



# Environmental Protection

**RECOMMENDED FY24 BUDGET**

**\$43,898,880**

**FULL TIME EQUIVALENTS**

**135.49**

 **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, innovative, inclusive, and industry-leading way while fostering smart growth, a thriving more sustainable economy, and healthy communities.

## BUDGET OVERVIEW

The total recommended FY24 Operating Budget for the Department of Environmental Protection is \$43,898,880, an increase of \$5,339,332 or 13.85 percent from the FY23 Approved Budget of \$38,559,548. Personnel Costs comprise 35.64 percent of the budget for 131 full-time position(s) and one part-time position(s), and a total of 135.49 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 64.36 percent of the FY24 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 \$10,716,140 is required in FY24 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

-  Expand the County's climate change efforts, including new positions for residential electrification, solar power expertise, and to manage County-based grant and incentive programs. New operating support includes funds to advance Community Choice Energy, climate grants for community organizations, and for management of an electric vehicle purchasing co-op. In addition, new funding is provided to enhance the Tree Montgomery program, and a new position is added to help manage the increased rate of tree plantings.

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- ★ Add new funding and a new position to identify and address illegal discharge of pollutants throughout the County. New positions are also added to ensure the County's stormwater management structures are inspected and maintained.
  - ★ Partner with the United States Army Corps of Engineers to conduct flood risk management studies in four priority watersheds to provide the County with plans for reducing the risk of flooding to property owners and critical roadways. This study will occur under the Planning Assistance to States (PAS) program, which is designed to provide planning-level assistance to communities and partners for water resource related issues.
  - ★ Enter Phase II of the development of Watershed Assessments for the County to better understand changes over time to our watershed, determine current conditions, adapt our management strategies, and help clearly guide DEP and the County's actions moving forward.

## INNOVATIONS AND PRODUCTIVITY IMPROVEMENTS

- ★ Coordinate the efforts of Tree Montgomery Program and the Stormwater Best Management Practice (BMP) Inspection and Maintenance Program to identify BMPs on public and private properties where trees can be planted, enhancing the stormwater treatment function and habitat.
- ★ Partner with the Federal Department of Homeland Security, Department of Transportation, and the Office of Emergency Management and Homeland Security to install flood sensors that will detect rising flood water levels during storm events and send early flood warnings to officials based on real-time monitoring
- ★ Transition Municipal Separate Storm Sewer System (MS4) geodata to the Maryland Department of the Environment-required MS4 geodatabase, which ensures that the County is compliant with the data submitted for the MS4 permit.

## PROGRAM CONTACTS

Contact Vicky Wan of the Department of Environmental Protection at 240.777.7722 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 FY23 estimates reflect funding based on the FY23 Approved Budget. The FY24 and FY25 figures are performance targets based on the FY24 Recommended Budget and funding for comparable service levels in FY25.

## 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 Integrated Solid Waste Management System (ISWMS). 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 solid waste charges which are a fee for service to County residents related to programs and operations of the ISWMS.

The Office provides strategic direction and support on IT systems and infrastructure for departmental operations and programs, oversees the human resources, contract management, and communication and engagement activities. 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.

FY24 Recommended Changes	Expenditures	FTEs
<b>FY23 Approved</b>	<b>1,664,132</b>	<b>9.70</b>
Shift: Transfer of Climate Funding and Data Analyst from CEX to DEP	80,765	1.00
Increase Cost: Three Percent Inflationary Adjustment to Non-Profit Service Provider Contracts	9,302	0.00
Increase Cost: Communications & Public Engagement	4,421	0.00
Increase Cost: FTE Allocation Adjustment	1,059	0.01
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	176,237	(1.01)
<b>FY24 Recommended</b>	<b>1,935,916</b>	<b>9.70</b>

## 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 FY21	Actual FY22	Estimated FY23	Target FY24	Target FY25
Percent of commercial buildings in compliance with the building benchmarking law	93%	86%	88%	88%	88%
Average days to close environmental cases	28	34	34	34	34
Percent of customers rating themselves as satisfied with DEP's response to environmental complaints	81%	82%	80%	80%	80%

FY24 Recommended Changes	Expenditures	FTEs
<b>FY23 Approved</b>	<b>5,026,457</b>	<b>15.00</b>
Shift: Reassign Three Positions from Climate Change Planning NDA to DEP	397,632	3.00
Add: Climate Capacity Building for Community Organizations	250,000	0.00
Add: Energy Audits for Under-resourced Buildings Subject to Building Energy Performance Standards	250,000	0.00
Add: Community Choice Energy Consultant Support	250,000	0.00
Add: New Positions to Manage County Grant and Incentive Programs (Program Manager I & Program Manager II)	174,924	2.00

<b>FY24 Recommended Changes</b>	<b>Expenditures</b>	<b>FTEs</b>
Add: Electric Vehicle Co-op Management	100,000	0.00
Add: Consultant Support for Grant Identification and Grant Applications	100,000	0.00
Add: New Position for Solar Technical Expertise (Program Manager II)	90,718	1.00
Add: New Position for Residential Electrification (Program Manager II)	90,718	1.00
Increase Cost: Environmental Compliance Efforts	12,069	0.00
Decrease Cost: Reduction in High Road Economic Development	(32,653)	0.00
Shift: Funding for Climate Fellows and Interns to Climate Change Planning NDA	(85,000)	0.00
Decrease Cost: Adjust Lapse to Better Reflect Vacancy Rate	(142,446)	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.	(2,573)	1.01
<b>FY24 Recommended</b>	<b>6,479,846</b>	<b>23.01</b>

## 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.

<b>Program Performance Measures</b>	<b>Actual FY21</b>	<b>Actual FY22</b>	<b>Estimated FY23</b>	<b>Target FY24</b>	<b>Target FY25</b>
Percent of stormwater management triennial inspections completed <sup>1</sup>	94%	94%	90%	95%	100%
Percent of stormwater management facility maintenance work orders completed	82%	82%	89%	90%	100%
Percent of the impervious acreage control goal met	56%	59%	62%	74%	81%

<sup>1</sup> Does not include triennial inspections of BMPs on Single Family Residential (SFR) properties, which are covered under a separate inspection program.

FY24 Recommended Changes	Expenditures	FTEs
<b>FY23 Approved</b>	<b>31,868,959</b>	<b>97.78</b>
Increase Cost: Prevailing Wage for Above Ground Maintenance	1,039,738	0.00
Enhance: Tree Canopy Conservation	750,000	0.00
Add: New Position and Operating Support for Illicit Discharge Detection and Elimination (Program Manager I)	369,206	1.00
Add: Maintenance of Above- and Below-ground Stormwater Management Structures	262,867	0.00
Increase Cost: M-NCPPC Support for Water Quality Efforts	241,183	0.00
Add: RainScapes Program Funding	200,000	0.00
Add: New Position for Above Ground Maintenance (Planning Specialist III)	119,206	1.00
Increase Cost: Inspection Services	111,407	0.00
Add: Additional Miles for Street Sweeping	92,049	0.00
Add: New Position for Pollutants Reductions on County Properties (Program Manager I)	84,206	1.00
Add: New Position for Tree and Forest Programs (Program Manager I)	84,206	1.00
Add: New Position for Water Quality and Monitoring (Water Quality Specialist I)	72,929	1.00
Increase Cost: Department of Transportation Chargeback -- Street Sweeping	37,660	0.00
Increase Cost: Three Percent Inflationary Adjustment to Non-Profit Service Provider Contracts	33,390	0.00
Increase Cost: Tree Montgomery Program	26,300	0.00
Increase Cost: PRISM Anti-invasive Species Program Funding	20,000	0.00
Increase Cost: Water Quality Planning & Monitoring	13,617	0.00
Increase Cost: Stream Gauges Cost Share	9,431	0.00
Increase Cost: Stream Restoration Maintenance	8,197	0.00
Increase Cost: Special Protection Area Best Management Practice Monitoring	6,890	0.00
Decrease Cost: Finance Chargeback	(111,220)	0.00
Shift: Monitoring and Gauge Expenditures to Current Revenue: WQP	(778,000)	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.	920,897	0.00
<b>FY24 Recommended</b>	<b>35,483,118</b>	<b>102.78</b>

## BUDGET SUMMARY

	Actual FY22	Budget FY23	Estimate FY23	Recommended FY24	%Chg Bud/Rec
<b>COUNTY GENERAL FUND</b>					
<b>EXPENDITURES</b>					
Salaries and Wages	1,701,811	2,395,047	1,669,084	3,144,226	31.3 %
Employee Benefits	445,957	630,306	394,616	831,488	31.9 %
<b>County General Fund Personnel Costs</b>	<b>2,147,768</b>	<b>3,025,353</b>	<b>2,063,700</b>	<b>3,975,714</b>	<b>31.4 %</b>
Operating Expenses	1,342,484	4,543,695	4,543,695	6,009,954	32.3 %
<b>County General Fund Expenditures</b>	<b>3,490,252</b>	<b>7,569,048</b>	<b>6,607,395</b>	<b>9,985,668</b>	<b>31.9 %</b>
<b>PERSONNEL</b>					
Full-Time	49	61	61	66	8.2 %
Part-Time	0	0	0	0	—

## BUDGET SUMMARY

	Actual FY22	Budget FY23	Estimate FY23	Recommended FY24	%Chg Bud/Rec
FTEs	16.29	25.64	25.64	33.65	31.2 %
<b>REVENUES</b>					
Other Licenses/Permits	15,125	20,000	20,000	20,000	—
Other Charges/Fees	348,889	60,400	60,400	60,400	—
Other Fines/Forfeitures	18,450	15,000	15,000	15,000	—
Tree Canopy	807,250	750,000	750,000	1,500,000	100.0 %
<b>County General Fund Revenues</b>	<b>1,189,714</b>	<b>845,400</b>	<b>845,400</b>	<b>1,595,400</b>	<b>88.7 %</b>

### WATER QUALITY PROTECTION FUND

<b>EXPENDITURES</b>					
Salaries and Wages	7,555,622	7,816,284	7,273,060	8,884,109	13.7 %
Employee Benefits	2,047,700	2,504,815	2,324,440	2,785,666	11.2 %
<b>Water Quality Protection Fund Personnel Costs</b>	<b>9,603,322</b>	<b>10,321,099</b>	<b>9,597,500</b>	<b>11,669,775</b>	<b>13.1 %</b>
Operating Expenses	19,299,006	20,669,401	20,825,004	22,243,437	7.6 %
<b>Water Quality Protection Fund Expenditures</b>	<b>28,902,328</b>	<b>30,990,500</b>	<b>30,422,504</b>	<b>33,913,212</b>	<b>9.4 %</b>

<b>PERSONNEL</b>					
Full-Time	48	60	60	65	8.3 %
Part-Time	1	1	1	1	—
FTEs	93.61	96.84	96.84	101.84	5.2 %

<b>REVENUES</b>					
Bag Tax	2,993,028	2,500,000	2,500,000	2,500,000	—
Water Quality Protection Charge	42,454,564	43,414,720	43,414,720	45,307,330	4.4 %
Investment Income	58,383	500,000	1,266,820	1,266,820	153.4 %
Other Charges/Fees	357,702	47,500	47,500	47,500	—
<b>Water Quality Protection Fund Revenues</b>	<b>45,863,677</b>	<b>46,462,220</b>	<b>47,229,040</b>	<b>49,121,650</b>	<b>5.7 %</b>

### GRANT FUND - MCG

<b>EXPENDITURES</b>					
Salaries and Wages	0	0	0	0	—
Employee Benefits	0	0	0	0	—
<b>Grant Fund - MCG Personnel Costs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>—</b>
Operating Expenses	350,998	0	0	0	—
<b>Grant Fund - MCG Expenditures</b>	<b>350,998</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>—</b>

<b>PERSONNEL</b>					
Full-Time	0	0	0	0	—
Part-Time	0	0	0	0	—
FTEs	0.00	0.00	0.00	0.00	—

<b>REVENUES</b>					
Federal Grants	198,282	0	0	0	—

## BUDGET SUMMARY

	Actual FY22	Budget FY23	Estimate FY23	Recommended FY24	%Chg Bud/Rec
<b>Grant Fund - MCG Revenues</b>	<b>198,282</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>—</b>
<b>DEPARTMENT TOTALS</b>					
<b>Total Expenditures</b>	<b>32,743,578</b>	<b>38,559,548</b>	<b>37,029,899</b>	<b>43,898,880</b>	<b>13.8 %</b>
<b>Total Full-Time Positions</b>	<b>97</b>	<b>121</b>	<b>121</b>	<b>131</b>	<b>8.3 %</b>
<b>Total Part-Time Positions</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>—</b>
<b>Total FTEs</b>	<b>109.90</b>	<b>122.48</b>	<b>122.48</b>	<b>135.49</b>	<b>10.6 %</b>
<b>Total Revenues</b>	<b>47,251,673</b>	<b>47,307,620</b>	<b>48,074,440</b>	<b>50,717,050</b>	<b>7.2 %</b>

### FY24 RECOMMENDED CHANGES

	Expenditures	FTEs
<b>COUNTY GENERAL FUND</b>		
<b>FY23 ORIGINAL APPROPRIATION</b>	<b>7,569,048</b>	<b>25.64</b>
<b><u>Changes (with service impacts)</u></b>		
Enhance: Tree Canopy Conservation [Watershed Restoration]	750,000	0.00
Add: Climate Capacity Building for Community Organizations [Energy, Climate and Compliance]	250,000	0.00
Add: Energy Audits for Under-resourced Buildings Subject to Building Energy Performance Standards [Energy, Climate and Compliance]	250,000	0.00
Add: Community Choice Energy Consultant Support [Energy, Climate and Compliance]	250,000	0.00
Add: New Positions to Manage County Grant and Incentive Programs (Program Manager I & Program Manager II) [Energy, Climate and Compliance]	174,924	2.00
Add: Electric Vehicle Co-op Management [Energy, Climate and Compliance]	100,000	0.00
Add: Consultant Support for Grant Identification and Grant Applications [Energy, Climate and Compliance]	100,000	0.00
Add: New Position for Solar Technical Expertise (Program Manager II) [Energy, Climate and Compliance]	90,718	1.00
Add: New Position for Residential Electrification (Program Manager II) [Energy, Climate and Compliance]	90,718	1.00
<b><u>Other Adjustments (with no service impacts)</u></b>		
Shift: Reassign Three Positions from Climate Change Planning NDA to DEP [Energy, Climate and Compliance]	397,632	3.00
Increase Cost: Annualization of FY23 Lapsed Positions	235,729	0.00
Increase Cost: FY24 Compensation Adjustment	120,581	0.00
Increase Cost: Annualization of FY23 Compensation Increases	101,104	0.00
Shift: Transfer of Climate Funding and Data Analyst from CEX to DEP [Administration]	80,765	1.00
Increase Cost: Three Percent Inflationary Adjustment to Non-Profit Service Provider Contracts [Watershed Restoration]	33,390	0.00
Increase Cost: Printing and Mail	17,303	0.00
Increase Cost: Environmental Compliance Efforts [Energy, Climate and Compliance]	12,069	0.00
Increase Cost: Motor Pool Adjustment	11,848	0.00
Increase Cost: Three Percent Inflationary Adjustment to Non-Profit Service Provider Contracts [Administration]	9,302	0.00
Increase Cost: FTE Allocation Adjustment [Administration]	1,059	0.01
Decrease Cost: Retirement Adjustment	(245)	0.00

## FY24 RECOMMENDED CHANGES

	Expenditures	FTEs
Decrease Cost: Reduction in High Road Economic Development [Energy, Climate and Compliance]	(32,653)	0.00
Shift: Funding for Climate Fellows and Interns to Climate Change Planning NDA [Energy, Climate and Compliance]	(85,000)	0.00
Decrease Cost: Adjust Lapse to Better Reflect Vacancy Rate [Energy, Climate and Compliance]	(142,446)	0.00
Decrease Cost: Elimination of One-Time Items Approved in FY23	(200,000)	0.00
Decrease Cost: Annualization of FY23 Personnel Costs	(200,178)	0.00
<b>FY24 RECOMMENDED</b>	<b>9,985,668</b>	<b>33.65</b>

### WATER QUALITY PROTECTION FUND

	FY23 ORIGINAL APPROPRIATION	30,990,500	96.84
<b><u>Changes (with service impacts)</u></b>			
Add: New Position and Operating Support for Illicit Discharge Detection and Elimination (Program Manager I) [Watershed Restoration]	369,206		1.00
Add: Maintenance of Above- and Below-ground Stormwater Management Structures [Watershed Restoration]	262,867		0.00
Add: RainScapes Program Funding [Watershed Restoration]	200,000		0.00
Add: New Position for Above Ground Maintenance (Planning Specialist III) [Watershed Restoration]	119,206		1.00
Add: Additional Miles for Street Sweeping [Watershed Restoration]	92,049		0.00
Add: New Position for Pollutants Reductions on County Properties (Program Manager I) [Watershed Restoration]	84,206		1.00
Add: New Position for Tree and Forest Programs (Program Manager I) [Watershed Restoration]	84,206		1.00
Add: New Position for Water Quality and Monitoring (Water Quality Specialist I) [Watershed Restoration]	72,929		1.00
<b><u>Other Adjustments (with no service impacts)</u></b>			
Increase Cost: Prevailing Wage for Above Ground Maintenance [Watershed Restoration]	1,039,738		0.00
Increase Cost: Annualization of FY23 Personnel Costs	328,874		0.00
Increase Cost: Annualization of FY23 Compensation Increases	282,335		0.00
Increase Cost: FY24 Compensation Adjustment	262,190		0.00
Increase Cost: M-NCPPC Support for Water Quality Efforts [Watershed Restoration]	241,183		0.00
Increase Cost: Inspection Services [Watershed Restoration]	111,407		0.00
Increase Cost: Annualization of FY23 Lapsed Positions	70,096		0.00
Increase Cost: Motor Pool Adjustment	68,592		0.00
Increase Cost: Department of Transportation Chargeback -- Street Sweeping [Watershed Restoration]	37,660		0.00
Increase Cost: Tree Montgomery Program [Watershed Restoration]	26,300		0.00
Increase Cost: PRISM Anti-invasive Species Program Funding [Watershed Restoration]	20,000		0.00
Increase Cost: Water Quality Planning & Monitoring [Watershed Restoration]	13,617		0.00
Increase Cost: Stream Gauges Cost Share [Watershed Restoration]	9,431		0.00
Increase Cost: Stream Restoration Maintenance [Watershed Restoration]	8,197		0.00
Increase Cost: Special Protection Area Best Management Practice Monitoring [Watershed Restoration]	6,890		0.00
Increase Cost: Communications & Public Engagement [Administration]	4,421		0.00
Increase Cost: Printing and Mail	904		0.00
Decrease Cost: Retirement Adjustment	(4,572)		0.00



## FY24 RECOMMENDED CHANGES

	Expenditures	FTEs
Decrease Cost: Finance Chargeback [Watershed Restoration]	(111,220)	0.00
Shift: Monitoring and Gauge Expenditures to Current Revenue: WQP [Watershed Restoration]	(778,000)	0.00
<b>FY24 RECOMMENDED</b>	<b>33,913,212</b>	<b>101.84</b>

## PROGRAM SUMMARY

Program Name	FY23 APPR Expenditures	FY23 APPR FTEs	FY24 REC Expenditures	FY24 REC FTEs
Administration	1,664,132	9.70	1,935,916	9.70
Energy, Climate and Compliance	5,026,457	15.00	6,479,846	23.01
Watershed Restoration	31,868,959	97.78	35,483,118	102.78
<b>Total</b>	<b>38,559,548</b>	<b>122.48</b>	<b>43,898,880</b>	<b>135.49</b>

## CHARGES TO OTHER DEPARTMENTS

Charged Department	Charged Fund	FY23 Total\$	FY23 FTEs	FY24 Total\$	FY24 FTEs
<b>COUNTY GENERAL FUND</b>					
NDA - Climate Change Planning	General Fund	283,021	3.00	0	0.00
<b>WATER QUALITY PROTECTION FUND</b>					
CIP	Capital Fund	2,489,857	18.40	2,627,566	18.40
<b>Total</b>		<b>2,772,878</b>	<b>21.40</b>	<b>2,627,566</b>	<b>18.40</b>

## FUNDING PARAMETER ITEMS

CE RECOMMENDED (\$000S)

Title	FY24	FY25	FY26	FY27	FY28	FY29
<b>COUNTY GENERAL FUND</b>						
<b>EXPENDITURES</b>						
<b>FY24 Recommended</b>	<b>9,986</b>	<b>9,986</b>	<b>9,986</b>	<b>9,986</b>	<b>9,986</b>	<b>9,986</b>
No inflation or compensation change is included in outyear projections.						
<b>Annualization of Positions Recommended in FY24</b>	<b>0</b>	<b>118</b>	<b>118</b>	<b>118</b>	<b>118</b>	<b>118</b>
New positions in the FY24 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.						
<b>Labor Contracts</b>	<b>0</b>	<b>141</b>	<b>141</b>	<b>141</b>	<b>141</b>	<b>141</b>
These figures represent the estimated annualized cost of general wage adjustments, service increments, and other negotiated items.						
<b>Subtotal Expenditures</b>	<b>9,986</b>	<b>10,244</b>	<b>10,244</b>	<b>10,244</b>	<b>10,244</b>	<b>10,244</b>

## FUNDING PARAMETER ITEMS

CE RECOMMENDED (\$000S)

Title	FY24	FY25	FY26	FY27	FY28	FY29
<b>WATER QUALITY PROTECTION FUND</b>						
<b>EXPENDITURES</b>						
<b>FY24 Recommended</b>	<b>33,913</b>	<b>33,913</b>	<b>33,913</b>	<b>33,913</b>	<b>33,913</b>	<b>33,913</b>
No inflation or compensation change is included in outyear projections.						
<b>Annualization of Positions Recommended in FY24</b>	<b>0</b>	<b>134</b>	<b>134</b>	<b>134</b>	<b>134</b>	<b>134</b>
New positions in the FY24 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.						
<b>Elimination of One-Time Items Recommended in FY24</b>	<b>0</b>	<b>(70)</b>	<b>(70)</b>	<b>(70)</b>	<b>(70)</b>	<b>(70)</b>
Items recommended for one-time funding in FY24, including vehicles for new positions, will be eliminated from the base in the outyears.						
<b>Labor Contracts</b>	<b>0</b>	<b>240</b>	<b>240</b>	<b>240</b>	<b>240</b>	<b>240</b>
These figures represent the estimated annualized cost of general wage adjustments, service increments, and other negotiated items.						
<b>Subtotal Expenditures</b>	<b>33,913</b>	<b>34,216</b>	<b>34,216</b>	<b>34,216</b>	<b>34,216</b>	<b>34,216</b>

## ANNUALIZATION OF FULL PERSONNEL COSTS

	FY24 Recommended		FY25 Annualized	
	Expenditures	FTEs	Expenditures	FTEs
New Position for Illicit Discharge Detection and Elimination (Program Manager I)	84,206	1.00	111,855	1.00
New Position for Tree and Forest Programs (Program Manager I)	84,206	1.00	111,855	1.00
New Position for Water Quality and Monitoring (Water Quality Specialist I)	72,929	1.00	96,326	1.00
New Position for Above Ground Maintenance (Planning Specialist III)	84,206	1.00	111,855	1.00
New Position for Pollutants Reductions on County Properties (Program Manager I)	84,206	1.00	111,855	1.00
New Position for Residential Electrification (Program Manager II)	90,718	1.00	120,822	1.00
New Position for Grants and Incentive Programs (Program Manager II)	90,718	1.00	120,822	1.00
New Position for Grants and Incentive Programs (Program Manager I)	84,206	1.00	111,855	1.00
New Position for Solar Technical Expertise (Program Manager II)	90,718	1.00	120,822	1.00
<b>Total</b>	<b>766,113</b>	<b>9.00</b>	<b>1,018,067</b>	<b>9.00</b>

**FY23-29 PUBLIC SERVICES PROGRAM: FISCAL PLAN**

FISCAL PROJECTIONS	FY23 Estimate	FY24 CE Rec	FY25 Projection	FY26 Projection	FY27 Projection	FY28 Projection	FY29 Projection
<b>ASSUMPTIONS</b>							
Indirect Cost Rate	18.35%	17.96%	17.96%	17.96%	17.96%	17.96%	17.96%
CPI (Fiscal Year)	2.91%	2.11%	2.18%	2.21%	2.23%	2.34%	2.33%
Investment Income Yield	3.25%	5.00%	4.00%	3.50%	3.00%	2.50%	2.50%
Number of Equivalent Residential Units (ERUs) Billed	368,000	368,000	368,000	368,000	368,000	368,000	368,000
Water Quality Protection Charge (\$/ERU)	\$119.50	\$128.00	\$136.50	\$145.00	\$153.50	\$162.00	\$170.50
Target Debt Service Coverage Ratio	125.0%	125.0%	125.0%	125.0%	125.0%	125.0%	125.0%
<b>BEGINNING FUND BALANCE</b>	<b>8,666,696</b>	<b>10,653,392</b>	<b>6,108,799</b>	<b>5,760,568</b>	<b>6,852,348</b>	<b>9,317,739</b>	<b>12,019,229</b>
<b>REVENUES</b>							
Charges For Services	43,414,720	45,307,330	49,639,440	52,751,800	55,864,160	58,922,920	62,035,280
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	1,314,320	1,314,320	1,348,560	1,348,561	1,348,562	1,348,563	1,348,564
<b>Subtotal Revenues</b>	<b>47,229,040</b>	<b>49,121,650</b>	<b>53,488,000</b>	<b>56,600,361</b>	<b>59,712,722</b>	<b>62,771,483</b>	<b>65,883,844</b>
<b>INTERFUND TRANSFERS (Net Non-CIP)</b>							
Transfers To General Fund	(1,893,920)	(2,095,891)	(2,162,980)	(2,162,980)	(2,162,980)	(2,213,600)	(2,213,380)
Transfers to Debt Service Fund (Non-Tax)	(9,787,920)	(10,716,140)	(12,451,470)	(14,626,820)	(16,264,570)	(18,045,920)	(18,753,540)
<b>WQPF Required Debt Service</b>	<b>(8,844,600)</b>	<b>(9,772,900)</b>	<b>(11,509,550)</b>	<b>(13,683,500)</b>	<b>(15,321,250)</b>	<b>(17,104,000)</b>	<b>(17,810,500)</b>
<b>TOTAL RESOURCES</b>	<b>44,213,896</b>	<b>46,963,011</b>	<b>44,982,349</b>	<b>45,571,129</b>	<b>48,137,520</b>	<b>51,829,702</b>	<b>56,936,153</b>
<b>CIP CURRENT REVENUE APPROPRIATION</b>							
<b>PSP OPER. BUDGET APPROP/ EXP'S.</b>							
Operating Budget	(30,422,504)	(33,913,212)	(34,316,781)	(34,416,781)	(34,516,781)	(35,324,474)	(35,321,022)
<b>FFIs (Future Fiscal Impacts) Requested &amp; Projected</b>							
CPI-Fiscal Year for OE (= OE w/o FC x CPI)						(525,878)	(523,631)
Park Staffing Increase			(100,000)	(200,000)	(300,000)	(300,000)	(300,000)
Elimination of one-time Items			70,000	70,000	70,000	70,000	70,000
CPI - PC Adjustment						(281,814)	(280,610)
Annualizations of New Positions			(133,993)	(133,993)	(133,993)	(133,993)	(133,993)
Labor Contracts			(238,388)	(238,388)	(238,388)	(238,388)	(238,388)
Labor Contracts Other			(1,188)	(1,188)	(1,188)	(1,188)	(1,188)
<b>Subtotal PSP Oper Budget Approp / Exp's</b>	<b>(30,422,504)</b>	<b>(33,913,212)</b>	<b>(34,316,781)</b>	<b>(34,416,781)</b>	<b>(34,516,781)</b>	<b>(35,324,474)</b>	<b>(35,321,022)</b>
<b>OTHER CLAIMS ON FUND BALANCE</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>TOTAL USE OF RESOURCES</b>	<b>(33,560,504)</b>	<b>(40,854,212)</b>	<b>(39,221,781)</b>	<b>(38,718,781)</b>	<b>(38,819,781)</b>	<b>(39,810,474)</b>	<b>(39,807,022)</b>
<b>ACFR YEAR END FUND BALANCE</b>							
Fund Balance Designed for Encumbrances - Restricted	10,653,392	6,108,799	5,760,568	6,852,348	9,317,739	12,019,229	17,129,131
Fund Balance Reserved for Transfer To CIP - Restricted							
<b>YEAR END FUND BALANCE ADJUSTMENT FOR GASB 54</b>	<b>10,653,392</b>	<b>6,108,799</b>	<b>5,760,568</b>	<b>6,852,348</b>	<b>9,317,739</b>	<b>12,019,229</b>	<b>17,129,131</b>
<b>END-OF-YEAR RESERVES AS A PERCENT OF RESOURCES</b>							
	24.1%	13.0%	12.8%	15.0%	19.4%	23.2%	30.1%
<b>NET REVENUE</b>	<b>14,912,616</b>	<b>13,112,547</b>	<b>17,008,239</b>	<b>20,020,600</b>	<b>23,032,961</b>	<b>25,233,409</b>	<b>28,349,442</b>
<b>DEBT SERVICE COVERAGE RATIO</b>	<b>1.52</b>	<b>1.34</b>	<b>1.48</b>	<b>1.46</b>	<b>1.50</b>	<b>1.48</b>	<b>1.59</b>

**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 FY25 and FY29 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), \$46.5 million dated April 6, 2016 (Series 2016A) and \$28.6M Series 2023. 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 FY25-29 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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