



Environmental Protection

Mission Statement

The mission of the Department of Environmental Protection (DEP) is to enhance the quality of life in our community by protecting and improving Montgomery County's air, water and land in a sustainable way while fostering smart growth, a thriving economy and healthy communities.

Budget Overview

The total recommended FY17 Operating Budget for the Department of Environmental Protection is \$27,824,515, an increase of \$2,349,828 or 9.22 percent from the FY16 Approved Budget of \$25,474,687. Personnel Costs comprise 37.27 percent of the budget for 95 full-time position(s) and one part-time position(s), and a total of 104.76 FTEs. Total FTEs may include seasonal or temporary positions and may also reflect workforce charged to or from other departments or funds. Operating Expenses account for the remaining 62.73 percent of the FY17 budget.

The debt service for the Water Quality Protection Fund is appropriated in the Debt Service Fund and is, therefore, not displayed in this section. To pay for the debt service, a transfer of funds from the Water Quality Protection Fund to the Debt Service Fund of \$6,367,900 for Water Quality Protection bonds is required in FY17.

In addition, this department's Capital Improvements Program (CIP) requires Current Revenue funding.

Linkage to County Result Areas

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

- ◆ **Healthy and Sustainable Neighborhoods**
- ◆ **A Responsive, Accountable County Government**

Department Performance Measures

Performance measures for this department are included below (where applicable), with multi-program measures displayed at the front of this section and program-specific measures shown with the relevant program. The FY16 estimates reflect funding based on the FY16 approved budget. The FY17 and FY18 figures are performance targets based on the FY17 recommended budget and funding for comparable service levels in FY18.

Initiatives

- ★ Conducted tree planting activities consistent with the Tree Canopy Law by planting more than 500 trees on residential and multifamily properties in 2015.
- ★ Added new position in FY17 to coordinate the implementation of Bill 52-14 (Pesticides Prohibition). This new position will ensure implementation of Bill 52-14 and provide outreach to the community on updates to County pesticides law.

Accomplishments

- ☑ Completed third-generation Municipal Separate Storm Sewer System permit with retrofit of 1,774 impervious acres completed and the remaining 2,003 acres in design or construction.
- ☑ Created the Watershed Restoration and Outreach grants, which resulted in the distribution of \$371,000 to thirteen community organizations for watershed improvement projects.
- ☑ Led the Benchmarking Work Group, which provided recommendations to improve the County's Commercial Benchmarking Law. The Benchmarking Law requires buildings greater than 50,000 square feet to track energy usage, to help them identify potential

opportunities for energy efficiency improvements and operating cost savings.

- ✔ Collaborated with the Department of Finance on the development of the Commercial Property Assessed Clean Energy (PACE) program, which will allow commercial property owners to borrow money for energy efficiency improvements and renewable energy projects, and repay the loan via their property tax bill.
- ✔ Expanded the Green Business Certification Program to recognize other third-party certification programs including B Lab, Green America, Green Restaurant Association, and Green Seal; 83 businesses and organizations are currently recognized by the program.
- ✔ Completed the Glen Hills Sanitary Study to review the sustainability of the nearly 400 homes on septic systems in this community. Developed a proposed policy that supports the area master plan and addresses future septic system problems and limited sewer service.

Productivity Improvements

- ✦ Enhanced the Infor Enterprise Asset Management System (EAM) by integrating Geographic Information Systems (GIS) data with stormwater facilities asset data. This effort merged and synchronized the stormwater facility point geodatabase with Infor EAM to allow for real time edits to data, improving the accuracy and integrity of the data by creating one integrated system to edit.
- ✦ Streamlined and improved the illicit discharge detection and elimination (IDDE) mobile app, greatly reducing time spent recording information and allowing for auto-generated reports.
- ✦ Developed a new Rainscapes database, allowing for more complete and efficient recall of information on project status and initiatives.
- ✦ Continued to recruit and train volunteers for the Stream Stewards volunteer program. In FY15, volunteers participated in 13 events and donated 1,214 hours of service at cleanups, outreach events, and storm drain art painting days with a service equivalent of \$27,982.

Program Contacts

Contact Michelle Hwang of the Department of Environmental Protection at 240.777.7724 or Matt Schaeffer of the Office of Management and Budget at 240.777.2766 for more information regarding this department's operating budget.

Program Descriptions

Watershed Management

The Watershed Management Division supports watershed-based monitoring, planning, policy development, and project implementation activities designed to achieve County stream protection goals (Montgomery County Code Chapter 19, Article IV) and comply with the federal Clean Water Act NPDES Municipal Separate Storm Sewer System (MS-4) permit. Program staff conducts baseline stream monitoring, storm drain discharge monitoring, and public outreach activities that increase awareness and promote citizen involvement in stream stewardship. The program includes an extensive capital improvement program that retrofits untreated impervious area. The program also assesses land development impacts on water resources and the effectiveness of best management practices that mitigate those impacts within the County's four designated "Special Protection Areas." Program staff manages, inspects, and ensures the operational effectiveness of over 9,000 stormwater management facilities, and is also responsible for the structural maintenance of over 3,700 of these facilities. Revenue for this program is generated by the Water Quality Protection Charge, applied to all residential and non-residential properties except for those owned by the State and County government, and in the cities of Gaithersburg, Rockville, and Takoma Park.

| Program Performance Measures | Actual FY14 | Actual FY15 | Estimated FY16 | Target FY17 | Target FY18 |
|---|-------------|-------------|----------------|-------------|-------------|
| Percent of the nitrogen pollution reduction goal met | 4.39 | 15.22 | 17.74 | 20.09 | 23.95 |
| Percent of the phosphorous pollution reduction goal met | 20.14 | 38.59 | 47.13 | 54.79 | 65.12 |
| Percent of the impervious acreage control goal met | 9.7 | 45.7 | 50.90 | 57.77 | 68.74 |
| County watershed stream quality Index of Biological Integrity (IBI) score | 59.5 | 59.9 | 60.6 | 61.3 | 62.1 |
| Stormwater facility maintenance compliance rate | 82.0 | 92.0 | 87.0 | 87.0 | 87.0 |

| FY17 Recommended Changes | Expenditures | FTEs |
|---|-------------------|--------------|
| FY16 Approved | 23,115,048 | 85.69 |
| Increase Cost: Maintenance of completed Capital Improvements Program construction projects | 643,000 | 0.00 |
| Increase Cost: Charges from Department of Transportation for storm drains maintenance | 406,777 | 0.00 |
| Increase Cost: Maintenance of New and Newly Transferred Stormwater Management Facilities | 362,000 | 0.00 |
| Increase Cost: Municipal stormwater management fees | 210,000 | 0.00 |
| Increase Cost: Stormwater Facility Inspection and Maintenance Tracking System | 98,880 | 0.00 |
| Increase Cost: Best Management Practice (BMP) Monitoring in Special Protection Areas | 88,000 | 0.00 |
| Increase Cost: M-NCPPC Stormwater Management Support | 87,131 | 0.00 |
| Enhance: Outreach and education for MS4-related programs | 75,000 | 0.00 |
| Increase Cost: Software licenses for InforEAM System | 16,440 | 0.00 |
| Increase Cost: Increase Cost for Building Rent - 255 Rockville Pike | 14,624 | 0.00 |
| Shift: Telecommunications to the Telecommunications Non-Departmental Account | (9,856) | 0.00 |
| Decrease Cost: Homeowner Association Roads Credit Phased Implementation | (447,000) | 0.00 |
| Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs. | 460,153 | 2.07 |
| FY17 Recommended | 25,120,197 | 87.76 |

Environmental Policy and Compliance

The Division of Environmental Policy and Compliance develops and implements integrated programs which protect and enhance the County's environmental resources and promotes sustainable practices by residents, businesses, and the County government. The division develops and implements programs related to air quality, water quality and stormwater management, energy conservation and renewable energy, forest and tree resources, and other sustainability issues. The division also helps formulate and enforce County laws and regulations related to air and water pollution, illegal dumping, noise control, pesticides and other environmental issues. Finally, the division is responsible for environmental monitoring of the County's solid waste facilities; coordination of responses on all legislative referrals at the local, state, and federal levels; and participation on local and regional task forces, committees, and various advisory groups.

| Program Performance Measures | Actual FY14 | Actual FY15 | Estimated FY16 | Target FY17 | Target FY18 |
|--|----------------|----------------|-------------------|----------------|----------------|
| Average number of days to resolve incoming complaints | 30 | 28 | 30 | 30 | 30 |
| Percent of customers who rated themselves as satisfied with DEP response to environmental complaints | 66.1 | 77.6 | 70.0 | 70.0 | 70.0 |
| Non-residential building energy use (Million British Thermal Units) ¹ | 33,391,014 | 35,685,180 | 36,207,000 | TBD | TBD |
| Residential building energy use (Million British Thermal Units) | 40,192,546 | 41,767,534 | 42,624,000 | TBD | TBD |

¹ Source: Fuel Energy Tax Data as reported by energy suppliers to County businesses and residents. Does not include behind-the-meter generation. DEP's Office of Sustainability will develop projections for this measure.

| FY17 Recommended Changes | Expenditures | FTEs |
|---|------------------|--------------|
| FY16 Approved | 1,526,221 | 10.94 |
| Enhance: Tree Canopy Conservation program; total budget of \$500,000 will fund the planting and two years of aftercare for approximately 800 trees | 250,000 | 0.00 |
| Increase Cost: Implementation of Bill 52-14 (Pesticides Prohibition) | 50,119 | 1.00 |
| Decrease Cost: Contractual services to implement partnership development and other activities in the Office of Sustainability | (42,443) | 0.00 |
| Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs. | 100,692 | 0.00 |
| FY17 Recommended | 1,884,589 | 11.94 |

Administration

The Office of the Director provides leadership on policy development, implementation, and administration for all departmental programs and management services. The Director's Office is also responsible for planning, development, and administration of water supply and

wastewater policies for the County, as well as development of the State-required Montgomery County Comprehensive Water Supply and Sewerage System Plan, in order to ensure that the County's management of water and wastewater protects public health and the environment. Additional activities in the Director's Office include budget development and administration; human resources management; management of the Water Quality Protection Charge; and management of the Department's information technology and geographical information systems and services.

| FY17 Recommended Changes | Expenditures | FTEs |
|---|----------------|-------------|
| FY16 Approved | 833,418 | 5.15 |
| Increase Cost: Charges from Department of Finance for Water Quality Protection Charge processing | 480,163 | 2.80 |
| Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs. | (493,852) | (2.89) |
| FY17 Recommended | 819,729 | 5.06 |

Budget Summary

| | Actual FY15 | Budget FY16 | Estimate FY16 | REC FY17 | %Chg Bud/Rec |
|--|-------------------|-------------------|-------------------|-------------------|-----------------|
| COUNTY GENERAL FUND | | | | | |
| EXPENDITURES | | | | | |
| Salaries and Wages | 1,080,928 | 1,267,367 | 1,208,449 | 1,312,023 | 3.5 % |
| Employee Benefits | 383,289 | 437,346 | 411,579 | 438,868 | 0.4 % |
| County General Fund Personnel Costs | 1,464,217 | 1,704,713 | 1,620,028 | 1,750,891 | 2.7 % |
| Operating Expenses | 287,115 | 496,147 | 804,949 | 792,514 | 59.7 % |
| County General Fund Expenditures | 1,751,332 | 2,200,860 | 2,424,977 | 2,543,405 | 15.6 % |
| PERSONNEL | | | | | |
| Full-Time | 41 | 43 | 43 | 45 | 4.7 % |
| Part-Time | 2 | 2 | 2 | 1 | -50.0 % |
| FTEs | 13.09 | 15.09 | 15.09 | 16.00 | 6.0 % |
| REVENUES | | | | | |
| Other Charges/Fees | 99,477 | 227,000 | 177,000 | 62,550 | -72.4 % |
| Other Fines/Forfeitures | 18,140 | 10,000 | 10,000 | 10,000 | --- |
| Other Licenses/Permits | 3,875 | 6,000 | 6,000 | 6,000 | --- |
| Tree Canopy | 509,250 | 250,000 | 250,000 | 500,000 | 100.0 % |
| County General Fund Revenues | 630,742 | 493,000 | 443,000 | 578,550 | 17.4 % |
| WATER QUALITY PROTECTION FUND | | | | | |
| EXPENDITURES | | | | | |
| Salaries and Wages | 5,593,349 | 6,230,239 | 5,763,514 | 6,456,356 | 3.6 % |
| Employee Benefits | 1,823,387 | 2,095,836 | 1,890,586 | 2,163,220 | 3.2 % |
| Water Quality Protection Fund Personnel Costs | 7,416,736 | 8,326,075 | 7,654,100 | 8,619,576 | 3.5 % |
| Operating Expenses | 12,638,393 | 14,947,752 | 14,304,708 | 16,661,534 | 11.5 % |
| Water Quality Protection Fund Expenditures | 20,055,129 | 23,273,827 | 21,958,808 | 25,281,110 | 8.6 % |
| PERSONNEL | | | | | |
| Full-Time | 46 | 50 | 50 | 50 | --- |
| Part-Time | 1 | 0 | 0 | 0 | --- |
| FTEs | 84.39 | 86.69 | 86.69 | 88.76 | 2.4 % |
| REVENUES | | | | | |
| Bag Tax | 2,485,541 | 2,400,000 | 2,400,000 | 2,280,000 | -5.0 % |
| Investment Income | 28,213 | 81,730 | 63,790 | 91,130 | 11.5 % |
| Other Charges/Fees | 81,566 | 200,000 | 200,000 | 200,000 | --- |
| Water Quality Protection Fee | 28,150,474 | 32,633,364 | 32,351,518 | 34,530,616 | 5.8 % |
| Water Quality Protection Fund Revenues | 30,745,794 | 35,315,094 | 35,015,308 | 37,101,746 | 5.1 % |
| GRANT FUND - MCG | | | | | |
| EXPENDITURES | | | | | |
| Salaries and Wages | 0 | 0 | 0 | 0 | --- |

| | Actual FY15 | Budget FY16 | Estimate FY16 | REC FY17 | %Chg Bud/Rec |
|---|----------------|----------------|------------------|-------------|-----------------|
| Employee Benefits | 0 | 0 | 0 | 0 | --- |
| Grant Fund - MCG Personnel Costs | 0 | 0 | 0 | 0 | --- |
| Operating Expenses | 24,181 | 0 | 0 | 0 | --- |
| Grant Fund - MCG Expenditures | 24,181 | 0 | 0 | 0 | --- |
| PERSONNEL | | | | | |
| Full-Time | 0 | 0 | 0 | 0 | --- |
| Part-Time | 0 | 0 | 0 | 0 | --- |
| FTEs | 0.00 | 0.00 | 0.00 | 0.00 | --- |
| REVENUES | | | | | |
| State Grants | 95,761 | 0 | 0 | 0 | --- |
| Grant Fund - MCG Revenues | 95,761 | 0 | 0 | 0 | --- |

DEPARTMENT TOTALS

| | | | | | |
|----------------------------------|-------------------|-------------------|-------------------|-------------------|----------------|
| Total Expenditures | 21,830,642 | 25,474,687 | 24,383,785 | 27,824,515 | 9.2 % |
| Total Full-Time Positions | 87 | 93 | 93 | 95 | 2.2 % |
| Total Part-Time Positions | 3 | 2 | 2 | 1 | -50.0 % |
| Total FTEs | 97.48 | 101.78 | 101.78 | 104.76 | 2.9 % |
| Total Revenues | 31,472,297 | 35,808,094 | 35,458,308 | 37,680,296 | 5.2 % |

FY17 Recommended Changes

Expenditures FTEs

COUNTY GENERAL FUND

FY16 ORIGINAL APPROPRIATION 2,200,860 15.09

Changes (with service impacts)

Enhance: Tree Canopy Conservation program; total budget of \$500,000 will fund the planting and two years of aftercare for approximately 800 trees [Environmental Policy and Compliance] 250,000 0.00

Other Adjustments (with no service impacts)

Increase Cost: Annualization of FY16 Personnel Costs 50,761 (0.09)
 Increase Cost: Implementation of Bill 52-14 (Pesticides Prohibition) [Environmental Policy and Compliance] 50,119 1.00
 Increase Cost: Motor Pool Adjustment 27,131 0.00
 Increase Cost: FY17 Compensation Adjustment 21,275 0.00
 Increase Cost: Group Insurance Adjustment 9,063 0.00
 Increase Cost: Printing and Mail 692 0.00
 Shift: Telecommunications to the Telecommunications Non-Departmental Account (7,010) 0.00
 Decrease Cost: Retirement Adjustment (17,043) 0.00
 Decrease Cost: Contractual services to implement partnership development and other activities in the Office of Sustainability [Environmental Policy and Compliance] (42,443) 0.00

FY17 RECOMMENDED 2,543,405 16.00

WATER QUALITY PROTECTION FUND

FY16 ORIGINAL APPROPRIATION 23,273,827 86.69

Changes (with service impacts)

Enhance: Outreach and education for MS4-related programs [Watershed Management] 75,000 0.00

Other Adjustments (with no service impacts)

Increase Cost: Maintenance of completed Capital Improvements Program construction projects [Watershed Management] 643,000 0.00
 Increase Cost: Charges from Department of Finance for Water Quality Protection Charge processing [Administration] 480,163 2.80
 Increase Cost: Charges from Department of Transportation for storm drains maintenance [Watershed Management] 406,777 0.00
 Increase Cost: Maintenance of New and Newly Transferred Stormwater Management Facilities [Watershed Management] 362,000 0.00
 Increase Cost: Municipal stormwater management fees [Watershed Management] 210,000 0.00
 Increase Cost: Stormwater Facility Inspection and Maintenance Tracking System [Watershed Management] 98,880 0.00
 Increase Cost: FY17 Compensation Adjustment 89,543 0.00

| | Expenditures | FTEs |
|---|-------------------|--------------|
| Increase Cost: Best Management Practice (BMP) Monitoring in Special Protection Areas [Watershed Management] | 88,000 | 0.00 |
| Increase Cost: M-NCPPC Stormwater Management Support [Watershed Management] | 87,131 | 0.00 |
| Increase Cost: Group Insurance Adjustment | 32,169 | 0.00 |
| Increase Cost: Motor Pool Adjustment | 20,128 | 0.00 |
| Increase Cost: Software licenses for InforEAM System [Watershed Management] | 16,440 | 0.00 |
| Increase Cost: Increase Cost for Building Rent - 255 Rockville Pike [Watershed Management] | 14,624 | 0.00 |
| Increase Cost: Printing and Mail | 804 | 0.00 |
| Shift: Telecommunications to the Telecommunications Non-Departmental Account [Watershed Management] | (9,856) | 0.00 |
| Decrease Cost: Retirement Adjustment | (43,313) | 0.00 |
| Decrease Cost: Annualization of FY16 Personnel Costs | (117,207) | (0.73) |
| Decrease Cost: Homeowner Association Roads Credit Phased Implementation [Watershed Management] | (447,000) | 0.00 |
| FY17 RECOMMENDED | 25,281,110 | 88.76 |

Program Summary

| Program Name | FY16 APPR | | FY17 REC | |
|-------------------------------------|-------------------|---------------|-------------------|---------------|
| | Expenditures | FTEs | Expenditures | FTEs |
| Watershed Management | 23,115,048 | 85.69 | 25,120,197 | 87.76 |
| Environmental Policy and Compliance | 1,526,221 | 10.94 | 1,884,589 | 11.94 |
| Administration | 833,418 | 5.15 | 819,729 | 5.06 |
| Total | 25,474,687 | 101.78 | 27,824,515 | 104.76 |

Charges to Other Departments

| Charged Department | Charged Fund | FY16 | | FY17 | |
|--------------------------------------|--------------|-----------|-------|-----------|-------|
| | | Total\$ | FTEs | Total\$ | FTEs |
| WATER QUALITY PROTECTION FUND | | | | | |
| CIP | Capital Fund | 2,918,293 | 25.20 | 3,059,512 | 26.20 |

Future Fiscal Impacts

| Title | CE RECOMMENDED (\$000s) | | | | | |
|--|-------------------------|--------------|--------------|--------------|--------------|--------------|
| | FY17 | FY18 | FY19 | FY20 | FY21 | FY22 |
| COUNTY GENERAL FUND | | | | | | |
| EXPENDITURES | | | | | | |
| FY17 Recommended | 2,543 | 2,543 | 2,543 | 2,543 | 2,543 | 2,543 |
| No inflation or compensation change is included in outyear projections. | | | | | | |
| Annualization of Positions Recommended in FY17 | 0 | 49 | 49 | 49 | 49 | 49 |
| New positions in the FY17 budget are generally assumed to be filled at least two months after the fiscal year begins. Therefore, the above amounts reflect annualization of these positions in the outyears. | | | | | | |
| Elimination of One-Time Items Recommended in FY17 | 0 | (1) | (1) | (1) | (1) | (1) |
| Items recommended for one-time funding in FY17, including computer costs for Pesticides Prohibition position, will be eliminated from the base in the outyears. | | | | | | |
| Labor Contracts | 0 | 10 | 10 | 10 | 10 | 10 |
| These figures represent the estimated annualized cost of general wage adjustments, service increments, and other negotiated items. | | | | | | |
| Subtotal Expenditures | 2,543 | 2,601 | 2,601 | 2,601 | 2,601 | 2,601 |

| | | | | | | |
|--------------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| WATER QUALITY PROTECTION FUND | | | | | | |
| EXPENDITURES | | | | | | |
| FY17 Recommended | 25,281 | 25,281 | 25,281 | 25,281 | 25,281 | 25,281 |

| Title | CE RECOMMENDED (\$000s) | | | | | |
|---|-------------------------|---------------|---------------|---------------|---------------|---------------|
| | FY17 | FY18 | FY19 | FY20 | FY21 | FY22 |
| No inflation or compensation change is included in outyear projections. | | | | | | |
| Elimination of One-Time Items Recommended in FY17 | 0 | (99) | (99) | (99) | (99) | (99) |
| Items recommended for one-time funding in FY17, including stormwater facility maintenance tracking system costs, will be eliminated from the base in the outyears. | | | | | | |
| Building Rent Escalation | 0 | 15 | 15 | 16 | 16 | 16 |
| Increase in lease costs for DEP offices. | | | | | | |
| Maintenance of New and Newly Transferred Stormwater Management Facilities | 0 | 71 | 71 | 71 | 71 | 71 |
| These figures reflect the maintenance requirements of new stormwater management facilities and existing stormwater management facilities that transfer into the County's maintenance program. | | | | | | |
| Operating Budget Impacts of CIP Projects | 0 | 1,124 | 552 | 1,124 | 2,059 | 1,830 |
| These figures represent the Operating Budget Impacts of Stormwater Management projects in the FY17-22 CIP. | | | | | | |
| Program Growth | 0 | 50 | 100 | 150 | 200 | 250 |
| These figures represent the anticipated increase of expenditures related to an increase in Water Quality Protection initiatives, including the MS4 program. | | | | | | |
| Labor Contracts | 0 | 61 | 61 | 61 | 61 | 61 |
| These figures represent the estimated annualized cost of general wage adjustments, service increments, and other negotiated items. | | | | | | |
| Subtotal Expenditures | 25,281 | 26,502 | 25,980 | 26,603 | 27,588 | 27,409 |

Annualization of Personnel Costs and FTEs

| | FY17 Recommended | | FY18 Annualized | |
|---|------------------|-------------|-----------------|-------------|
| | Expenditures | FTEs | Expenditures | FTEs |
| Implementation of Bill 52-14 (Pesticides Prohibition) | 49,119 | 1.00 | 98,238 | 1.00 |
| Total | 49,119 | 1.00 | 98,238 | 1.00 |

| FY17-22 PUBLIC SERVICES PROGRAM: FISCAL PLAN | | Water Quality Protection Fund | | | | | |
|---|--------------------------|--------------------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
| FISCAL PROJECTIONS | FY16 Estimate | FY17 CE REC | FY18 PROJECTION | FY19 PROJECTION | FY20 PROJECTION | FY21 PROJECTION | FY22 PROJECTION |
| ASSUMPTIONS | | | | | | | |
| Indirect Cost Rate | 15.98% | 16.45% | 16.45% | 16.45% | 16.45% | 16.45% | 16.45% |
| CPI (Fiscal Year) | 0.81% | 1.8% | 2.3% | 2.5% | 2.7% | 2.7% | 2.7% |
| Investment Income Yield | 0.35% | 0.50% | 1.00% | 1.50% | 2.50% | 2.50% | 3.00% |
| Number of Equivalent Residential Units (ERUs) Billed | 372,369 | 368,355 | 368,355 | 368,355 | 368,355 | 368,355 | 368,355 |
| Water Quality Protection Charge (\$/ERU) | \$88.40 | \$95.00 | \$104.25 | \$114.70 | \$125.50 | \$136.25 | \$138.50 |
| Collection Factor for Charge | 99.5% | 99.5% | 99.5% | 99.5% | 99.5% | 99.5% | 99.5% |
| BEGINNING FUND BALANCE | 13,221,064 | 5,702,695 | 1,738,360 | 1,846,256 | 1,657,663 | 1,831,410 | 1,837,147 |
| REVENUES | | | | | | | |
| Charges For Services | 32,351,518 | 34,530,616 | 37,892,045 | 41,690,438 | 45,613,918 | 49,515,696 | 50,480,680 |
| Bag Tax Receipts | 2,400,000 | 2,280,000 | 2,166,000 | 1,949,400 | 1,754,460 | 1,579,020 | 1,421,120 |
| Miscellaneous | 263,790 | 291,130 | 382,260 | 473,390 | 564,520 | 655,650 | 746,780 |
| Subtotal Revenues | 35,015,308 | 37,101,746 | 40,440,305 | 44,113,228 | 47,932,898 | 51,750,366 | 52,648,580 |
| INTERFUND TRANSFERS (Net Non-CIP) | | | | | | | |
| Transfers To General Fund | (4,350,760) | (7,798,971) | (7,774,011) | (13,000,570) | (12,997,010) | (17,000,260) | (17,000,510) |
| Indirect Costs | (1,330,510) | (1,431,071) | (1,431,761) | (1,418,610) | (1,418,610) | (1,418,610) | (1,418,610) |
| Telecommunications Charge | (1,330,510) | (1,417,920) | (1,418,610) | (1,418,610) | (1,418,610) | (1,418,610) | (1,418,610) |
| Transfers to Debt Service Fund (Non-Tax) | 0 | (13,151) | (13,151) | 0 | 0 | 0 | 0 |
| | (3,020,250) | (6,367,900) | (6,342,250) | (11,581,960) | (11,578,400) | (15,581,650) | (15,581,900) |
| TOTAL RESOURCES | 43,885,612 | 35,005,470 | 34,404,654 | 32,958,914 | 36,593,551 | 36,581,516 | 37,485,217 |
| CIP CURRENT REVENUE APPROPRIATION | | | | | | | |
| PSP OPER. BUDGET APPROP/ EXPS. | (13,126,000) | (7,986,000) | (5,413,000) | (3,852,000) | (5,783,000) | (3,839,000) | (3,918,000) |
| Operating Budget | (21,958,808) | (25,281,110) | (25,824,526) | (26,650,036) | (27,557,576) | (28,498,446) | (29,473,976) |
| FFI - Labor Agreement | 0 | 0 | (60,927) | (60,927) | (60,927) | (60,927) | (60,927) |
| FFI - Maintenance of New and Newly Transferred Facilities | 0 | 0 | (71,000) | (71,000) | (71,000) | (71,000) | (71,000) |
| FFI - Operating Impacts of CIP Projects | 0 | 0 | (1,124,000) | (552,000) | (1,124,000) | (2,059,000) | (1,830,000) |
| FFI - Building Rent Escalation | 0 | 0 | (14,945) | (15,288) | (15,638) | (15,996) | (15,996) |
| FFI - Program Growth | 0 | 0 | (50,000) | (100,000) | (150,000) | (200,000) | (250,000) |
| Subtotal PSP Oper Budget Approp / Exp's | (21,958,808) | (25,281,110) | (27,145,398) | (27,449,251) | (28,979,141) | (30,905,369) | (31,701,899) |
| OTHER CLAIMS ON FUND BALANCE | (3,098,109) | 0 | 0 | 0 | 0 | 0 | 0 |
| TOTAL USE OF RESOURCES | (38,182,917) | (33,267,110) | (32,558,398) | (31,301,251) | (34,762,141) | (34,744,369) | (35,619,899) |
| YEAR END FUND BALANCE | 5,702,695 | 1,738,360 | 1,846,256 | 1,657,663 | 1,831,410 | 1,837,147 | 1,865,318 |
| END-OF-YEAR RESERVES AS A | | | | | | | |
| PERCENT OF RESOURCES | 13.0% | 5.0% | 5.4% | 5.0% | 5.0% | 5.0% | 5.0% |
| NET REVENUE | 10,622,491 | 10,389,565 | 11,863,146 | 15,245,367 | 17,535,147 | 19,426,387 | 19,528,071 |
| DEBT SERVICE COVERAGE RATIO | 3.52 | 1.63 | 1.87 | 1.32 | 1.51 | 1.25 | 1.25 |
| Assumptions: | | | | | | | |
| 1. These projections are based on the County Executive's Recommended budget and include the revenue and resource assumptions of that budget. The projected future expenditures, revenues, and fund balances may vary based on changes to fee or tax rates, usage, inflation, future labor agreements, and other factors not assumed here. | | | | | | | |
| 2. Stormwater facilities transferred into the maintenance program will be maintained to permit standards as they are phased into the program. | | | | | | | |
| 3. Operating costs for new facilities to be completed or transferred, Operating Budget Impacts of Stormwater CIP projects, and Program Growth between FY18 and FY22 have been incorporated in the future fiscal impact (FFI) rows. | | | | | | | |
| 4. The operating budget includes planning and implementation costs for compliance with the Municipal Separate Storm Sewer System (MS-4) permit issued by the Maryland Department of the Environment in February 2010. Debt service on bonds that will be used to finance the CIP project costs of MS-4 compliance has been shown as a transfer to the Debt Service Fund. The Department of Finance issued \$37.8 million in Water Quality Protection Charge Revenue Bonds dated July 18, 2012 (Series 2012A). The actual debt service costs for the Series 2012A bond issuance and projected debt service for bond issuances (\$41 million in FY2016, \$65 million in FY2018 and a \$50 million bond issuance in FY2020) are included in the fiscal plan. Actual debt service costs may vary depending on the size and timing of future bond issues. Current revenue may be used to offset future borrowing requirements. Future WQPC rates are subject to change based on the timing and size of future debt issuance, State Aid, and legislation. | | | | | | | |
| 5. Charges are adjusted to fund the planned service program and maintain net revenues sufficient to cover 1.25 times debt service costs. | | | | | | | |
| 6. Current Water Quality Protection fund balance policy target is at least 5% of resources. | | | | | | | |