
Utilities

MISSION STATEMENT

The goals of the County Government relating to utility consumption are to:

- achieve energy savings by the elimination of wasteful or inefficient operation of building systems;
- continue improvements in energy efficiency in all County operations; and
- obtain required energy fuels at the most favorable cost to the County.

HIGHLIGHTS

This budget funds the utility costs for 236 (General Fund) facilities with approximately 5,592,578 total square feet, and over 66,752 streetlights and 772 traffic controlled signalized intersections.

BUDGET OVERVIEW

The FY11 Approved Budget for the tax supported Utilities non-departmental account (NDA) is \$28,630,440, an increase of \$1,347,540 or 4.9 percent from the FY10 Approved Budget of \$27,282,900. Allocation of these utilities expenditures is approximately: electricity, 85.4 percent; natural gas, 7.7 percent; water and sewer, 6.6 percent; and fuel oil, 0.3 percent. The total increase is due to unit rate cost increases, and from new or annualized facilities, streetlights, or traffic signals.

The FY11 Approved Budget includes County government utilities expenditures for both tax and non-tax supported operations. Tax supported utilities expenditures related to the General Fund departments are budgeted in the Utilities NDA, while utilities expenditures related to special fund departments are budgeted in those funds. Some of these special funds, such as Recreation and portions of the Department of Transportation, are tax supported. Other special funds, such as Solid Waste, are not supported by taxes, but through user fees or charges for services.

Utilities expenditures are also found in the budgets of other County agencies: Montgomery County Public Schools (MCPS), Montgomery College, the Washington Suburban Sanitary Commission (WSSC), and the Maryland-National Capital Park and Planning Commission (M-NCPPC). The total budget request for these "outside" agencies is \$82,495,020 which includes the entire bi-county area of WSSC.

The FY11 Approved tax supported budget for Utilities Management, including both the General Fund NDA (\$28,630,440) and the other tax supported funds (\$3,282,980), is \$31,913,420, an increase of \$1,823,070 or approximately 6.1 percent from the FY10 Approved utilities budget. The FY11 Recommended budget for non-tax supported utilities expenditures is \$5,916,590, an increase of \$950,310 or 19.1 percent from the FY10 Approved Budget.

In both the tax and non-tax supported funds, increased utilities expenditures result primarily from higher commodity unit costs due to market price fluctuations; greater consumption due to new facilities or services; and in some cases, a more precise alignment of budgeted costs with actual prior-year expenditures by utility type. Energy conservation and cost-saving measures (e.g., new building design, lighting technology, and energy and HVAC management systems) help offset increased utility consumption or unit costs.

LINKAGE TO COUNTY RESULT AREAS

While this program area supports all eight of the County Result Areas, the following are emphasized:

- ❖ **An Effective and Efficient Transportation Network**
- ❖ **Safe Streets and Secure Neighborhoods**

PROGRAM CONTACTS

Contact Adam Damin of the Office of Management and Budget at 240.777.2794 for more information regarding this department's operating budget.

PROGRAM DESCRIPTIONS

Utilities (for All General Fund Departments)

The Utilities non-departmental account provides the General Fund utilities operating expense appropriations for the facilities maintained by the Department of General Services and the Department of Transportation. The utilities expenditures for other non-tax supported operations and other agencies are appropriated within their respective department or agency.

BUDGET SUMMARY

	Actual FY09	Budget FY10	Estimated FY10	Approved FY11	% Chg Bud/App
COUNTY GENERAL FUND					
EXPENDITURES					
Salaries and Wages	0	0	0	0	—
Employee Benefits	0	0	0	0	—
County General Fund Personnel Costs	0	0	0	0	—
Operating Expenses	25,521,020	27,282,900	27,682,900	28,630,440	4.9%
Capital Outlay	0	0	0	0	—
County General Fund Expenditures	25,521,020	27,282,900	27,682,900	28,630,440	4.9%
PERSONNEL					
Full-Time	0	0	0	0	—
Part-Time	0	0	0	0	—
Workyears	0.0	0.0	0.0	0.0	—

FY11 APPROVED CHANGES

	Expenditures	WYs
COUNTY GENERAL FUND		
FY10 ORIGINAL APPROPRIATION	27,282,900	0.0
<u>Changes (with service impacts)</u>		
Enhance: Renewable Energy (30% for FY11)	16,350	0.0
Reduce: Utilities Appropriation Four Percent	-1,192,930	0.0
<u>Other Adjustments (with no service impacts)</u>		
Increase Cost: Due to Rate and Consumption Changes	1,675,400	0.0
Increase Cost: Recommended Energy Tax Increase	996,030	0.0
Increase Cost: Silver Spring Civic Building/Skate House Coming Online	209,270	0.0
Increase Cost: Annualization of GE Building Electricity	120,000	0.0
Decrease Cost: Reduce Energy Consulting	-50,000	0.0
Decrease Cost: Energy Efficiency Related to LED Traffic Signals	-426,580	0.0
FY11 APPROVED:	28,630,440	0.0