



Environmental Protection

RECOMMENDED FY23 BUDGET

\$38,534,241

FULL TIME EQUIVALENTS

122.48

 ADRIANA HOCHBERG, ACTING DIRECTOR

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 FY23 Operating Budget for the Department of Environmental Protection is \$38,534,241, an increase of \$5,562,267 or 16.87 percent from the FY22 Approved Budget of \$32,971,974. Personnel Costs comprise 34.64 percent of the budget for 121 full-time position(s) and one part-time position(s), and a total of 122.48 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 65.36 percent of the FY23 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 \$10,393,920 is required in FY23 for Water Quality Protection Bonds.



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

COUNTY PRIORITY OUTCOMES

While this program area supports all seven of the County Executive's Priority Outcomes, the following are emphasized:

-  **A Greener County**
-  **Effective, Sustainable Government**

INITIATIVES

-  Add two positions to address flooding Countywide, including a general flood program manager and a mapping specialist. In addition, amend the CIP to create a new Flood Control Study project to investigate sub-watershed-level flooding solutions.
-  Provide funding and positions to implement a Building Energy Performance Standards program to improve energy efficiency and reduce the greenhouse gas emissions from buildings, one of the largest emitters in the County. This is a cutting edge initiative on which Montgomery County is leading the way.

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- ★ Add funding for climate justice efforts, engaging with minority and low-income communities to collaboratively solve locally-felt environmental problems. Funds are also added for the electrification and resiliency of low- and moderate-income housing.
 - ★ Initiate enhanced inspection and maintenance of stream restorations and best management practices (BMPs), required under the newly-issued MS4 Permit.

INNOVATIONS AND PRODUCTIVITY IMPROVEMENTS

- ★ Enhanced coordination and cooperation between General Services and the Department of Environmental Protection (DEP) to allow for transfer of stormwater management facilities built by DGS to DEP for maintenance in a manner that reflects clear information on the condition of the assets. This allows for improved planning and budgeting to ensure these facilities are inspected and maintained.
- ★ Enhanced use of a social justice tool to guide placement of new stormwater management facilities and structures to address equity and ensure that water quality improvements are installed in an equitable manner.

PROGRAM CONTACTS

Contact Patrice Bubar of the Department of Environmental Protection at 240.777.7786 or Richard H. Harris of the Office of Management and Budget at 240.777.2795 for more information regarding this department's operating budget.

PROGRAM 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 FY22 estimates reflect funding based on the FY22 Approved Budget. The FY23 and FY24 figures are performance targets based on the FY23 Recommended Budget and funding for comparable service levels in FY24.

PROGRAM DESCRIPTIONS

★ Administration

The Office of the Director provides for overall management of departmental programs to ensure safe and efficient operations, including contract administration management for the department, continuity of operations, and oversight of operational programs at the County's waste management facilities (including the Transfer Station and Resource Recovery Facility). The Director's Office manages the revenue from the Water Quality Protection Charge, which funds many environmental programs around the County. The Director's Office also oversees the development of the fee for services charges to County residents related to recycling and trash collection services.

The Office provides strategic direction and support on IT systems and infrastructure for departmental operations and programs, oversees the human resources and human capital programs for the department, and manages other supporting functions such as fleet vehicles. The Office provides for management of partnerships with multiple County departments with which the department cooperates, including Permitting Services, Transportation, and General Services, as well as external groups including faith-based institutions, the Maryland National Capital Park and Planning Commission, and the Washington Suburban Sanitary

Commission. The Office develops water and wastewater policies and updates the County's comprehensive water and sewer plan.

| FY23 Recommended Changes | Expenditures | FTEs |
|---|------------------|-------------|
| FY22 Approved | 1,313,828 | 6.85 |
| Add: Support for Digital and Media Outreach Efforts | 100,000 | 0.00 |
| Enhance: Professional Career/Skill Development - WQPF | 50,000 | 0.00 |
| Shift: Reallocation of Positions Based on Actual Work Activities - General Fund | 46,140 | 0.35 |
| Enhance: Professional Career/Skill Development - General Fund | 20,000 | 0.00 |
| Increase Cost: Six Percent Inflationary Increase to Non-Profit Service Provider Contracts | 17,225 | 0.00 |
| Shift: Reallocation of Positions Based on Actual Work Activities - WQPF | (56,664) | (0.45) |
| Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs. | 167,861 | 2.95 |
| FY23 Recommended | 1,658,390 | 9.70 |

Energy, Climate and Compliance

The Energy, Climate, and Compliance Division enforces County laws and regulations related to air and water pollution, illegal dumping, noise control, pesticides, and other environmental laws. The division implements programs that educate and assist County residents with ensuring their properties are energy efficient. These programs include extensive outreach and assistance with understanding tools and financing available to increase energy efficiency. The Division is responsible for oversight and implementation of the Benchmarking Law which requires certain commercial property owners to benchmark the energy efficiency of their properties and report it to the County. The Division develops programs that will assist with reducing greenhouse gas emissions in the County, including support to the working groups for clean energy and building efficiency, created as part of the initiative to develop a Climate Action and Resiliency Plan. It also oversees programs that provide financial support to commercial property owners to improve energy efficiency such as Property-Assessed Clean Energy Financing (PACE) and the Green Bank, and manages the Green Business Certification Program which recognizes businesses that adapt practices to enhance sustainability.

| Program Performance Measures | Actual FY20 | Actual FY21 | Estimated FY22 | Target FY23 | Target FY24 |
|---|----------------|----------------|-------------------|----------------|----------------|
| Percent of commercial buildings in compliance with the building benchmarking law ¹ | 91% | 87% | 88% | 88% | 88% |
| Average days to close environmental cases | 24 | 28 | 28 | 28 | 28 |
| Percent of customers rating themselves as satisfied with DEP's response to environmental complaints | 80% | 81% | 80% | 80% | 80% |

¹ FY21 data as of Aug 2021, CY 2020 reports are still being received.

| FY23 Recommended Changes | Expenditures | FTEs |
|---|------------------|-------------|
| FY22 Approved | 1,222,304 | 8.00 |
| Add: Building Energy Performance Standards Support | 1,013,674 | 4.00 |
| Add: Funding for New Appliance Electrification Incentive Program | 1,000,000 | 0.00 |
| Add: Efficiency & Climate Resiliency Pilot Program for Low- and Moderate-Income Housing | 675,000 | 0.00 |
| Add: Community Justice Academy and Fund | 300,000 | 0.00 |
| Add: Consultant Support for Sustainability Zoning and Code Review and Recommendations | 150,000 | 0.00 |
| Add: Broadscale Climate + Alert Montgomery Communication Campaign | 150,000 | 0.00 |
| Add: High Road Economic Development Implementation | 132,749 | 1.00 |
| Add: Incentives for Electrification of Lawn Care Equipment | 100,000 | 0.00 |
| Add: Flooding GIS Specialist | 86,080 | 1.00 |

| FY23 Recommended Changes | Expenditures | FTEs |
|---|---------------------|--------------|
| Add: Residential Energy Program Manager | 76,578 | 1.00 |
| Add: Manager of County Flood Program | 76,578 | 1.00 |
| Add: Position for Natural Climate Solutions | 75,782 | 1.00 |
| Add: Project Equity Worker Coop Implementation | 50,000 | 0.00 |
| Add: Agrivoltaic Technical Assistance | 50,000 | 0.00 |
| Add: Decision Support Tool License | 20,000 | 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. | (152,288) | (2.00) |
| FY23 Recommended | 5,026,457 | 15.00 |

Watershed Restoration

The Watershed Restoration Division leads the County's efforts to improve stream health and water quality through the targeted planning, design, construction, inspection, and maintenance of best management practices (BMP) built to manage stormwater runoff. The Watershed Restoration Division supports watershed-based monitoring and reporting 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 (MS4) permit. Staff conduct baseline stream monitoring, storm drain discharge monitoring, and public outreach activities that increase awareness and promote citizen involvement in stream stewardship. The program also assesses land development impacts on water resources and the effectiveness of BMPs that mitigate those impacts within the County's designated "Special Protection Areas." The Division implements programs to extend stewardship and BMPs beyond streams and facilities by targeting private property owners. These programs include Tree Montgomery (Chapter 55, Article 3), RainScapes, and pet waste. The Division oversees the carry out bag tax program, which helps address issues with litter in streams.

The Watershed Restoration Division successfully implements these programs through extensive partnerships with the Maryland Department of Natural Resources; Maryland Department of the Environment; Maryland Department of Agriculture; Montgomery County Public Schools; Montgomery County Departments of Transportation and General Services; Maryland National Capital Park and Planning Commission; the Towns of Chevy Chase, Kensington, Somerset and Poolesville; the Villages of Chevy Chase and Friendship Heights; watershed organizations; homeowner associations; businesses; and private property owners. The long-term goal is to protect and improve water resources for Montgomery County residents and the Chesapeake Bay.

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 those in the cities of Gaithersburg, Rockville, and Takoma Park. Revenue from the carry out bag tax is also provided to support these programs.

| Program Performance Measures | Actual FY20 | Actual FY21 | Estimated FY22 | Target FY23 | Target FY24 |
|---|------------------------|------------------------|---------------------------|------------------------|------------------------|
| Pounds of sediment reduced (thousands) | 4,386 | 8,865 | 9,887 | 11,494 | 13,358 |
| Percent of stormwater management triennial inspections completed ¹ | 100% | 94% | 90% | 95% | 100% |
| Percent of stormwater management facility maintenance work orders completed | 91% | 82% | 89% | 90% | 100% |
| Amount of total phosphorus loads reduced or controlled (pounds / year) ² | 9,446 | 12,101 | 13,089 | 14,078 | 15,066 |
| Percent of the impervious acreage control goal met | 100% | 100% | 100% | 100% | 100% |

| Program Performance Measures | Actual FY20 | Actual FY21 | Estimated FY22 | Target FY23 | Target FY24 |
|---|----------------|----------------|-------------------|----------------|----------------|
| Amount of total nitrogen loads reduced or controlled (pounds / year) ³ | 21,358 | 24,443 | 25,880 | 27,317 | 28,754 |
| ¹ Does not include triennial inspections of BMPs on Single Family Residential (SFR) properties, which are covered under a separate inspection program. | | | | | |
| ² This measure has been modified to prepare to align with a new model based on guidance from the Maryland Department of the Environment to be consistent with other jurisdictions. | | | | | |
| ³ This measure has been modified to prepare to align with a new model based on guidance from the Maryland Department of the Environment to be consistent with other jurisdictions. | | | | | |

| FY23 Recommended Changes | Expenditures | FTEs |
|---|-------------------|--------------|
| FY22 Approved | 30,435,842 | 95.05 |
| Increase Cost: Increase for M-NCPPC Programs | 244,441 | 0.00 |
| Add: Inspections and Maintenance of Facilities Transferred from General Services | 233,000 | 0.00 |
| Add: Inspections and Maintenance of Stream Restorations for New MS4 Permit Requirements | 162,000 | 0.00 |
| Add: Maintenance of Glenmont GreenStreet | 150,000 | 0.00 |
| Add: Position and Funding for RainScapes Program (Planning Specialist III) | 126,578 | 1.00 |
| Add: Position for MS4-related Stream Inspections | 76,578 | 1.00 |
| Add: Funding for Senior Engineer (Assigned to the Office of Agriculture) | 62,989 | 1.00 |
| Increase Cost: Six Percent Inflationary Increase to Non-Profit Service Provider Contracts | 58,696 | 0.00 |
| Increase Cost: Watershed Grants | 50,000 | 0.00 |
| Add: Contract Costs for Information Technology Service System | 26,000 | 0.00 |
| Increase Cost: Council of Governments Dues | 2,000 | 0.00 |
| Add: Partial Shift of Street Sweeping Budget from Operating Costs to Personnel Costs | 0 | 0.68 |
| Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs. | 221,270 | (0.95) |
| FY23 Recommended | 31,849,394 | 97.78 |

BUDGET SUMMARY

| | Actual FY21 | Budget FY22 | Estimate FY22 | Recommended FY23 | %Chg Bud/Rec |
|--|------------------|------------------|------------------|---------------------|-----------------|
| COUNTY GENERAL FUND | | | | | |
| EXPENDITURES | | | | | |
| Salaries and Wages | 1,431,719 | 1,737,926 | 1,748,803 | 2,395,047 | 37.8 % |
| Employee Benefits | 396,474 | 465,752 | 464,010 | 630,306 | 35.3 % |
| County General Fund Personnel Costs | 1,828,193 | 2,203,678 | 2,212,813 | 3,025,353 | 37.3 % |
| Operating Expenses | 1,368,705 | 1,287,605 | 1,236,701 | 4,537,953 | 252.4 % |
| County General Fund Expenditures | 3,196,898 | 3,491,283 | 3,449,514 | 7,563,306 | 116.6 % |
| PERSONNEL | | | | | |
| Full-Time | 46 | 49 | 49 | 61 | 24.5 % |
| Part-Time | 0 | 0 | 0 | 0 | — |
| FTEs | 16.29 | 16.29 | 16.29 | 25.64 | 57.4 % |
| REVENUES | | | | | |
| Other Charges/Fees | 20,469 | 60,400 | 60,400 | 60,400 | — |
| Other Fines/Forfeitures | 15,350 | 15,000 | 15,000 | 15,000 | — |

BUDGET SUMMARY

| | Actual FY21 | Budget FY22 | Estimate FY22 | Recommended FY23 | %Chg Bud/Rec |
|-------------------------------------|----------------|----------------|------------------|---------------------|-----------------|
| Other Licenses/Permits | 14,700 | 20,000 | 20,000 | 20,000 | — |
| Tree Canopy | 594,000 | 750,000 | 750,000 | 750,000 | — |
| County General Fund Revenues | 644,519 | 845,400 | 845,400 | 845,400 | — |

WATER QUALITY PROTECTION FUND

EXPENDITURES

| | | | | | |
|--|-------------------|-------------------|-------------------|-------------------|--------------|
| Salaries and Wages | 7,059,075 | 7,649,003 | 7,640,884 | 7,816,284 | 2.2 % |
| Employee Benefits | 1,950,527 | 2,306,909 | 2,206,909 | 2,504,815 | 8.6 % |
| Water Quality Protection Fund Personnel Costs | 9,009,602 | 9,955,912 | 9,847,793 | 10,321,099 | 3.7 % |
| Operating Expenses | 18,978,045 | 19,524,779 | 19,524,069 | 20,649,836 | 5.8 % |
| Water Quality Protection Fund Expenditures | 27,987,647 | 29,480,691 | 29,371,862 | 30,970,935 | 5.1 % |

PERSONNEL

| | | | | | |
|-----------|-------|-------|-------|-------|--------|
| Full-Time | 46 | 48 | 48 | 60 | 25.0 % |
| Part-Time | 1 | 1 | 1 | 1 | — |
| FTEs | 92.11 | 93.61 | 93.61 | 96.84 | 3.5 % |

REVENUES

| | | | | | |
|---|-------------------|-------------------|-------------------|-------------------|--------------|
| Bag Tax | 2,754,404 | 2,500,000 | 2,500,000 | 2,500,000 | — |
| Investment Income | 51,440 | 300,000 | 300,000 | 500,000 | 66.7 % |
| Other Charges/Fees | 360,652 | 47,500 | 162,979 | 47,500 | — |
| Water Quality Protection Charge | 39,974,205 | 41,137,400 | 41,137,400 | 43,414,720 | 5.5 % |
| Water Quality Protection Fund Revenues | 43,140,701 | 43,984,900 | 44,100,379 | 46,462,220 | 5.6 % |

GRANT FUND - MCG

EXPENDITURES

| | | | | | |
|---|----------------|----------|----------|----------|----------|
| Salaries and Wages | 11,613 | 0 | 0 | 0 | — |
| Employee Benefits | 0 | 0 | 0 | 0 | — |
| Grant Fund - MCG Personnel Costs | 11,613 | 0 | 0 | 0 | — |
| Operating Expenses | 368,119 | 0 | 0 | 0 | — |
| Grant Fund - MCG Expenditures | 379,732 | 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

| | | | | | |
|----------------------------------|---------------|----------|----------|----------|----------|
| Federal Grants | 38,551 | 0 | 0 | 0 | — |
| Grant Fund - MCG Revenues | 38,551 | 0 | 0 | 0 | — |

DEPARTMENT TOTALS

| | | | | | |
|---------------------------|-------------------|-------------------|-------------------|-------------------|---------------|
| Total Expenditures | 31,564,277 | 32,971,974 | 32,821,376 | 38,534,241 | 16.9 % |
|---------------------------|-------------------|-------------------|-------------------|-------------------|---------------|

BUDGET SUMMARY

| | Actual FY21 | Budget FY22 | Estimate FY22 | Recommended FY23 | %Chg Bud/Rec |
|----------------------------------|-------------------|-------------------|-------------------|---------------------|-----------------|
| Total Full-Time Positions | 92 | 97 | 97 | 121 | 24.7 % |
| Total Part-Time Positions | 1 | 1 | 1 | 1 | — |
| Total FTEs | 108.40 | 109.90 | 109.90 | 122.48 | 11.4 % |
| Total Revenues | 43,823,771 | 44,830,300 | 44,945,779 | 47,307,620 | 5.5 % |

FY23 RECOMMENDED CHANGES

| | Expenditures | FTEs |
|--|------------------|--------------|
| COUNTY GENERAL FUND | | |
| FY22 ORIGINAL APPROPRIATION | 3,491,283 | 16.29 |
| <u>Changes (with service impacts)</u> | | |
| Add: Building Energy Performance Standards Support [Energy, Climate and Compliance] | 1,013,674 | 4.00 |
| Add: Funding for New Appliance Electrification Incentive Program [Energy, Climate and Compliance] | 1,000,000 | 0.00 |
| Add: Efficiency & Climate Resiliency Pilot Program for Low- and Moderate-Income Housing [Energy, Climate and Compliance] | 675,000 | 0.00 |
| Add: Community Justice Academy and Fund [Energy, Climate and Compliance] | 300,000 | 0.00 |
| Add: Consultant Support for Sustainability Zoning and Code Review and Recommendations [Energy, Climate and Compliance] | 150,000 | 0.00 |
| Add: Broadscale Climate + Alert Montgomery Communication Campaign [Energy, Climate and Compliance] | 150,000 | 0.00 |
| Add: High Road Economic Development Implementation [Energy, Climate and Compliance] | 132,749 | 1.00 |
| Add: Incentives for Electrification of Lawn Care Equipment [Energy, Climate and Compliance] | 100,000 | 0.00 |
| Add: Flooding GIS Specialist [Energy, Climate and Compliance] | 86,080 | 1.00 |
| Add: Residential Energy Program Manager [Energy, Climate and Compliance] | 76,578 | 1.00 |
| Add: Manager of County Flood Program [Energy, Climate and Compliance] | 76,578 | 1.00 |
| Add: Position for Natural Climate Solutions [Energy, Climate and Compliance] | 75,782 | 1.00 |
| Add: Agrivoltaic Technical Assistance [Energy, Climate and Compliance] | 50,000 | 0.00 |
| Add: Project Equity Worker Coop Implementation [Energy, Climate and Compliance] | 50,000 | 0.00 |
| Add: Decision Support Tool License [Energy, Climate and Compliance] | 20,000 | 0.00 |
| Enhance: Professional Career/Skill Development - General Fund [Administration] | 20,000 | 0.00 |
| <u>Other Adjustments (with no service impacts)</u> | | |
| Shift: Reallocation of Positions Based on Actual Work Activities - General Fund [Administration] | 46,140 | 0.35 |
| Increase Cost: Annualization of FY22 Compensation Increases | 41,050 | 0.00 |
| Increase Cost: FY23 Compensation Adjustment | 26,349 | 0.00 |
| Increase Cost: Annualization of FY22 Personnel Costs | 21,942 | 0.00 |
| Increase Cost: Six Percent Inflationary Increase to Non-Profit Service Provider Contracts [Administration] | 17,225 | 0.00 |
| Increase Cost: Printing and Mail Adjustment | 2,803 | 0.00 |
| Decrease Cost: Retirement Adjustment | (25,247) | 0.00 |
| Decrease Cost: Motor Pool Adjustment | (34,680) | 0.00 |

FY23 RECOMMENDED CHANGES

| | Expenditures | FTEs |
|-------------------------|------------------|--------------|
| FY23 RECOMMENDED | 7,563,306 | 25.64 |

WATER QUALITY PROTECTION FUND

| | | |
|------------------------------------|-------------------|--------------|
| FY22 ORIGINAL APPROPRIATION | 29,480,691 | 93.61 |
|------------------------------------|-------------------|--------------|

Changes (with service impacts)

| | | |
|---|---------|------|
| Add: Inspections and Maintenance of Facilities Transferred from General Services [Watershed Restoration] | 233,000 | 0.00 |
| Add: Inspections and Maintenance of Stream Restorations for New MS4 Permit Requirements [Watershed Restoration] | 162,000 | 0.00 |
| Add: Maintenance of Glenmont GreenStreet [Watershed Restoration] | 150,000 | 0.00 |
| Add: Position and Funding for RainScapes Program (Planning Specialist III) [Watershed Restoration] | 126,578 | 1.00 |
| Add: Support for Digital and Media Outreach Efforts [Administration] | 100,000 | 0.00 |
| Add: Position for MS4-related Stream Inspections [Watershed Restoration] | 76,578 | 1.00 |
| Add: Funding for Senior Engineer (Assigned to the Office of Agriculture) [Watershed Restoration] | 62,989 | 1.00 |
| Enhance: Professional Career/Skill Development - WQPF [Administration] | 50,000 | 0.00 |
| Add: Contract Costs for Information Technology Service System [Watershed Restoration] | 26,000 | 0.00 |
| Add: Partial Shift of Street Sweeping Budget from Operating Costs to Personnel Costs [Watershed Restoration] | 0 | 0.68 |

Other Adjustments (with no service impacts)

| | | |
|---|----------|--------|
| Increase Cost: Increase for M-NCPPC Programs [Watershed Restoration] | 244,441 | 0.00 |
| Increase Cost: Annualization of FY22 Compensation Increases | 130,012 | 0.00 |
| Increase Cost: FY23 Compensation Adjustment | 87,291 | 0.00 |
| Increase Cost: Motor Pool Adjustment | 63,005 | 0.00 |
| Increase Cost: Six Percent Inflationary Increase to Non-Profit Service Provider Contracts [Watershed Restoration] | 58,696 | 0.00 |
| Increase Cost: Watershed Grants [Watershed Restoration] | 50,000 | 0.00 |
| Increase Cost: Annualization of FY22 Lapsed Positions | 30,434 | 0.00 |
| Increase Cost: Printing and Mail Adjustment | 2,140 | 0.00 |
| Increase Cost: Council of Governments Dues [Watershed Restoration] | 2,000 | 0.00 |
| Decrease Cost: Retirement Adjustment | (38,973) | 0.00 |
| Shift: Reallocation of Positions Based on Actual Work Activities - WQPF [Administration] | (56,664) | (0.45) |
| Decrease Cost: Annualization of FY22 Personnel Costs | (69,283) | 0.00 |

| | | |
|-------------------------|-------------------|--------------|
| FY23 RECOMMENDED | 30,970,935 | 96.84 |
|-------------------------|-------------------|--------------|

GRANT FUND - MCG

| | | |
|------------------------------------|----------|-------------|
| FY22 ORIGINAL APPROPRIATION | 0 | 0.00 |
|------------------------------------|----------|-------------|

| | | |
|-------------------------|----------|-------------|
| FY23 RECOMMENDED | 0 | 0.00 |
|-------------------------|----------|-------------|

PROGRAM SUMMARY

| Program Name | FY22 APPR Expenditures | FY22 APPR FTEs | FY23 REC Expenditures | FY23 REC FTEs |
|--------------------------------|---------------------------|-------------------|--------------------------|------------------|
| Administration | 1,313,828 | 6.85 | 1,658,390 | 9.70 |
| Energy, Climate and Compliance | 1,222,304 | 8.00 | 5,026,457 | 15.00 |
| Watershed Restoration | 30,435,842 | 95.05 | 31,849,394 | 97.78 |
| Total | 32,971,974 | 109.90 | 38,534,241 | 122.48 |

CHARGES TO OTHER DEPARTMENTS

| Charged Department | Charged Fund | FY22 Total\$ | FY22 FTEs | FY23 Total\$ | FY23 FTEs |
|--------------------------------------|--------------|------------------|--------------|------------------|--------------|
| COUNTY GENERAL FUND | | | | | |
| NDA - Climate Change Planning | General Fund | 250,200 | 3.00 | 283,021 | 3.00 |
| WATER QUALITY PROTECTION FUND | | | | | |
| CIP | Capital Fund | 2,394,741 | 17.85 | 2,489,857 | 18.40 |
| Total | | 2,644,941 | 20.85 | 2,772,878 | 21.40 |

FUNDING PARAMETER ITEMS

CE RECOMMENDED (\$000S)

| Title | FY23 | FY24 | FY25 | FY26 | FY27 | FY28 |
|--|---------------|---------------|---------------|---------------|---------------|---------------|
| COUNTY GENERAL FUND | | | | | | |
| EXPENDITURES | | | | | | |
| FY23 Recommended | 7,563 | 7,563 | 7,563 | 7,563 | 7,563 | 7,563 |
| No inflation or compensation change is included in outyear projections. | | | | | | |
| Annualization of Positions Recommended in FY23 | 0 | 236 | 236 | 236 | 236 | 236 |
| New positions in the FY23 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 FY23 | 0 | (200) | (200) | (200) | (200) | (200) |
| Items recommended for one-time funding in FY23, including funding for agrivoltaic technical assistance and a climate-related zoning and code review, will be eliminated from the base in the outyears. | | | | | | |
| Labor Contracts | 0 | 95 | 95 | 95 | 95 | 95 |
| These figures represent the estimated annualized cost of general wage adjustments, service increments, and other negotiated items. | | | | | | |
| Subtotal Expenditures | 7,563 | 7,693 | 7,693 | 7,693 | 7,693 | 7,693 |
| WATER QUALITY PROTECTION FUND | | | | | | |
| EXPENDITURES | | | | | | |
| FY23 Recommended | 30,971 | 30,971 | 30,971 | 30,971 | 30,971 | 30,971 |
| No inflation or compensation change is included in outyear projections. | | | | | | |
| Annualization of Positions Recommended in FY23 | 0 | 70 | 70 | 70 | 70 | 70 |

FUNDING PARAMETER ITEMS

CE RECOMMENDED (\$000S)

| Title | FY23 | FY24 | FY25 | FY26 | FY27 | FY28 |
|--|---------------|---------------|---------------|---------------|---------------|---------------|
| New positions in the FY23 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. | | | | | | |
| Labor Contracts | 0 | 270 | 270 | 270 | 270 | 270 |
| These figures represent the estimated annualized cost of general wage adjustments, service increments, and other negotiated items. | | | | | | |
| Subtotal Expenditures | 30,971 | 31,311 | 31,311 | 31,311 | 31,311 | 31,311 |

ANNUALIZATION OF FULL PERSONNEL COSTS

| | FY23 Recommended | | FY24 Annualized | |
|---|---------------------|--------------|------------------|--------------|
| | Expenditures | FTEs | Expenditures | FTEs |
| Position for MS4-related Stream Inspections | 76,578 | 1.00 | 101,752 | 1.00 |
| Planning Specialist III for Rainscapes Program | 76,578 | 1.00 | 101,752 | 1.00 |
| High Road Economic Development Implementation | 82,749 | 1.00 | 110,378 | 1.00 |
| Building Energy Performance Standards Stakeholder Engagement/Outreach Program Manager | 76,578 | 1.00 | 101,752 | 1.00 |
| Building Energy Performance Standards Compliance Engineer | 89,543 | 1.00 | 119,874 | 1.00 |
| Building Energy Performance Standards Admin/Hotline Program Specialist | 70,975 | 1.00 | 93,920 | 1.00 |
| Flooding GIS Specialist | 86,080 | 1.00 | 115,034 | 1.00 |
| Residential Energy Program Manager | 76,578 | 1.00 | 101,752 | 1.00 |
| Manager of County Flood Program | 76,578 | 1.00 | 101,752 | 1.00 |
| Building Energy Performance Standards Multifamily/Affordable Housing Manager | 76,578 | 1.00 | 101,752 | 1.00 |
| Position for Natural Climate Solutions | 75,782 | 1.00 | 100,956 | 1.00 |
| Funding for Senior Engineer (Assigned to the Office of Agriculture) | 62,989 | 1.00 | 82,737 | 1.00 |
| Total | 927,586 | 12.00 | 1,233,411 | 12.00 |

| FY22-28 PUBLIC SERVICES PROGRAM: FISCAL PLAN | | | | | | | |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| FISCAL PROJECTIONS | FY22 Estimate | FY23 CE Rec | FY24 PROJECTION | FY25 PROJECTION | FY26 PROJECTION | FY27 PROJECTION | FY28 PROJECTION |
| ASSUMPTIONS | | | | | | | |
| Indirect Cost Rate | 19.18% | 18.35% | 18.35% | 18.35% | 18.35% | 18.35% | 18.35% |
| CPI (Fiscal Year) | 5.37% | 3.04% | 2.26% | 2.37% | 2.37% | 2.28% | 2.16% |
| Investment Income Yield | 0.20% | 1.15% | 1.45% | 1.45% | 1.45% | 1.45% | 1.45% |
| Number of Equivalent Residential Units (ERUs) Billed | 367,400 | 368,000 | 368,000 | 368,000 | 368,000 | 368,000 | 368,000 |
| Water Quality Protection Charge (\$/ERU) | \$113.50 | \$119.50 | \$123.00 | \$129.50 | \$141.00 | \$147.00 | \$148.00 |
| Target Debt Service Coverage Ratio | 125.0% | 125.0% | 125.0% | 125.0% | 125.0% | 125.0% | 125.0% |
| BEGINNING FUND BALANCE | 16,763,728 | 6,319,238 | 6,384,683 | 6,237,039 | 6,581,554 | 7,578,360 | 8,967,275 |
| REVENUES | | | | | | | |
| Charges For Services | 41,137,400 | 43,414,720 | 44,696,280 | 47,076,320 | 51,287,160 | 53,484,120 | 53,796,680 |
| Bag Tax Receipts | 2,500,000 | 2,500,000 | 2,500,000 | 2,500,000 | 2,500,000 | 2,500,000 | 2,500,000 |
| Miscellaneous | 462,979 | 547,500 | 547,500 | 547,500 | 547,500 | 547,500 | 547,500 |
| Subtotal Revenues | 44,100,379 | 46,462,220 | 47,743,780 | 50,123,820 | 54,334,660 | 56,531,620 | 56,844,180 |
| INTERFUND TRANSFERS (Net Non-CIP) | (11,312,530) | (12,287,840) | (13,133,110) | (15,140,990) | (18,502,540) | (20,306,390) | (20,441,265) |
| Transfers To General Fund | (1,876,810) | (1,893,920) | (1,893,920) | (1,893,920) | (1,893,920) | (1,893,920) | (1,881,770) |
| Transfers to Debt Service Fund (Non-Tax) | (9,435,720) | (10,393,920) | (11,239,190) | (13,247,070) | (16,608,620) | (18,412,470) | (18,559,495) |
| TOTAL RESOURCES | 49,551,576 | 40,493,618 | 40,995,353 | 41,219,869 | 42,413,674 | 43,803,590 | 45,370,190 |
| CIP CURRENT REVENUE APPROPRIATION | (4,917,000) | (3,138,000) | (3,447,000) | (3,327,000) | (3,524,000) | (3,525,000) | (3,708,000) |
| PSP OPER. BUDGET APPROP/ EXP'S. | | | | | | | |
| Operating Budget | (29,371,862) | (30,970,935) | (30,970,935) | (30,970,935) | (30,970,935) | (30,970,935) | (30,904,710) |
| Annualizations and One-Time (PC) | 0 | 0 | (70,096) | (70,096) | (70,096) | (70,096) | (70,096) |
| Labor Contracts | 0 | 0 | (282,164) | (282,164) | (282,164) | (282,164) | (282,164) |
| Labor Contracts Other | 0 | 0 | 11,881 | 11,881 | 11,881 | 11,881 | 11,881 |
| Subtotal PSP Oper Budget Approp / Exp's | (29,371,862) | (30,970,935) | (31,311,315) | (31,311,315) | (31,311,315) | (31,311,315) | (31,245,090) |
| OTHER CLAIMS ON FUND BALANCE | (8,943,476) | 0 | 0 | 0 | 0 | 0 | 0 |
| TOTAL USE OF RESOURCES | (43,232,338) | (34,108,935) | (34,758,315) | (34,638,315) | (34,835,315) | (34,836,315) | (34,953,090) |
| YEAR END FUND BALANCE | 6,319,238 | 6,384,683 | 6,237,039 | 6,581,554 | 7,578,360 | 8,967,275 | 10,417,101 |
| END-OF-YEAR RESERVES AS A PERCENT OF RESOURCES | 12.8% | 15.8% | 15.2% | 16.0% | 17.9% | 20.5% | 23.0% |
| NET REVENUE | 12,851,707 | 13,597,365 | 14,538,546 | 16,918,586 | 21,129,426 | 23,326,386 | 23,717,321 |
| DEBT SERVICE COVERAGE RATIO | 1.36 | 1.31 | 1.29 | 1.28 | 1.27 | 1.27 | 1.28 |
| Assumptions: 1. These projections are based on the County Executive's Recommended operating 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 and Operating Budget Impacts of Stormwater CIP projects between FY23 and FY28 have been incorporated in the future fiscal impact (FFI) rows. 4. The operating budget includes planning and implementation costs for compliance with the new Municipal Separate Storm Sewer System (MS-4) permit issued by the Maryland Department of the Environment in 2021. Debt service on bonds and loans 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) and \$46.5 million dated April 6, 2016 (Series 2016A). In December 2019, the County closed on \$50.7 million in Water Quality State Revolving Fund (WQSRF) Loans from the MD Department of the Environment (MDE). The actual debt service costs for the Series 2012A and 2016A bond issuances and the anticipated MDE Water Quality Revolving Loan debt service in years FY23-28 are included in the fiscal plan, as well as anticipated debt payments for loans issued to the Maryland-National Capital Park and Planning Commission issued in FY24. Actual debt service costs may vary depending on the size and timing of future loan and 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. The Water Quality Protection fund balance minimum policy target is 5% of resources. | | | | | | | |

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