



PARKING
OF BALTIMORE CITY
AUTHORITY



Enhancing THE Customer Experience

2023 ANNUAL REPORT

Values

INTEGRITY

We follow all laws, regulations, policies, and procedures. The decisions we make are morally right and in the best interest of the city.

PROFESSIONALISM

We interact with our customers and with our teammates with professional conduct and courtesy at all times. Our actions and appearance reflect the professional nature of our organization.

RESPONSIVENESS

We respond quickly to the questions, concerns, and needs of all of our customers and of our teammates.

FAIRNESS

In our interactions with customers and teammates, we are always fair and unbiased.

INNOVATION

We are always looking for ways to accomplish our mission better, faster, and at less cost.

Mission

Our mission is to find, or create, and implement parking solutions for Baltimore City, and to be the resource on all things “parking” in Baltimore.

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Letter FROM THE Mayor



Finding ways to improve our residents' experience with Baltimore City government agencies and quasi-governmental agencies is at the heart of my administration.

The Parking Authority's new office next door to the relocated Lexington Market is a notable example. I am delighted that the Parking Authority could utilize the old Lexington Market building for their new office when they needed to move, bringing vitality to the historic space and the bustling Westside.

I am looking forward to the many new ways the Parking Authority plans to improve the customer experience in the next year including:

- Virtual Permit Parking for residents in Residential Permit Parking areas, eliminating the need for adhesive decals on windshields.
- New Parking Access and Revenue Control Systems (PARCS) at all Baltimore City owned garages.
- Mobile Phone App and Pay by Text options for paying parking meters.

Keep up with the improvements at the Parking Authority in 2024 and keep reading to learn more about what is coming!

In service,

A handwritten signature in black ink that reads "Brandon M. Scott". The signature is written in a cursive, flowing style.

Mayor Brandon M. Scott
City of Baltimore

**“I am looking forward
to the many new ways
the Parking Authority
plans to improve the
customer experience
in the next year...”**

Mayor Brandon M. Scott
City of Baltimore

Message FROM THE Board

On behalf of the Board of Directors of the Parking Authority of Baltimore City (PABC), we are proud to have supported a strong team at PABC over the past year. We improved the customer experience, maintained strong financial controls, worked to retain excellent team members, and were good stewards of Baltimore City-owned parking resources.

We introduced an online platform for monthly garage parkers. The platform, which is a woman-owned, small business, makes it more convenient for garage parkers to manage their accounts.

To make way for the redevelopment of the CFG Bank Arena, we moved our offices to a space on Paca Street that became available when Lexington Market relocated. The new location provides easy access for customers, a comfortable waiting room, privacy screens to cut down on noise, and a more professional work environment for our team.

PABC solicited bids and selected a vendor for a new online system for our Residential Permit Parking (RPP) program. This new system will allow for the expansion of Virtual Permit Parking whereby a vehicle’s license plate number is used as a parking credential, making it easier for RPP holders to obtain permits.

We also selected a vendor for a new Parking Access & Revenue Control System (PARCS) in City-owned garages. This new equipment, which will be installed starting in 2024, will be more reliable and will offer customers new payment options and new ways to access the garages.

Our strong financial controls led to another clean audit with no recommendations for improvements from our auditors. To provide additional controls over expenditures and revenue collections, we created new positions for an Office Services Manager and a Deputy Chief Financial Officer.

We conducted a compensation study and made necessary salary and benefits adjustments to help us attract and retain superior employees in a competitive work environment.

In stewardship of Baltimore City-owned parking resources, we adjusted rates at many garages to remain competitive with nearby facilities to maximize the City’s return on its substantial investments in these garages.

We conducted structural assessments at many garages to guide necessary repairs, including reinforcing steel, repairing concrete, replacing expansion joints, waterproofing membranes, modernizing elevators, and upgrading lighting, ensuring garage safety for years to come.

Finally, we teamed up with the Baltimore Development Corporation to lease the Arena Garage to the new operators of the CFG Bank Arena. The lease will bring substantial guaranteed and risk-free revenue to Baltimore City and provide seamless coordination of CFG Bank Arena events and parking for those events.

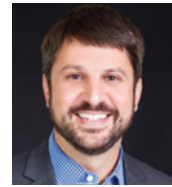
Henry Kay,
*Chair of the Board of Directors,
 Parking Authority of Baltimore City*



HENRY M. KAY, AICP
 BOARD CHAIR
 Director, Transit/Rail, Rummel,
 Klepper & Kahl (RK&K)



ROBERT STOKES, SR.
 SECRETARY
 City Councilman, District 12



ROBERT "BOB" CENNAME
 Budget Director,
 City of Baltimore, Bureau of
 Budget and Management
 Research (BBMR)



NATASHA M. DARTIGUE, ESQ.
 Office of the Public Defender
 for Baltimore City, District
 One Administration



TONY SCOTT
 Associate Director for Project
 Development, Mayor’s Office of
 Infrastructure Development

A Quantum Leap FOR Residential Permit Parking

The Parking Authority of Baltimore City (PABC) has made steady improvements to the Residential Permit Parking (RPP) program over the past 20 years:

- Residents can apply for the program and order their permits online
- We offer community-based parking permit pick-up events
- We offer the mailing of permits
- We have improved the customer experience (i.e., increased staffing; a comfortable setting; validated parking) at our office for residents who need our help or who just want to pick up their permits at our office

We are now set, however, to take a quantum leap forward in improving the RPP program for residents who live in RPP areas. For the past two years, we have been conducting a pilot program that we call Virtual Permit Parking (VPP) in two RPP areas. In those areas, residents are now using their license plate number as their parking credential instead of adhering decals on their windshields. Their guests also use their vehicles' license plate numbers as their credential for parking in those RPP areas. The pilot program has been very well received by residents in those areas, and we are now preparing to take VPP City-wide.

With VPP, residents can do everything online. They can log in, complete their application which includes their vehicle information, upload their vehicle registration and driver's license, and pay on a secure website. A PABC team member will review the application and documents, activate the credentials, and email them when their virtual permits are activated. If anyone has trouble, they can come to our office, and we will help you in person.

The Department of Transportation will have access to real-time data to determine which license plate numbers have virtual permits for each RPP area. Parking Enforcement agents will drive vehicles with license plate readers or use hand-held readers to scan vehicles' license plate numbers on-street. When a number is not in the system, it notifies the agent to issue a citation.

Parking enforcement agents will be able to cover more ground using license plate readers. Each license plate reader can check approximately 30,000 vehicles per day, making it more likely that violators will be caught, deterring people from parking illegally and improving the likelihood that residents will be able to park closer to their homes.

We are looking forward to launching this innovative program in many more RPP areas. With more RPP areas coming online this year, it is a great tool to keep up with the needs of the community.



New Equipment TO BE INSTALLED AT PABC **Parking Garages**



When you enter most parking garages, you are stopped by a security gate that prevents you from driving forward until you either pull a ticket or scan your monthly parking access card. This equipment, which also prevents you from leaving a garage until proof of payment is presented, goes by the acronym PARCS which stands for Parking Access & Revenue Control System.

The current PARCS at the 12 parking garages PABC manages for the City are over 15 years old and near the end of their useful life. PARCS that are now available offer many new features and capabilities that make for a much better customer experience. So, it is time for an upgrade!

Customers will:

- Spend less time getting in and out of the garage
- Be able to reserve parking online
- Be able to plan where to park in advance
- Be able to pay for parking with digital payments as well as credit cards and cash
- Be able to use a credential other than their access card (license plate number, phone number, PIN, Bluetooth, or RFID) if they have a monthly contract
- Be able to purchase web-based electronic validations

Businesses will:

- Be able to easily validate parking for their customers
- Offer discounts to their customers via promo codes

The new PARCS equipment will:

- Be more reliable – With a cloud-based system, most issues can be resolved remotely
- Be more flexible— The cloud-based system will provide real-time data that can be used to maximize occupancy and revenues

The new equipment will be installed by the end of 2024 at all twelve locations with minimal disruption to parkers. Monthly customers will be able to continue using the same access card they are currently using.



We've Moved! OFFICE RELOCATION

After spending 20 years next door to the Baltimore Arena (aka Royal Farms Arena & most recently, CFG Arena), we, once again, have got a very popular neighbor. In July, 2023 we moved next door to the newly reconstructed Lexington Market. Renovating space that once housed the market, we can now be found in between the Market Center Garage and the Lexington Market.

Glad to leave our long, narrow office behind for a more efficiently laid out workspace, we are enjoying being able to collaborate with each other and soak in some natural sunlight from the wide expanse of windows illuminating the large, shared space where most of us have offices or cubicles.

We celebrated our new space with an Open House on November 2, 2023, with food from Lexington Market vendors, and remarks from Chief Administrative Officer Faith Leach, Board Chair Henry Kay, and Executive Director Pete Little.

“The new location provides easy access for customers, a comfortable waiting room, privacy screens to cut down on noise, and a more professional work environment for our team.”

Henry Kay,
Chair of the Board of Directors,
Parking Authority of Baltimore City

2023 Financials

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Independent Auditors' Report

To the Board of Directors of Baltimore City Parking Authority, Inc.

Opinion

We audited the accompanying financial statements of the governmental activities and fund information of Baltimore City Parking Authority, Inc. (Authority) as of and for the year ended June 30, 2023 and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the accompanying table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities and fund information of the Authority as of June 30, 2023 and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Authority and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe the audit evidence we obtained is sufficient and appropriate to provide a basis for our audit opinion.

Other Matter

Accounting principles generally accepted in the United States of America require management's discussion and analysis on Pages 10 through 12 and budgetary comparison information on Page 17 to 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, which 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 applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America that 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 sufficient evidence to express an opinion or provide any assurance.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Authority's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance matters regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

The logo for Ellin & Tucker is written in a blue, cursive script font.

ELLIN & TUCKER
Certified Public Accountants

Baltimore, Maryland
November 21, 2023

Management's Discussion AND Analysis

Overview of the Financial Statements

The Authority's basic financial statements consist of the Governmental Fund Balance Sheet/Statement of Net Position and the Statement of Governmental Fund Revenues, Expenditures, and Changes in Fund Balance/Statement of Activities. The notes to the financial statements follow the presentation of the basic financial statements. The report also contains other required supplementary information, specifically the Budgetary Comparison Schedule.

The Governmental Fund Balance Sheet/Statement of Net Position is presented in reconciliation format and shows the difference between the assets and liabilities of the Authority as reported using the current financial resources measurement focus and modified accrual basis of accounting (Balance Sheet) and assets and liabilities as reported using the total economic resources measurement focus and the accrual basis of accounting (Statement of Net Position). For the Authority, the difference relates primarily to capital assets, which are reflected as assets in the Statement of Net Position but excluded from general fund assets.

The Statement of Governmental Fund Revenues, Expenditures, and Changes in Fund Balance/Statement of Activities is also presented in reconciliation format and shows the differences between revenues and expenditures as reported using the current financial resources measurement focus and modified accrual basis of accounting (Statement of Governmental Fund Revenues, Expenditures, and Changes in Fund Balance) and revenues and expenses as reported using the total economic resources measurement focus and the accrual basis of accounting (Statement of Activities). The primary differences relate to the treatment of capital asset purchases. For governmental fund accounting purposes, all cash payments for capital asset acquisitions are reflected as expenditures and deducted from revenues in calculating the net fund activity for the fiscal year. Under accounting principles generally accepted in the United States of America, capital asset acquisitions are not reflected in the Statement of Activities as a deduction from revenues but are reflected as increases to assets or reductions of liabilities.

Generally, fund financial statements are designed to report information about groupings of related accounts that are used to maintain control over resources segregated by specific activities or objectives. The Authority's financial activity is classified into one fund, which is the general fund. The general fund accounts for capital asset acquisitions as expenditures

when acquired, rather than as capital assets, as a result of the use of the current financial resources measurement focus in accordance with generally accepted accounting principles.

The notes to the financial statements provide additional information needed for a full understanding of the basic financial statements.

Required supplementary information consists of a comparison of actual financial activity to budgeted amounts to demonstrate compliance with the budget.

Analysis of Net Position and Changes in Net Position

The following is a comparison summary of the Authority's net position and changes in net position for the years ended June 30, 2023 and 2022:

	2023	2022
Assets:		
Current and Other Assets	\$ 14,262,001	\$ 13,293,192
Capital Assets	383,857	220,761
Total Assets	\$ 14,645,858	\$ 13,513,953
Liabilities:	\$ 1,384,597	\$ 1,110,449
Net Position:		
Invested in Capital Assets	\$ 383,857	\$ 220,761
Unrestricted	12,877,404	12,182,743
Total Net Position	\$ 13,261,261	\$ 12,403,504
Changes in Net Position:		
Program Revenues:		
Baltimore City Grant	\$ 8,243,664	\$ 8,388,877
Other	323,278	310,052
Total Revenues	8,566,942	8,698,929
Expenses:		
Administration of Parking Facilities	7,661,306	7,090,970
Capital Outlay/Depreciation/ Amortization	47,879	54,493
Total Expenses	7,709,185	7,145,463
Increase in Net Position	857,757	1,553,466
Net Position – Beginning of Year	12,403,504	10,850,038
Net Position – End of Year	\$ 13,261,261	\$ 12,403,504

For the year ended June 30, 2023, the Authority received substantially all of its funding from an annual grant from the city of Baltimore. The purpose of the grant was to finance the administration of Baltimore's parking operations through the Authority and cover all of the Authority's personnel costs, capital asset requirements, and other operating costs. The grant for the year ended June 30, 2023 was \$8,243,664. Operating expenses for the year ended June 30, 2023 totaled \$7,709,185, resulting in an increase in net position of approximately \$860,000. Total operating expenses increased approximately \$565,000 during the year ended June 30, 2023, as compared to the year ended June 30, 2022. The increase was primarily a result of higher salaries and benefits related costs and meter-related repair costs due cellular service upgrades required to update the meters.

During the year ended June 30, 2023, the Authority purchased capital assets of approximately \$210,000. At June 30, 2023, the Authority had liabilities totaling \$1,384,597. These liabilities are expected to be funded through existing cash balances.

Budget Analysis

The Budgetary Comparison Schedule – General Fund for the fiscal year ended June 30, 2023 (FY 2023) is presented on Page 17. The most significant budget variations included salaries and benefits, software costs, and merchant service fees.

Salaries and benefits, which include base salaries, benefits, and health insurance costs, were approximately \$410,000 less than expected. The decrease was due to certain employment vacancies not filled during FY 2023.

Software costs were approximately \$825,000 less than expected. The budget included expenses relating to computer and equipment system upgrades and software and application updates, which were not fully utilized during FY 2023 and were delayed until future periods.

Merchant service fees, which include credit card fees, were approximately \$880,000 less than expected. The decrease was due to lower service fees charged on credit card usage following a recent merchant service fee agreement and a lower than expected level of credit card transactions during the post-pandemic recovery.

Fiscal Year Ending June 30, 2024

The budget for the fiscal year ending June 30, 2024 (FY 2024) was submitted to the Baltimore City Board of Estimates in the amount of \$11,058,049, which represents an overall increase in the funding level compared to FY 2023, in the amount of \$819,464. The total grant appropriation includes \$6,464,725 for the base administrative grant, \$4,370,191 for the Meter Management Program grant, and \$223,133 for the Valet Regulations Program. This grant will pay salary, benefits, and other costs to support the administrative functions of the Authority.

The administrative portion of the grant supports salaries and benefits for forty-two positions. It includes employee development for all employees and various training certification programs. Additionally, it includes funding for the following items: in-service training for Microsoft 365, including Word, Excel, and SharePoint; industry representation at the International Parking and Mobility Institute (IPMI), Great Plains User Group (GPUG) Summit, Blackline-Beyond the Black (BTB) conference, Middle Atlantic Parking Association (MAPA), and Human Resources (HR) conferences; Geographic Information System (GIS) Certification and Leadership Certificates; and shared services, such as postage machines, copiers, and printers.

The Meter Management Program funds support salaries and benefits for 10 positions. The Meter Management Program currently supports over 950 multi-space meters and over 2,000 single-space smart parking meters upgraded from 3G to 4G modems. The remaining meters will convert to multi-space meters for efficient parking management. The Authority has expanded Project Space conversions to the Highlandtown, Northeast Market and Johns Hopkins area. This project converts single-space meter poles to the appropriate height required by the Americans with Disabilities Act (ADA) and installing any new reserved ADA single-space meters in designated areas. In FY 2024, the Authority will be implementing innovative programs. With the installation of Pay-by-Plate meters and License Plate enforcement implementation, the Authority continues to pursue Mobile Parking Payment and Text-to-Park Payment services for on-street parking. These services will give the Authority additional options for payment at meters, reduce costs associated with the parking meter program, and allow for a more efficient flow of vehicles into and out of parking spaces.

The Valet Regulations Program funds support the salaries and benefits for two positions. The Valet Regulations Program administers the licensing of Valet Operators in Baltimore City and oversees the permitting of local businesses that offer valet parking. There are 27 current licensed Valet Operators and 40 valet loading zones. Valet Parking Zone Permits allow business use on Baltimore City's right-of-ways.

In FY 2023, the Authority completed a pilot of a Virtual Parking Permit (VPP) program in two Residential Permit Parking (RPP) areas. In FY 2024, this program will expand to all current RPP areas of the city that elect to participate as a Hybrid VPP Program. RPP areas that elect to migrate to VPP will no longer use adhesive decals and paper visitor permits to verify their active permits. The vehicle's license plate number links electronically to the permits for residents and visitors. The program will allow permit purchases online and streamline the application and renewal processes. As with Pay-by-Plate and Pay-by-Cell services, Baltimore City Department of

Management's Discussion AND Analysis

(Continued)

Transportation (BCDOT) enforcement agents will use license plate recognition to efficiently enforce neighborhood parking restrictions.

In FY 2022, the Authority started Phase II of Cityworks, an enterprise asset management system (EAMS) that gives BCDOT, the Authority, and the city an electronic means for requesting, inputting, and tracking work orders and other components, such as signs and meters. Cityworks empowers GIS to manage both physical infrastructure and land-focused asset management. Service requests, work orders, inspections, and projects track citizen concerns and all types of work activities—cyclical or reactive—with their associated costs. GIS map layers display information such as all open requests, sign locations, meter locations, Residential Reserved Disabled Parking (RRDP), and valet locations for a given time. Reports of all types will generate on demand using various search parameters or can be set up as customized templates. Cityworks empowers staff at all levels—field staff, call takers, and administration—to get the information they need to perform their jobs efficiently and to make wise use of the resources to manage assets and provide services. In FY 2024, the Authority will complete Phase II of the implementation, which will make enhancements to the Valet Regulations Program, the RRDP Program, Meter Management Program, and the Electric Vehicle Charging station program. The next phase that the Authority will be looking to implement is the inclusion of Special Event management, which will require coordination of DOT, DGS, and Authority to automate the process and offer simpler purchase and notification options.

In FY 2023, the Residential Reserved Disabled Parking Program (RRDP) developed reports within Salesforce Carahsoft system for customer management that is now generating automated emails, notifications, reminders, and event-based triggered actions.

In FY 2024, the Authority continues its partnership with Baltimore Gas & Electric (BGE) to install publicly accessible Electric Vehicle (EV) charging equipment on city property and right-of-way. Currently there are energized BGE-operated EV charging sites, all of which include at least multiple charging ports with additional sites pending installation or under review. In FY 2023, the Maryland Department of the Environment (MDE) awarded funds to support the installation of additional Level II EV charging ports at the West St. Garage and Lexington St. Garage. The Authority will be reapplying for additional funding through the MDE in FY 2024. The Authority is working

with the BCDOT and Department of Legislative Reference to draft legislation regarding EV charging which will include parking and use regulations for EV chargers.

In FY 2023, the Finance Department implemented a new billing system that coordinates the transfer of electronic data from the Parking Facility Access Control System (PARCS). This new system, Zephyre, has initiated the opportunity for our off-street parking public to manage their accounts autonomously while allowing Authority administrative users to innovate processes and gather real-time analytics. Zephyre has aided in the Authority initiative of going paperless and providing cloud-based solutions by allowing users to view/print invoicing and account details and will further innovate our patrons' parking accessibility options with mobile device and license plate tracking capabilities. In FY 2024, the Authority will be embarking on the introduction of new PARCS equipment in our currently operated garages. During FY 2024, the Authority is upgrading its financial software with Microsoft Dynamics Great Plains reporting capability. The Authority will also be implementing software, Blackline, to manage the automation of revenue reconciliation with time-saving data imports of information and providing improved reporting of financial information to management. The Authority continues its DocuSign initiative as a solution to workflow management. This initiative reduced paper handling and enabled data management in a digital format. DocuSign provides users with the ability to create, send, track, access, and sign forms and documents in or out of the office and on multiple devices. The advantages include portability, legally defensible audit trails, integration friendliness, workflow, and use of Power Forms for public-facing online forms. This process is for financial documents as well as valet applications, refund request forms, account adjustments, and internal forms. In FY 2024, the Authority will be moving its current administrative office to North Paca Street next to the new Lexington Market. The new facility will allow a more efficient use of office space, promote agency growth and resourcefulness, both internally and externally, all while maintaining a location that is accessible to our customer base.

The management team of the Authority is committed to introducing innovative technology and other methods to increase revenues for the city and provide outstanding customer service to all city patrons.

Governmental Fund Balance Sheet/ Statement of Net Position

June 30, 2023

	General Fund	Adjustments (Note 4)	Statement of Net Position
Assets			
Cash and Cash Equivalents	\$ 13,628,361	\$ -	\$ 13,628,361
Accounts Receivable	41,787	-	41,787
Grant Receivable	461,943	-	461,943
Other Assets	129,910	-	129,910
Capital Assets, Net (Note 2)	-	383,857	383,857
Total Assets	\$ 14,262,001	\$ 383,857	\$ 14,645,858
Liabilities			
Accounts Payable	\$ 770,588	\$ -	\$ 770,588
Due to Baltimore City	89,040	-	89,040
Accrued Expenses	481,466	-	481,466
Leases Payable (Note 3)	-	43,503	43,503
Total Liabilities	1,341,094	43,503	1,384,597
Commitments (Note 3)			
Fund Balances			
Unassigned Fund Balance	12,920,907	(12,920,907)	-
Total Liabilities and Fund Balance	\$ 14,262,001		
Net Position			
Invested in Capital Assets		383,857	383,857
Unrestricted		12,877,404	12,877,404
Total Net Position		13,261,261	13,261,261
Total Liabilities and Net Position		\$ 383,857	\$ 14,645,858

Statement of Governmental Fund Revenues, Expenditures, and Changes in Fund Balance/ Statement of Activities

June 30, 2023

	General Fund	Adjustments (Note 4)	Statement of Activities
Expenditures/Expenses			
Administration of Parking Facilities	\$ 7,661,306	\$ -	\$ 7,661,306
Capital Outlay/Depreciation/Amortization	210,975	(163,096)	47,879
Total Expenditures/Expenses	7,872,281	(163,096)	7,709,185
Program Revenue			
Grant Revenue - Baltimore City	8,243,664	-	8,243,664
Other Income	323,278	-	323,278
Total Revenue	8,566,942	-	8,566,942
Excess of Revenue over Expenditures	694,661	(694,661)	-
Change in Net Position		\$ 857,757	857,757
Fund Balance/Net Position – Beginning of Year	12,182,743		12,403,504
Fund Balance/Net Position – End of Year	\$ 12,877,404		\$ 13,261,261

Notes to Financial Statements

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

Baltimore City Parking Authority, Inc. (Authority) was created in 2000 by Baltimore City Ordinance 2000-71. The Authority's purpose is to assist Baltimore City (City) in the planning, development, management, and administration of its parking assets. The Authority does not own any parking facilities or other real property. The Authority's main source of revenue is a grant from the City rather than parking receipts. The grant is intended to fund all operating expenses of the Authority.

The Board of Directors of the Authority consists of five members; four are appointed by the Mayor and confirmed by the City Council, and one is a member of the City Council appointed by the City Council President.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The Authority follows Governmental Accounting Standards Board (GASB) Statement No. 34, Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments (GASB 34) and GASB Statement No. 38, Certain Financial Statement Note Disclosures (GASB 38). GASB 34 requires net position to be classified as restricted, unrestricted, or invested in capital assets and presentation of a Management's Discussion and Analysis section to introduce the basic financial statements. GASB 34 and GASB 38 require certain expanded footnote disclosures.

The Authority's main source of revenue is a single grant from the City; therefore, all assets, liabilities, revenues, and expenses/expenditures are accounted for in a governmental fund.

The government-wide financial statements are reported using the economic resources measurement focus and accrual basis of accounting. Revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as eligibility requirements imposed by the provider are met. Governmental fund financial statements are reported using the current financial resources measurement focus and modified accrual basis of accounting. Revenues are recognized 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 government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred as under accrual accounting. However, debt service expenditures, as well as expenditures related to certain other obligations, are recorded only when payment is due.

The general fund is the Authority's primary operating fund. It accounts for all financial resources of the Authority, except those required to be accounted for in another fund.

Amounts reported as program revenues primarily include the operating grant from the City.

Budgetary Information

The annual budget of the Authority is subject to approval by the City's Board of Estimates. The budget serves as the basis for determining the grant from the City. Budgetary data is presented as required supplementary information for the general fund. The budget is adopted on a basis consistent with generally accepted accounting principles (GAAP) for the governmental fund.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting periods. Actual results could differ from those estimates.

Subsequent Events

The Authority evaluated subsequent events and transactions for potential recognition or disclosure in the financial statements through November 21, 2023, the date the financial statements were available to be issued.

Cash and Cash Equivalents

The Authority considers all highly liquid investments with original maturities of three months or less when purchased to be cash equivalents. The Authority maintains its cash in bank deposit accounts, which at times may exceed federally insured limits. Uninsured deposits are collateralized through the Federal Reserve Bank with securities held by the pledging financial institution.

Capital Assets

Capital assets are recorded at cost and depreciated using the straight-line method over the useful lives of the assets, which range from three to 10 years. It is the Authority's policy to capitalize capital assets over \$500. Lesser amounts are expensed.

Compensated Absences

The Authority accrues a liability for compensated absences that consists primarily of accumulated vacation leave. The liability includes those amounts expected to be paid upon termination of employment or through paid leave time.

NOTE 2: CAPITAL ASSETS

Capital assets of the Authority are as follows:

	Beginning of Year	Additions	Retirements	End of Year
Capital Assets:				
Computer Equipment	\$ 674,014	\$ 64,300	\$ -	\$ 738,314
Office Equipment	41,954	-	-	41,954
Furniture and Fixtures	86,138	146,675	-	232,813
Leasehold Improvements	60,745	-	-	60,745
Leased Equipment (Right-to-Use Asset)	6-3,816	-	-	63,816
	<u>926,667</u>	<u>210,975</u>	<u>-</u>	<u>1,137,642</u>
Less: Accumulated Depreciation and Amortization				
Computer Equipment	529,471	31,025	-	560,496
Office Equipment	36,869	2,542	-	39,411
Furniture and Fixtures	67,881	3,696	-	71,577
Leasehold Improvements	60,745	-	-	60,745
Leased Equipment (Right-to-Use Asset)	10,940	10,616	-	21,556
	<u>705,906</u>	<u>47,879</u>	<u>-</u>	<u>753,785</u>
Net Capital Assets	<u>\$ 220,761</u>	<u>\$ 163,096</u>	<u>\$ -</u>	<u>\$ 383,857</u>

Notes to Financial Statements

(Continued)

NOTE 3: COMMITMENTS

The Authority leases office space from the City under a lease whose original term expired in May 2022 and which continued on a month-to-month basis through July 2023. The Authority signed a lease agreement for office space that commenced in July 2023 with annual rent starting at approximately \$115,000. This lease has a term of 10 years from commencement. The Authority leases office equipment under lease agreements, which expire through May 2027 and require payments ranging from approximately \$700 to \$1,400 per month over the leases. Rent expense recorded for the year ended June 30, 2023 was approximately \$120,000.

In the year ended June 30, 2022, the Authority implemented GASB Statement No. 87, Leases. GASB Statement No. 87 enhances the relevance and consistency of information of the government's leasing activities. It establishes requirements for lease accounting based on the principle that leases are financings of the right to use an underlying asset. A lessee is required to recognize a lease liability and an intangible right-of-use lease asset.

Annual requirements to amortize lease obligations and related interest are approximately as follows:

	Principal Payments	Interest Payments	Total
Year Ending June 30, 2024	\$ 14,400	\$ 1,900	\$ 16,300
2025	15,200	1,100	16,300
2026	7,400	500	7,900
2027	6,500	200	6,700
Total	\$ 43,500	\$ 3,700	\$ 47,200

NOTE 4: EXPLANATION OF CERTAIN DIFFERENCES BETWEEN GOVERNMENTAL FUNDS FINANCIAL STATEMENTS AND GAAP FINANCIAL STATEMENTS

Statement of Net Position and Governmental Fund Balance Sheet

The fund balance of the general fund differs from net position reported in the Statement of Net Position. The difference results primarily from the treatment of capital assets. When capital assets are used in governmental activities, the costs of the assets are reported as expenditures in governmental funds. However, the Statement of Net Position includes those assets among the assets of the Authority.

Statement of Activities and Statement of Governmental Fund Revenues, Expenditures, and Changes in Fund Balance

As noted above, outlays for capital assets to be used in governmental activities are reported as expenditures in the general fund; however, those expenditures are reported as assets, not expenses, in the Statement of Activities.

NOTE 5: RETIREMENT PLAN

The Authority maintains a retirement plan covering substantially all employees. The Plan allows for discretionary matching, qualified nonelective, and profit-sharing contributions. Amounts to be contributed to the plan are determined by the Board of Directors. The Authority made contributions for the year ended June 30, 2023 in the amount of \$118,090.

Required Supplementary Information

Budgetary Comparison Schedule – General Fund

For the Year Ended June 30, 2023

	Original Budget	Final Budget	Actual (Budgetary Basis)	(Negative) Positive Variance
Revenue				
Grant - Baltimore City	\$ 10,238,585	\$ 10,238,585	\$ 8,243,664	\$ (1,994,921)
Other	-	-	323,278	323,278
Total Revenue	\$ 10,238,585	\$ 10,238,585	\$ 8,566,942	\$ (1,671,643)
Expenditures				
Salaries and Benefits	\$ 4,523,800	\$ 4,523,800	\$ 4,110,444	\$ 413,356
Telephones, Utilities, and Internet	53,400	53,400	60,827	(7,427)
Vehicles and Travel	75,800	75,800	41,621	34,179
Business Machine Rental	19,800	19,800	13,195	6,605
Consultants	207,000	207,000	75,680	131,320
Equipment Warranty	207,900	207,900	101,164	106,736
Software	1,802,700	1,802,700	976,964	825,736
Legal	51,000	51,000	-	51,000
Printing and Copying	63,400	63,400	56,654	6,746
Merchant Service Fees	1,606,100	1,606,100	729,614	876,486
Computer Maintenance	100,000	100,000	110,239	(10,239)
Other Services	126,300	126,300	124,890	1,410
Equipment Maintenance	815,800	815,800	1,017,274	(201,474)
Office Expenses and Supplies	122,000	122,000	94,239	27,761
Equipment Acquisitions	233,600	233,600	218,145	15,455
Rent	133,000	133,000	108,135	24,865
Advertising	27,800	27,800	3,605	24,195
Dues, Subscriptions, and Training	69,100	69,100	29,591	39,509
Total Expenditures	\$ 10,238,500	\$ 10,238,500	7,872,281	\$ 2,366,219
Reconciliation of Budgetary Expenditures to Expenses Reported Under GAAP				
Depreciation and Amortization Expense (Net of Disposals) Not Included in Budget			47,879	
Capital Asset Acquisitions Included in Expenses			(210,975)	
Total Expenses			\$ 7,709,185	



PARKING
OF BALTIMORE CITY
AUTHORITY

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parking.baltimorecity.gov