20% in fiscal 2019. With the reduction in vacant units, expenses of MFCA decrease. For example, electricity expenses decrease by \$15,000 in fiscal 2019 as a result of this reduction in vacant units. In addition, miscellaneous services (the area in which MFCA budgets the majority of expenses for vacant units) decreases by \$140,000 in fiscal 2019.

Temporary Labor

Costs for temporary labor increased in MFCA in fiscal 2018, compared to fiscal 2017, by \$28,911. These additional costs continue into fiscal 2019. MFCA reports that these additional costs are due to the need to contract for security guards. MFCA has experienced difficulties in finding qualified candidates for these positions.

MFCA Financial Statement

Exhibit 5 presents the modified statement of operations for MFCA. This statement is presented on the accrual method of accounting. MFCA anticipates a negative change in net assets in fiscal 2018 (-\$289,287) and a small positive change in net assets in fiscal 2019 (\$39,003). Although these figures indicate some cause for concern, MFCA had a significant increase in net assets in fiscal 2017 (\$5.3 million). This increase is primarily the result of a sale of 29.225 acres of land to Sysco, which was an option in Sysco's lease agreement. As a result, it is unlikely that a small negative change would lead to significant problems in the short term. In addition, as noted earlier, MFCA's Board of Directors has approved a ground lease to a company that plans to construct an anaerobic digester, if this lease is approved by BPW, MFCA will receive additional revenue in the future.

Exhibit 5
Modified Statement of Operations
Fiscal 2017-2019

	<u>2017 Actual</u>	<u>2018 Estimated</u>	<u>2019 Estimated</u>	<u>% Change 2017-2018</u>	<u>% Change 2018-2019</u>
Revenue					
Maryland Market Center Site B Rent	\$1,601,002	\$1,622,868	\$1,671,554	1.4%	3.0%
Maryland Market Center Site A Rent	278,977	273,356	463,740	-2.0%	69.6%
Charge Back Tenant Taxes	28,037	31,700	31,700	13.1%	0.0%
Sysco Rent*	122,745	0	0	-100.0%	0.0%
Sea Cap	118,490	123,973	127,692	4.6%	3.0%
Truck Parking Lot Rent	106,344	106,344	106,344	0.0%	0.0%
Charge Back Tenant Expenses					
Maryland Market Center Site B	\$942,674	\$1,183,424	\$1,199,004	25.5%	1.3%
Maryland Market Center Site A	806,892	591,468	601,605	-26.7%	1.7%
Rental Income	\$4,005,161	\$3,933,133	\$4,201,639	-1.8%	6.8%
Entrance Fees	\$588,270	\$550,000	\$550,000	-6.5%	0.0%
Gain on Sale of Land	5,332,306	0	0	-100.0%	0.0%
Miscellaneous	48,734	60,000	125,000	23.1%	108.3%
Interest	27,286	35,000	35,000	28.3%	0.0%
Total Operating Revenue	\$10,001,757	\$4,578,133	\$4,911,639	-54.2%	7.3%
Expenses					
Operating Budget	\$3,609,807	\$3,669,879	\$3,546,345	1.7%	-3.4%
Taxes	234,504	235,000	235,000	0.2%	0.0%
Capital Facilities Maintenance and Depreciation	865,494	962,541	1,091,292	11.2%	13.4%
Total Expenses	\$4,709,805	\$4,867,420	\$4,872,637	3.3%	0.1%
Change in Net Assets	\$5,291,952	-\$289,287	\$39,002		

*In fiscal 2017, the Maryland Food Center Authority (MFCA) sold land to Sysco, which is shown as a gain on sale of land in the modified statement of operations. As a result of this sale, MFCA will no longer receive rent from Sysco.

Note: The fiscal 2019 operating expenses in the Modified Statement of Operations do not reflect changes to certain expenses determined by the Department of Budget and Management and other State agencies and will, therefore, not match the budget data shown in other areas of the budget analysis.

Source: Maryland Food Center Authority

MFCA has two types of rental income paid by tenants for the two Maryland Market Center sites. The first is the rent for a unit that is occupied, which appears in the budget for administration of MFCA. The second type of rent for tenants is referred to as charge back, listed as Charge Back Tenant Expenses in Exhibit 5. Charge back plus entrance fees equal the operating expenses for each market

and is used for the operating and maintenance costs of the markets. It is these types of expenses that are budgeted as miscellaneous services in the budget of MFCA for vacant units, which was discussed earlier. As a result, the revenue for these two items varies between fiscal years based on the projected expenditures in the markets. The figures presented for fiscal 2018 and 2019 are preliminary and would be expected to change with actual expenditures.

Fiscal 2018

Total operating revenue for MFCA is estimated to decrease by \$5.4 million, or 54.2%, in fiscal 2018 compared to fiscal 2017 actual revenue. However, excluding the revenue from the sale of land, total operating revenue decreases by \$91,318, or 2%, compared to fiscal 2017 actual revenue. The decrease primarily results from the loss of \$122,745 in rent from Sysco, following the sale of land to the company.

Rent at the two Maryland Market Center sites and Sea Cap increases based on the Consumer Price Index. However, actual rent received may vary from this level due to factors such as late fees, rent abatements, and unit vacancies. Unit vacancies drive the decreases in regular rental income from the Maryland Market Center Site A and have also resulted in efforts to control costs at the market (reducing charge back expenses).

Total expenses increase by \$157,615, or 3.3%, in fiscal 2018 compared to fiscal 2017. The majority of this increase occurs in the area of depreciation expenses for capital projects (an increase of \$97,047).

Fiscal 2019

Total operating revenue for fiscal 2019 is projected to increase by \$333,507, or 7.3%, compared to fiscal 2018. MFCA anticipates that 80% of the units in the Maryland Market Center Site A will be leased in fiscal 2019, compared to 50% in fiscal 2018. This increase in filled units is projected to result in an increase of \$190,384, or 69.6%, in rent from the market. An increase of \$65,000 in Miscellaneous Income primarily results from anticipated entrance fees for a truck wash facility.

Total expenses are projected to increase by \$5,217. A decrease of \$123,533 in operating expenses is offset by an increase in depreciation costs associated with capital projects (\$128,751).

Capital Improvements, Maintenance, and Development Projects

Exhibit 6 provides additional information on the capital facilities, maintenance, and depreciation line that appears in the modified statement of operations. This exhibit reflects the depreciation costs for these projects rather than the full project costs. The depreciation method capitalizes the cost of a project over a specific period of time instead of only in the year that the project is completed. Discussion in this section describes the total costs of projects to highlight the magnitude of capital projects. As a result, the amounts discussed will not match the amounts that appear in

Exhibit 6. Depreciation costs for certain projects in fiscal 2017 are captured in the line for the associated facility rather than separated by the individual project, as is shown in fiscal 2016 and 2017. Certain budgeted costs have no associated depreciation during the period shown and, therefore, do not appear in Exhibit 6. This exhibit represents anticipated projects in fiscal 2018 and 2019. Some projects may be delayed or canceled based on changes in priorities or funding availability.

Exhibit 6
Capital Improvements, Maintenance, and Development Depreciation
Fiscal 2017-2019

	<u>2017 Actual</u>	<u>2018 Estimated</u>	<u>2019 Estimated</u>
Landscaping	\$26,626	\$18,500	\$18,500
Normal Maintenance	48,914	22,500	22,500
Stormwater Maintenance Pond Repairs	11,239	20,000	20,000
Rock Hall Repairs	0	5,000	1,000
Trash Truck Purchase	0	15,800	15,800
Speed Humps	0	400	400
Maintenance Trench Drain	0	300	300
Asphalt Repair	0	500	500
Security Cameras	0	8,200	8,200
Maryland Market Center	0	0	0
Truck Wash Facility	0	13,376	26,751
Tenant Unit/Maintenance Doors	0	3,125	3,125
Dock Bird Netting	0	48,000	48,000
Tenant Emergency Lighting/Dock Lighting	0	0	27,500
Perimeter Lighting/Parapet Lighting	0	0	7,500
Renovation of Vacant Units	0	28,125	112,500
Cross Dock	62,901	62,901	62,901
Stormwater Maintenance Pond	891	891	891
Produce	474,860	474,860	474,860
Seafood	240,062	240,062	240,062
Total Expenditures	\$865,494	\$962,541	\$1,091,290

Source: Maryland Food Center Authority

Fiscal 2018 capital projects and associated consulting/engineering fees have a total budgeted cost of \$6.8 million. Fiscal 2019 capital project costs and associated consulting/engineering fees have a total budget cost of \$1.8 million.

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The majority of the budgeted costs in these two years (\$4.5 million) will be used for the renovation of vacant units at the Maryland Market Center Site A in fiscal 2018 and the development of the Maryland Market Center (\$1 million) in fiscal 2019, discussed further in Issue 1.

Other significant projects in fiscal 2018 and 2019 include:

- ***Tenant Emergency Lighting/Dock Lighting:*** \$1.1 million total (\$500,000 in fiscal 2018 and \$600,000 in fiscal 2019 to replace tenant emergency lighting at the Maryland Market Center Site B as required by Howard County as well as dock lighting at the market;
- ***Truck Wash Facility:*** \$375,000 in fiscal 2018 is the second year of funding for the project, which has a total cost of approximately \$1.1 million, to construct a truck wash facility due to changes in regulations;
- ***Dock Bird Netting:*** \$480,000 in fiscal 2018 to install netting on the canopy above the dock in front of tenant units to prevent birds from nesting or sitting on the canopy;
- ***Perimeter Lighting/Parapet Lighting:*** \$300,000 in fiscal 2018 to replace the lighting on the exterior of the Maryland Market Center Site B building and the perimeter of the Maryland Market Center Site B property; and
- ***Tenant Unit/Maintenance Doors:*** \$125,000 in fiscal 2018 to replace certain tenant doors at the Maryland Market Center Site B as required by Howard County.

Issues

1. Maryland Market Center Redevelopment

In fiscal 2015 and 2016, MFCA spent approximately \$2.2 million on site work for a planned new development referred to as the Maryland Market Center. The site development was completed on land behind the former Wholesale Seafood Market. Following the site development work, no additional funding was provided to begin the project while MFCA completed a feasibility study. The feasibility study was released in calendar 2017.

The feasibility study reviewed the concept of retaining in one location the core of the Maryland Market Center Site A by concentrating remaining seafood tenants and adding additional space for a multi-use facility. In the feasibility study, potential options for the multi-use facility included (1) a flex warehousing space for both entrepreneurs and existing food processing and manufacturing businesses; (2) a public market area including a farmer's market, other retail space, restaurant, event space, training facilities, and offices; and (3) a craft beverage space. The feasibility study also included development options for other sites as well.

Recent Activities

As noted previously, MFCA has renamed the Wholesale Seafood Market as the Maryland Market Center Site A. The revised name reflects the expansion of activities to a broader set of tenants. Even prior to the full renovation of the facility nonseafood tenants have been located at this facility. MFCA is in the process of moving the current seafood tenants to one area of the building. This move will allow MFCA to limit the seafood related odor to one area and allow the MFCA maintenance staff to control the odor. MFCA also plans to construct a wall that will separate the seafood portion of the renovated Maryland Market Center Site A from the nonseafood area. No seafood businesses will be located in the nonseafood area.

MFCA has also recently met with an architect to review plans for refacing the building to provide a more modern look to the facility. MFCA is also in the processing of procuring a construction contract for the rehabilitation of the interior of 20 vacant units of the Maryland Market Center Site A. MFCA has budgeted \$4.5 million in fiscal 2018 for the renovation of vacant units. Following completion of the renovation of the facility and after the tenants have been located in the facility, MFCA will begin the next phase of the project to expand the facility. MFCA has budgeted \$1 million in fiscal 2019 for additional work on the Maryland Market Center project. Details of this second phase will be determined closer to the beginning date of this project, which will occur after the completion of the renovation project.

MFCA should comment on the anticipated timeline for completing the renovation of the existing space and beginning the second phase of work on the building expansion.

Operating Budget Recommended Actions

1. Nonbudgeted.

**Appendix 1
Audit Findings**

Audit Period for Last Audit:	August 7, 2013 – January 29, 2017
Issue Date:	October 2017
Number of Findings:	1
Number of Repeat Findings:	0
% of Repeat Findings:	0.0%
Rating: (if applicable)	n/a

Finding 1: The Maryland Food Center Authority (MFCA) did not ensure it obtained monthly payment requests from the site development contractor as required, and payments were made without receiving certification from MFCA’s independent engineer of the work performed. Additionally, MFCA overpaid certain fees.

*Bold denotes item repeated in full or part from preceding audit report.

**Appendix 2
Object/Fund Difference Report
Maryland Food Center Authority**

<u>Object/Fund</u>	<u>FY 17 Actual</u>	<u>FY 18 Working Appropriation</u>	<u>FY 19 Allowance</u>	<u>FY 18 - FY 19 Amount Change</u>	<u>Percent Change</u>
Positions					
01 Regular	33.00	23.00	23.00	0.00	0%
02 Contractual	1.20	1.20	1.20	0.00	0%
Total Positions	34.20	24.20	24.20	0.00	0%
Objects					
01 Salaries and Wages	\$ 1,801,081	\$ 1,925,653	\$ 1,922,742	-\$ 2,911	-0.2%
02 Technical and Spec. Fees	83,914	95,756	92,094	-3,662	-3.8%
03 Communication	37,059	43,264	35,642	-7,622	-17.6%
04 Travel	45,233	57,750	57,750	0	0%
06 Fuel and Utilities	283,232	174,000	140,500	-33,500	-19.3%
07 Motor Vehicles	239,339	250,165	271,214	21,049	8.4%
08 Contractual Services	957,324	885,420	761,794	-123,626	-14.0%
09 Supplies and Materials	66,468	94,350	90,200	-4,150	-4.4%
10 Equipment – Replacement	4,595	18,789	15,050	-3,739	-19.9%
11 Equipment – Additional	1,300	17,100	17,100	0	0%
13 Fixed Charges	324,766	342,632	333,362	-9,270	-2.7%
Total Objects	\$ 3,844,311	\$ 3,904,879	\$ 3,737,448	-\$ 167,431	-4.3%
Funds					
07 Nonbudgeted Fund	\$ 3,844,311	\$ 3,904,879	\$ 3,737,448	-\$ 167,431	-4.3%
Total Funds	\$ 3,844,311	\$ 3,904,879	\$ 3,737,448	-\$ 167,431	-4.3%

Note: The fiscal 2018 appropriation does not include deficiencies, targeted reversions, or across-the-board reductions. The fiscal 2019 allowance does not include contingent reductions or cost-of-living adjustments.

**Appendix 3
Fiscal Summary
Maryland Food Center Authority**

<u>Program/Unit</u>	<u>FY 17 Actual</u>	<u>FY 18 Wrk Approp</u>	<u>FY 19 Allowance</u>	<u>Change</u>	<u>FY 18 - FY 19 % Change</u>
41 Administration	\$ 1,486,145	\$ 1,579,987	\$ 1,421,662	-\$ 158,325	-10.0%
42 Maryland Wholesale Produce Market	1,451,371	1,643,100	1,635,457	-7,643	-0.5%
47 Maryland Market Center	906,795	681,792	680,329	-1,463	-0.2%
Total Expenditures	\$ 3,844,311	\$ 3,904,879	\$ 3,737,448	-\$ 167,431	-4.3%
Nonbudgeted Fund	\$ 3,844,311	\$ 3,904,879	\$ 3,737,448	-\$ 167,431	-4.3%
Total Appropriations	\$ 3,844,311	\$ 3,904,879	\$ 3,737,448	-\$ 167,431	-4.3%

Note: The fiscal 2018 appropriation does not include deficiencies, targeted reversions, or across-the-board reductions. The fiscal 2019 allowance does not include contingent reductions or cost-of-living adjustments.