



Recycling and Resource Management

APPROVED FY26 BUDGET

\$192,110,121

FULL TIME EQUIVALENTS

117.34

 JON I. MONGER, 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 approved FY26 Operating Budget for the Recycling and Resource Management is \$192,110,121, an increase of \$37,249,938 or 24.05 percent from the FY25 Approved Budget of \$154,860,183. Personnel Costs comprise 9.03 percent of the budget for 77 full-time position(s) and one part-time position(s), and a total of 117.34 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 90.97 percent of the FY26 budget.



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**

INNOVATIONS AND PRODUCTIVITY IMPROVEMENTS

-  Established four Food Scraps Recycling Drop-Off collection points at existing farmers markets. Program provides residents convenient access to drop-off their food scraps for recycling. Markets are located in Silver Spring, Bethesda, Derwood, and Olney. Three of these markets operate year-round, one operates seasonally, and all operate during the weekends.
-  Continued Phase I and Phase II of the Single-Family Residential Curbside Food Scraps Recycling Pilot Program. Through this program, which was recognized with a 2024 Achievement Award by the National Association of Counties, over 1,126,000

pounds of food scraps have been recycled by 1,535 participant households in parts of Silver Spring, Potomac, Bethesda, and Rockville.

- ☀ Coordinated and organized bulk volume sale of successfully tested rodent-proof backyard food scraps compost bins. Residents were provided the opportunity to purchase either the dual chamber tumbler or the stationary model at a discounted price. Almost 200 food scraps compost bins were sold, evenly split between the two options.

PROGRAM CONTACTS

Contact Vicky Wan of the Recycling and Resource Management 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 FY25 estimates reflect funding based on the FY25 Approved Budget. The FY26 and FY27 figures are performance targets based on the FY26 Approved Budget and funding for comparable service levels in FY27.

PROGRAM DESCRIPTIONS

☀ Administration and Support

The Office of the Deputy Director provides for overall management of departmental programs to ensure safe and efficient operations, including contract administration management for the department, continuity of operations, oversight of operational programs for the County's Integrated Solid Waste Management System (ISWMS), and communications and public engagement.

The office provides strategic direction and support on IT systems and infrastructure for departmental operations and programs, and oversees the human resources, contract management, and communication and engagement activities. The office manages partnerships with multiple County departments, including the Departments of Permitting Services, Transportation, and General Services, as well as external groups including faith-based institutions, the Maryland-National Capital Park and Planning Commission, and WSSC Water.

The office is responsible for operating and capital budget development, revenue generation from the Water Quality Protection Charge and Solid Waste Fees, and overall financial management. The Department of Environmental Protection's (DEP) programs and operations are funded through the General Fund, the Water Quality Protection Fund, and the Solid Waste Enterprise Funds.

The work includes the following focus areas:

- Maintain all funds in a financially prudent manner and maintain structural stability given the responsibilities and risks associated with all programs and operations.
- Develop and evaluate capital and operating budgets in a strategic and economically responsible manner.
- Perform detailed financial analysis during the annual rate calculation process for a more equitable rate structure, structural stability, budget flexibility, and financial risk mitigation.

- Review and develop policies and procedures that strengthen internal controls.
- Collaborate with organization stakeholders using metrics that assess the strategic health of the business, the alignment of programs with the business strategy, and the balance of the program relative to business needs.
- Use quantitative and financial models and forecasting tools to analyze the fiscal impact of proposed strategic changes. Assist with the execution of procurement actions on a timely basis and at the best possible value.
- Facilitate funding for the maintenance of computer/automation equipment, and related technologies in a cost-effective and efficient manner.

The DEP Communications team is responsible for increasing media hits, growing the department's social media audience, improving the DEP web experience, and reaching new and diverse audiences through public engagement.

The Department of Housing and Community Affairs provides staff to respond to resident complaints dealing with:

- storage and removal of solid waste;
- illegal solid waste dumping activities in the County;
- storage of unregistered vehicles on private property throughout the County;
- storage of inoperable vehicles on private property; improper screening of dumpsters, particularly those in shopping areas; and
- control and regulation of weeds throughout the County.

The "Clean or Lien" program provides for the removal of dangerous or unsightly trash, perimeter grass, and weeds on properties which the owners have failed to maintain as required.

FY26 Approved Changes	Expenditures	FTEs
FY25 Approved	10,493,895	41.10
Increase Cost: Debt Service	1,484,000	0.00
Increase Cost: Security Camera Installation	121,775	0.00
Increase Cost: Adjust FTE Allocation to Better Align With Responsibilities (Disposal Fund)	101,237	(0.06)
Increase Cost: Communications and Public Engagement	6,000	0.00
Increase Cost: Three Percent Inflationary Adjustment to Non-Profit Service Provider Contracts	5,559	0.00
Increase Cost: Department of Housing and Community Affairs Chargeback	1,700	0.00
Decrease Cost: Outside Mail	(35)	0.00
Decrease Cost: Finance Chargeback Adjustment (Collection Fund)	(2,330)	0.00
Decrease Cost: Administration	(2,348)	0.00
Decrease Cost: Finance Chargeback Adjustment (Disposal Fund)	(5,650)	0.00
Decrease Cost: Department of Environmental Protection Chargeback	(25,000)	0.00
Decrease Cost: Adjust FTE Allocation to Better Align With Responsibilities (Collection Fund)	(146,373)	(1.00)
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	555,947	0.00
FY26 Approved	12,588,377	40.04



This program provides for the operation of the Montgomery County Resource Recovery Facility (RRF). The RRF serves as the primary disposal facility for non-recycled waste generated in the County. Renewable energy in the form of electricity is generated and sold into the competitive energy market. This program also includes costs for related operations at the Transfer Station and for the transportation of waste from the Transfer Station to the RRF. Also, it provides for the operation of the receiving, processing, and shipping facility for municipal solid waste generated within the County.

In addition, the program provides for the rail shipment of ash residue from the RRF to Fulton Rail Yard near Richmond, Virginia, where it is unloaded and transported by truck to the Old Dominion Landfill, a contracted landfill where the ash is processed for further metals removal and recycling. Ash is beneficially reused as alternate daily cover and road base within the lined areas of the Old Dominion Landfill. This program also provides for the shipment of non-processible waste, such as construction material and, if necessary, bypass waste, from the Transfer Station to either recycling facilities, rubble landfills, or other contracted landfills. It provides for the operation of a satellite drop-off site at the Poolesville Highway Services Depot and funds the proper disposal of household hazardous waste such as flammable products, insecticides, mercury, and reactive and corrosive chemicals. The materials are handled through the County's hazardous waste contractor and permitted hazardous waste management facilities.

The program maintains the closed Oaks Landfill in an environmentally sound and cost-effective manner in accordance with applicable State and Federal regulations. Mandated duties under this program include managing landfill gas through collection and flaring, and maintaining leachate storage and pre-treatment facilities. This program also provides for the acceptance and treatment of waste generated by the cleanout of stormwater oil/grit separators. Finally, the program maintains the closed Gude Landfill, including monitoring of air and water quality around the landfill and the post-closure passive amenities that will benefit the community.

Program Performance Measures	Actual FY23	Actual FY24	Estimated FY25	Target FY26	Target FY27
Number of tons of County-wide yard trim and leaves collected	166,578	163,447	161,997	165,627	165,347
Number of tons of County-wide Commingled Recycling collected	33,701	31,885	33,136	33,239	33,085
Number of tons of County-wide Mixed Paper collected	113,695	108,382	109,796	111,722	111,084
Number of tons of County-wide Food Waste collected	8,822	14,444	15,000	15,000	15,000
Number of tons of County-wide Household Hazardous Waste collected	3,615	3,991	3,735	3,818	3,886
Number of tons of Municipal Solid Waste accepted at the Transfer Station: Residential, single family, and townhouse communities	197,838	190,642	199,757	198,077	198,139

FY26 Approved Changes	Expenditures	FTEs
FY25 Approved	67,598,877	25.65
Increase Cost: Resource Recovery Facility - Waste Management Contract	28,457,938	0.00
Increase Cost: Out-of-County Haul	4,081,975	0.00
Increase Cost: Adjust FTE Allocation to Better Align With Responsibilities (Disposal Fund)	328,241	1.50
Increase Cost: Site 2 Landfill Structure Improvements	250,000	0.00
Increase Cost: Overtime Adjustment	210,805	0.00
Increase Cost: Household Hazardous Waste	158,171	0.00
Increase Cost: Oaks Landfill Planning and Monitoring	107,499	0.00
Increase Cost: Resource Recovery Facility Management and Routine Capital Replacements	54,089	0.00
Increase Cost: Engineering, Planning, and Construction Support Services	22,646	0.00
Increase Cost: Gude Landfill Planning and Monitoring	21,771	0.00
Increase Cost: Transfer Station Management and Routine Capital Replacements	14,907	0.00

FY26 Approved Changes	Expenditures	FTEs
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	(1,560,339)	3.00
FY26 Approved	99,746,580	30.15

Materials and Collection

This program provides for collection of refuse from single family residences in the southern parts of the County (Subdistrict A) and the funds to secure, administer, monitor, and enforce contracts with private collectors for collection of residential recyclables for the entire County. It also responds to residents' service needs.

In addition, the program enforces the County's recycling regulations as they apply to single-family residences and other waste generators, and the enforcement of requirements outlined in Chapter 48 of the County Code. It also supports solid waste program goals and ensures the success of recycling initiatives and progress to achieve the County's recycling goals. The program also provides for mandatory recycling and waste reduction for multi-family properties, for all businesses, and for broadly educating everyone living, visiting, and working in the County. Program efforts include technical support, assistance, education, outreach, and training.

It provides for the separation, processing, and marketing of recyclable materials at the Materials Recovery Facility (MRF, aka the Recycling Center). The MRF receives recyclable material collected under the County curbside collection program from all single-family residences as well as some materials from municipalities, multi-family properties, and non-residential properties that have established recycling programs. The materials are then sorted, baled, and shipped to markets for recycling. The program also provides for the processing, baling, and shipping of the County's residential and some non-residential mixed paper and corrugated paper (cardboard).

The processing, transporting, composting, and marketing of yard trim received by the County is also included in this program, including leaves received from the County's Leaf Vacuuming program. Processing includes grinding brush to produce mulch at the Transfer Station and composting of all leaves and grass, which is sold wholesale as Leafgro in bulk and bagged forms.

The program promotes recycling of food scraps as part of the County's overall effort to increase recycling and to reduce the amount of food waste within the County. The program includes initiatives to recycle food scraps and other acceptable organic materials generated by the single-family residential, multi-family residential, and commercial sectors, through composting and/or other technologies.

Program Performance Measures	Actual FY23	Actual FY24	Estimated FY25	Target FY26	Target FY27
Number of tons of Municipal Solid Waste accepted at the Transfer Station: Commercial and multi-family buildings	299,282	304,514	287,167	299,859	300,179
Number of business site visits to provide guidance and recycling support	6,619	7,988	5,917	6,841	6,915
Number of Multi-Family Building site visits to provide guidance and recycling support	2,653	2,568	2,086	2,436	2,363
Average number of refuse collections missed per week, not picked up within 24 hours	12	12	15	12	12
Average number of recycling collections missed per week, not picked up within 24 hours	25	18	22	18	18

FY26 Approved Changes	Expenditures	FTEs
FY25 Approved	76,767,411	51.15

FY26 Approved Changes	Expenditures	FTEs
Increase Cost: Residential Recycling Contracts	1,774,780	0.00
Increase Cost: Residential Refuse Collection Contracts	827,882	0.00
Increase Cost: Yard Trim Composting	183,492	0.00
Increase Cost: Recycling Center	173,169	0.00
Increase Cost: Adjust FTE Allocation to Better Align With Responsibilities (Disposal Fund)	138,931	0.00
Re-align: Central Duplicating Services - Mail Appropriation	90,000	0.00
Increase Cost: Paper Recycling	58,361	0.00
Increase Cost: Food Waste Residential Collection	40,082	0.00
Increase Cost: Commercial Recycling	18,865	0.00
Increase Cost: Multifamily Recycling Program	9,994	0.00
Increase Cost: Recycling Outreach, Education, and Volunteers	9,963	0.00
Decrease Cost: Lapse Adjustment	(47,667)	0.00
Decrease Cost: Adjust FTE Allocation to Better Align With Responsibilities (Collection Fund)	(117,065)	(1.00)
Decrease Cost: Reduced Staff Augmentation Needs	(2,040,382)	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.	1,887,348	(3.00)
FY26 Approved	79,775,164	47.15

BUDGET SUMMARY

	Actual FY24	Budget FY25	Estimate FY25	Approved FY26	%Chg Bud/App
SOLID WASTE DISPOSAL					
EXPENDITURES					
Salaries and Wages	10,028,445	11,051,142	10,517,155	12,117,165	9.7 %
Employee Benefits	2,634,389	3,174,601	3,023,500	3,580,330	12.8 %
Solid Waste Disposal Personnel Costs	12,662,834	14,225,743	13,540,655	15,697,495	10.3 %
Operating Expenses	129,450,751	123,782,286	123,757,099	158,078,449	27.7 %
Capital Outlay	6,962,323	2,718,863	2,718,863	2,064,295	-24.1 %
Debt Service Other	0	1,820,000	0	3,304,000	81.5 %
Solid Waste Disposal Expenditures	149,075,908	142,546,892	140,016,617	179,144,239	25.7 %
PERSONNEL					
Full-Time	76	72	72	73	1.4 %
Part-Time	1	1	1	1	—
FTEs	104.52	106.12	106.12	107.56	1.4 %
REVENUES					
Other Licenses/Permits	11,506	12,000	12,000	12,000	—
Other Charges/Fees	219,808	188,000	195,005	190,000	1.1 %
Sale of Recycled Materials	5,639,012	5,718,424	5,639,012	6,403,034	12.0 %
Solid Waste Disposal Fees/Operating Revenues	28,718,631	33,700,024	30,338,675	33,551,750	-0.4 %
Systems Benefit Charge	88,432,944	93,688,259	92,505,977	130,142,363	38.9 %
Other Fines/Forfeitures	22,550	15,000	22,000	22,000	46.7 %
Miscellaneous Revenues	174,575	95,000	37,000	37,000	-61.1 %

BUDGET SUMMARY

	Actual FY24	Budget FY25	Estimate FY25	Approved FY26	%Chg Bud/App
Property Rentals	0	5,000	4,000	4,000	-20.0 %
Investment Income	6,864,611	5,469,990	3,911,410	3,293,820	-39.8 %
Other Intergovernmental	52,200	0	0	0	—
Solid Waste Disposal Revenues	130,135,837	138,891,697	132,665,079	173,655,967	25.0 %

SOLID WASTE COLLECTION

EXPENDITURES

Salaries and Wages	1,322,835	1,449,944	1,379,857	1,288,507	-11.1 %
Employee Benefits	300,775	398,447	381,119	367,985	-7.7 %
Solid Waste Collection Personnel Costs	1,623,610	1,848,391	1,760,976	1,656,492	-10.4 %
Operating Expenses	9,700,544	10,464,900	10,461,949	11,309,390	8.1 %
Solid Waste Collection Expenditures	11,324,154	12,313,291	12,222,925	12,965,882	5.3 %

PERSONNEL

Full-Time	4	4	4	4	—
Part-Time	0	0	0	0	—
FTEs	12.08	11.78	11.78	9.78	-17.0 %

REVENUES

Other Charges/Fees	24,414	0	10,000	0	—
Systems Benefit Charge	14,835,040	14,963,680	14,830,560	15,000,000	0.2 %
Investment Income	(1,767,436)	180,580	713,720	601,030	232.8 %
Solid Waste Collection Revenues	13,092,018	15,144,260	15,554,280	15,601,030	3.0 %

DEPARTMENT TOTALS

Total Expenditures	160,400,062	154,860,183	152,239,542	192,110,121	24.1 %
Total Full-Time Positions	80	76	76	77	1.3 %
Total Part-Time Positions	1	1	1	1	—
Total FTEs	116.60	117.90	117.90	117.34	-0.5 %
Total Revenues	143,227,855	154,035,957	148,219,359	189,256,997	22.9 %

FY26 APPROVED CHANGES

	Expenditures	FTEs
SOLID WASTE DISPOSAL		
	FY25 ORIGINAL APPROPRIATION	142,546,892 106.12
<u>Other Adjustments (with no service impacts)</u>		
Increase Cost: Resource Recovery Facility - Waste Management Contract [Disposal]	28,457,938	0.00
Increase Cost: Out-of-County Haul [Disposal]	4,081,975	0.00
Increase Cost: Residential Recycling Contracts [Materials and Collection]	1,774,780	0.00
Increase Cost: Debt Service [Administration and Support]	1,484,000	0.00

FY26 APPROVED CHANGES

	Expenditures	FTEs
Increase Cost: FY26 Compensation Adjustment	592,444	0.00
Increase Cost: Adjust FTE Allocation to Better Align With Responsibilities (Disposal Fund) [Disposal]	328,241	1.50
Increase Cost: Annualization of FY25 Compensation Increases	263,164	0.00
Increase Cost: Site 2 Landfill Structure Improvements [Disposal]	250,000	0.00
Increase Cost: Overtime Adjustment [Disposal]	210,805	0.00
Increase Cost: Yard Trim Composting [Materials and Collection]	183,492	0.00
Increase Cost: Recycling Center [Materials and Collection]	173,169	0.00
Increase Cost: Household Hazardous Waste [Disposal]	158,171	0.00
Increase Cost: Adjust FTE Allocation to Better Align With Responsibilities (Disposal Fund) [Materials and Collection]	138,931	0.00
Increase Cost: Security Camera Installation [Administration and Support]	121,775	0.00
Increase Cost: Oaks Landfill Planning and Monitoring [Disposal]	107,499	0.00
Increase Cost: Adjust FTE Allocation to Better Align With Responsibilities (Disposal Fund) [Administration and Support]	101,237	(0.06)
Increase Cost: Motor Pool Adjustment	99,322	0.00
Re-align: Central Duplicating Services - Mail Appropriation [Materials and Collection]	90,000	0.00
Increase Cost: Paper Recycling [Materials and Collection]	58,361	0.00
Increase Cost: Resource Recovery Facility Management and Routine Capital Replacements [Disposal]	54,089	0.00
Increase Cost: Food Waste Residential Collection [Materials and Collection]	40,082	0.00
Increase Cost: Retirement Adjustment	38,309	0.00
Increase Cost: Annualization of FY25 Lapsed Positions	31,937	0.00
Increase Cost: Engineering, Planning, and Construction Support Services [Disposal]	22,646	0.00
Increase Cost: Gude Landfill Planning and Monitoring [Disposal]	21,771	0.00
Increase Cost: Commercial Recycling [Materials and Collection]	18,865	0.00
Increase Cost: Transfer Station Management and Routine Capital Replacements [Disposal]	14,907	0.00
Increase Cost: Multifamily Recycling Program [Materials and Collection]	9,994	0.00
Increase Cost: Recycling Outreach, Education, and Volunteers [Materials and Collection]	9,963	0.00
Increase Cost: Communications and Public Engagement [Administration and Support]	6,000	0.00
Increase Cost: Three Percent Inflationary Adjustment to Non-Profit Service Provider Contracts [Administration and Support]	5,559	0.00
Increase Cost: Department of Housing and Community Affairs Chargeback [Administration and Support]	1,700	0.00
Decrease Cost: Administration [Administration and Support]	(2,348)	0.00
Decrease Cost: Finance Chargeback Adjustment (Disposal Fund) [Administration and Support]	(5,650)	0.00
Decrease Cost: Risk Management Adjustment	(19,825)	0.00
Decrease Cost: Department of Environmental Protection Chargeback [Administration and Support]	(25,000)	0.00
Decrease Cost: Printing and Mail Adjustment	(27,258)	0.00
Decrease Cost: Lapse Adjustment [Materials and Collection]	(47,667)	0.00
Decrease Cost: Annualization of FY25 Personnel Costs	(185,649)	0.00
Decrease Cost: Reduced Staff Augmentation Needs [Materials and Collection]	(2,040,382)	0.00
FY26 APPROVED	179,144,239	107.56

FY26 APPROVED CHANGES

	Expenditures	FTEs
SOLID WASTE COLLECTION		
	FY25 ORIGINAL APPROPRIATION	12,313,291 11.78
<u>Other Adjustments (with no service impacts)</u>		
Increase Cost: Residential Refuse Collection Contracts [Materials and Collection]	827,882	0.00
Increase Cost: FY26 Compensation Adjustment	57,887	0.00
Increase Cost: Annualization of FY25 Compensation Increases	33,101	0.00
Increase Cost: Motor Pool Adjustment	15,642	0.00
Increase Cost: Printing and Mail Adjustment	5,031	0.00
Increase Cost: Retirement Adjustment	3,185	0.00
Decrease Cost: Outside Mail [Administration and Support]	(35)	0.00
Decrease Cost: Risk Management Adjustment	(1,700)	0.00
Decrease Cost: Finance Chargeback Adjustment (Collection Fund) [Administration and Support]	(2,330)	0.00
Decrease Cost: Annualization of FY25 Personnel Costs	(22,634)	0.00
Decrease Cost: Adjust FTE Allocation to Better Align With Responsibilities (Collection Fund) [Materials and Collection]	(117,065)	(1.00)
Decrease Cost: Adjust FTE Allocation to Better Align With Responsibilities (Collection Fund) [Administration and Support]	(146,373)	(1.00)
	FY26 APPROVED	12,965,882 9.78

PROGRAM SUMMARY

Program Name	FY25 APPR Expenditures	FY25 APPR FTEs	FY26 APPR Expenditures	FY26 APPR FTEs
Administration and Support	10,493,895	41.10	12,588,377	40.04
Disposal	67,598,877	25.65	99,746,580	30.15
Materials and Collection	76,767,411	51.15	79,775,164	47.15
Total	154,860,183	117.90	192,110,121	117.34

CHARGES TO OTHER DEPARTMENTS

Charged Department	Charged Fund	FY25 Total\$	FY25 FTEs	FY26 Total\$	FY26 FTEs
SOLID WASTE DISPOSAL					
General Services	General Fund	417,192	0.00	956,622	0.00
Parking District Services	Bethesda Parking	80,570	0.00	184,748	0.00
Parking District Services	Silver Spring Parking	156,105	0.00	357,949	0.00
Parking District Services	Wheaton Parking	15,107	0.00	34,640	0.00
Alcohol Beverage Services	Liquor	21,624	0.00	49,584	0.00

CHARGES TO OTHER DEPARTMENTS

Charged Department	Charged Fund	FY25 Total\$	FY25 FTEs	FY26 Total\$	FY26 FTEs
Total		690,598	0.00	1,583,543	0.00

FUNDING PARAMETER ITEMS

CC APPROVED (\$000S)

Title	FY26	FY27	FY28	FY29	FY30	FY31
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SOLID WASTE DISPOSAL

EXPENDITURES

FY26 Approved	179,144	179,144	179,144	179,144	179,144	179,144
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No inflation or compensation change is included in outyear projections.

Labor Contracts	0	63	63	63	63	63
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These figures represent the estimated annualized cost of general wage adjustments, service increments, and other negotiated items.

Subtotal Expenditures	179,144	179,207	179,207	179,207	179,207	179,207
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SOLID WASTE COLLECTION

EXPENDITURES

FY26 Approved	12,966	12,966	12,966	12,966	12,966	12,966
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No inflation or compensation change is included in outyear projections.

Labor Contracts	0	3	3	3	3	3
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These figures represent the estimated annualized cost of general wage adjustments, service increments, and other negotiated items.

Subtotal Expenditures	12,966	12,969	12,969	12,969	12,969	12,969
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	FY25 Estimate	FY26 Projection	FY27 Projection	FY28 Projection	FY29 Projection	FY30 Projection	FY31 Projection
ASSUMPTIONS							
Indirect Cost Rate	19.96%	19.98%	19.98%	19.98%	19.98%	19.98%	19.98%
CPI (Fiscal Year)	2.60%	2.65%	2.68%	2.41%	2.19%	2.19%	2.26%
Number of Households (mid-FY)	93,051	93,750	94,597	95,444	96,291	97,138	97,973
Charge Per Household	\$ 160.00	\$ 160.00	\$ 160.00	\$ 160.00	\$ 160.00	\$ 160.00	\$ 161.00
Percent Rate Increase (Decrease)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.63%
Beginning Cash	2,560,361	4,707,777	6,206,958	6,782,843	7,800,762	8,483,912	8,854,409
Revenues	15,544,280	15,601,030	15,671,500	15,735,560	15,835,350	15,970,870	16,202,443
Expenses	(12,222,925)	(12,965,882)	(13,945,185)	(14,352,288)	(14,771,352)	(15,203,439)	(15,646,589)
Transfers	(373,939)	(335,967)	(350,430)	(365,353)	(380,848)	(396,934)	(413,631)
Loan Payoff	(800,000)	(800,000)	(800,000)				
Ending Cash Balance	4,707,777	6,206,958	6,782,843	7,800,762	8,483,912	8,854,409	8,996,632
BEGINNING NET ASSETS	(782,695)	2,174,721	4,473,902	5,849,787	6,867,706	7,550,856	7,921,353
REVENUES							
Charges for Services	14,830,560	15,000,000	15,135,520	15,271,040	15,406,560	15,542,080	15,773,653
Investment Income (per Dept. of Finance)	713,720	601,030	535,980	464,520	428,790	428,790	428,790
Miscellaneous	10,000						
Subtotal Revenues	15,554,280	15,601,030	15,671,500	15,735,560	15,835,350	15,970,870	16,202,443
INTERFUND TRANSFERS (Net Non-CIP)	(373,939)	(335,967)	(350,430)	(365,353)	(380,848)	(396,934)	(413,631)
TOTAL RESOURCES	14,397,646	17,439,784	19,794,972	21,219,994	22,322,208	23,124,792	23,710,165
OPERATING BUDGET APPROP/EXPENSES							
Personnel Costs	(1,760,976)	(1,656,492)	(1,728,881)	(1,803,568)	(1,881,122)	(1,961,634)	(2,045,199)
OMB Adjustments - Labor Contract Adjustments			(3,350)	(3,350)	(3,350)	(3,350)	(3,350)
Refuse Collection Contracts	(10,461,949)	(10,934,753)	(11,830,048)	(12,154,178)	(12,487,283)	(12,830,334)	(13,181,277)
Other Operating Costs		(374,637)	(382,906)	(391,192)	(399,597)	(408,121)	(416,763)
Subtotal PSP Oper. Budget Approp / Exp.	(12,222,925)	(12,965,882)	(13,945,185)	(14,352,288)	(14,771,352)	(15,203,439)	(15,646,589)
TOTAL USE OF RESOURCES	(12,222,925)	(12,965,882)	(13,945,185)	(14,352,288)	(14,771,352)	(15,203,439)	(15,646,589)
YEAR END - NET ASSETS*	2,174,721	4,473,902	5,849,787	6,867,706	7,550,856	7,921,353	8,063,576
End-of-Year Net Assets as a % of Resources	15.1%	25.7%	29.6%	32.4%	33.8%	34.3%	34.0%

FY26-31 DIVISION OF RECYCLING AND RESOURCE MANAGEMENT								
FISCAL PROJECTIONS	ACTUAL FY24	ESTIMATED FY25	PROJECTED FY26	PROJECTED FY27	PROJECTED FY28	PROJECTED FY29	PROJECTED FY30	PROJECTED FY31
Single-Family Charges (\$/Household)	293.26	310.89	387.72	399.57	412.23	398.95	407.80	415.55
% change in rate from previous year	1.8%	6.0%	24.7%	3.1%	3.2%	-3.2%	2.2%	1.9%
Multi-Family Charges (\$/Dwelling Unit)	18.04	19.13	29.76	34.21	38.03	31.43	31.60	34.81
% change in rate from previous year	1.2%	6.0%	55.5%	15.0%	11.2%	-17.4%	0.6%	10.2%
Nonresidential Charges (medium "category" charge)	627.68	631.31	1,090.30	1,111.60	1,157.05	951.84	964.05	1,054.99
% change in rate from previous year	-5.6%	0.6%	72.7%	2.0%	4.1%	-17.7%	1.3%	9.4%

OPERATIONS CALCULATION

REVENUES								
Disposal Fees	33,000,038	33,149,782	36,802,522	36,716,285	36,612,764	36,436,173	36,256,075	36,072,318
Charges for Services/SBC	74,384,108	80,186,321	117,509,517	122,338,613	128,822,902	118,413,080	122,312,760	129,213,090
Miscellaneous	15,887,364	15,417,566	16,050,108	16,314,286	16,583,627	16,858,240	17,138,583	17,424,827
Investment Income	6,864,328	3,911,410	3,293,820	2,937,330	2,545,680	2,349,860	2,349,860	2,349,860
Subtotal Revenues	130,135,838	132,665,079	173,655,967	178,306,514	184,564,973	174,057,353	178,057,278	185,060,095
INTERFUND TRANSFERS	(121,216)	(248,326)	(466,895)	(580,577)	(812,055)	(979,741)	(1,019,544)	(381,159)
EXPENDITURES								
Personnel Costs	(12,662,834)	(13,540,655)	(15,697,495)	(16,383,476)	(17,091,242)	(17,826,165)	(18,589,126)	(19,381,022)
Operating Expenses	(133,625,334)	(123,757,099)	(161,382,449)	(159,238,778)	(162,146,218)	(153,377,236)	(157,938,232)	(163,479,673)
Capital Outlay	(2,787,740)	(2,718,863)	(2,064,295)	(2,576,680)	(1,276,795)	(2,182,178)	(1,459,457)	(2,784,999)
Subtotal Expenditures	(149,075,908)	(140,016,617)	(179,144,239)	(178,198,934)	(180,514,255)	(173,385,579)	(177,986,815)	(185,645,694)
CURRENT RECEIPTS TO CIP	(20,515,177)	(6,879,000)	(4,928,000)	(990,000)	(60,000)	-	-	-
POTENTIAL FUTURE EXP. - LABOR CONTRACTS FFI		-	-	(62,858)	(62,858)	(62,858)	(62,858)	(62,858)
PAYOUT OF GUDE REMEDIATION	22,938,382	14,510,021	5,858,000	748,000	-	-	-	-
PAYOUT OF CLOSURE COSTS (Non-CIP)	3,173,795	2,388,417	2,506,950	2,566,988	2,627,107	2,688,637	875,258	900,904
CY ACCRUED CLOSURE COSTS	(2,988,533)	(62,598)	(65,317)	(69,368)	(64,699)	(60,813)	(62,302)	(65,633)
NET CHANGE	(16,452,820)	2,356,976	(2,583,533)	1,719,765	5,678,212	2,256,998	(198,983)	(194,345)

CASH POSITION

ENDING CASH & INVESTMENTS								
Unrestricted Cash	63,704,835	33,576,096	31,114,793	29,301,632	34,101,092	32,965,633	33,821,047	34,981,955
Restricted Cash	39,343,872	46,924,781	43,338,428	45,339,700	44,840,336	46,003,249	45,479,711	44,926,147
Subtotal Cash & Investments	103,048,707	80,500,877	74,453,221	74,641,332	78,941,428	78,968,882	79,300,758	79,908,102
RESERVE & LIABILITY REQUIREMENTS								
Management Reserve	(29,318,102)	(36,633,383)	(36,302,695)	(36,495,678)	(35,009,912)	(35,967,670)	(37,564,832)	(37,564,832)
Renewal & Replacement Reserve	(4,533,297)	(4,651,163)	(4,774,418)	(4,902,373)	(5,020,521)	(5,130,469)	(5,242,827)	(5,361,315)
Stability Reserve	(5,492,473)	(5,640,235)	(2,261,315)	(3,941,649)	(4,809,903)	(4,905,110)	(2,672,052)	(2,000,000)
Subtotal Reserve Requirements	(39,343,872)	(46,924,781)	(43,338,428)	(45,339,700)	(44,840,336)	(46,003,249)	(45,479,711)	(44,926,147)
Closure/Postclosure Liability	(14,706,426)	(12,380,607)	(9,938,973)	(7,441,353)	(4,878,946)	(2,251,122)	(2,288,166)	(2,327,895)
Gude Remediation Liability	(21,116,021)	(6,606,000)	(748,000)	-	-	-	-	-
Current Liabilities Not Including Debt/Closure	(21,671,702)	-	-	-	-	-	-	-
Subtotal Reserve & Liability Requirements	(96,838,021)	(65,911,388)	(54,025,401)	(52,781,053)	(49,719,282)	(48,254,371)	(47,767,877)	(47,254,042)
CASH & INVESTMENTS OVER/(UNDER)								
RESERVE & LIABILITY REQUIREMENTS	6,210,686	14,589,489	20,427,820	21,860,279	29,222,146	30,714,511	31,532,881	32,654,060

Net Assets

ENDING NET ASSETS	99,078,803	96,522,523	100,881,555	107,542,569	118,608,126	126,314,483	131,839,855	138,892,683
Less: Reserve Requirements	(39,343,872)	(46,924,781)	(43,338,428)	(45,339,700)	(44,840,336)	(46,003,249)	(45,479,711)	(44,926,147)
NET ASSETS OVER/(UNDER)								
RESERVE REQUIREMENTS	59,734,931	49,597,742	57,543,127	62,202,869	73,767,790	80,311,234	86,360,144	93,966,536

FY26 Solid Waste Service Charges

1. **Purpose** - To fund solid waste management services provided to residents and businesses in Montgomery County through service charges to all entities that benefit from such services.
2. **Classification of Service Charges** - There are five basic categories of service charges:

Base Systems Benefit Charge - Paid by all entities to cover costs of system administration, historical debt service, waste reduction, and “stand-by” disposal capacity.

Incremental Systems Benefit Charge - Paid by entities based on sector-specific services they receive (single-family homeowners pay for curbside recycling collection and processing, businesses pay for the commercial recycling program, etc.)

Disposal Charges - Paid as a service charge via the tax bill or at the Transfer Station by all entities who deliver solid waste to Montgomery County for disposal. At the Solid Waste Transfer Station, this charge is referred to as the “Tipping Fee” for accepting municipal solid waste for disposal.

Leaf Vacuuming Charge - Covers the cost of leaf vacuuming service provided in the Leaf Vacuuming District.

Refuse Collection Charge - Paid by homeowners who receive once weekly refuse collection service by County contractors.

3. **Implementation of Service Charges** - Service charges are collected from the various sectors in the following manner:

	Base Systems Benefit	Incremental Systems Benefit	Disposal Charge/ Tip Fee	Leaf Vacuuming Charge	Refuse Collection Charge
Unincorporated Single-Family	Via tax bill	Via tax bill	Via tax bill	Via tax bill to those serviced	Via tax bill to those serviced
Incorporated Single-Family	Via tax bill	Not applicable	Charged at Transfer Station	Not applicable	Not applicable
Unincorporated <u>Multi-family</u>	Via tax bill	Via tax bill	Charged at Transfer Station	Via tax bill to those serviced	Not applicable
Incorporated <u>Multi-family</u>	Via tax bill	Via tax bill	Charged at Transfer Station	Not applicable	Not applicable
Unincorporated Non-Residential	Via tax bill	Via tax bill	Charged at Transfer Station	Not applicable	Not applicable
Incorporated Non-Residential	Via tax bill	Via tax bill	Charged at Transfer Station	Not applicable	Not applicable

FY26 SOLID WASTE SERVICE CHARGES TO BE COLLECTED VIA REAL PROPERTY ACCOUNT BILLING															
	Base Charge (\$/ton)	x	Billing Rate (tons/HH)	=	Disposal Charge	+	Base Systems Benefit Charge	+	Incremental Systems Benefit Charge	+	Refuse Collection Charge	+	Leaf Vacuuming Charge	=	Total Bill
Code Reference	48-32(a)(1)				48-32(c)(2)		48-8A(b)(2)(A)		48-8A(b)(2)(B)		48-29		48-47		
SUBDISTRICT A (Refuse Collection District)*															
Inside Leaf Vacuuming District	\$ 70.00		0.80295		\$ 56.21		\$ 87.17		\$ 244.34		\$ 160.00		\$ 123.67		\$ 671.39
Outside Leaf Vacuuming District	\$ 70.00		0.80295		\$ 56.21		\$ 87.17		\$ 244.34		\$ 160.00				\$ 547.72
Incorporated							\$ 87.17								\$ 87.17
SUBDISTRICT B SINGLE-FAMILY**															
Incorporated							\$ 87.17								\$ 87.17
Inside Leaf Vacuuming District															
Unincorporated	\$ 70.00		0.80295		\$ 56.21		\$ 87.17		\$ 244.34				\$ 123.67		\$ 511.39
Outside Leaf Vacuuming District															
Unincorporated	\$ 70.00		0.80295		\$ 56.21		\$ 87.17		\$ 244.34						\$ 387.72
MULTI-FAMILY RESIDENTIAL**															
Incorporated							\$ 25.81		\$ 3.95						\$ 29.76
Unincorporated															
Outside Leaf Vacuuming District							\$ 25.81		\$ 3.95						\$ 29.76
Inside Leaf Vacuuming District							\$ 25.81		\$ 3.95				\$ 4.61		\$ 34.37
NONRESIDENTIAL - \$/2,000 SQ. FT. ***															
Code Reference															
Waste Generation Categories															
Low							\$ 194.45		\$ 23.61						\$ 218.06
Medium Low							\$ 583.35		\$ 70.83						\$ 654.18
Medium							\$ 972.25		\$ 118.05						\$ 1,090.30
Medium High							\$ -		\$ -						
High							\$ 1,750.05		\$ 212.49						\$ 1,962.54
OTHER FY26 SOLID WASTE FEES															
Base Solid Waste Charge under Section 48-32(a)(1): (This is known as the "Tipping Fee")					\$ 70.00 / disposal ton	Waste delivered to DOT Pad (Non-Processible)					\$70 / disposal ton				
Waste delivered for disposal <500 lb loads in privately owned and operated vehicles or trailers <1,000 capacity per Section 48-32(c)(2):					\$0.00/disposal ton	Solid Waste Service Charges (Section 48-32(a)(2)): Paper and Commingled Containers					\$0.00 / ton				
						Solid Waste Service Charges (Section 48-32(b)(2)): All Yard Trim received at the Transfer Station (weighing > 500 pounds/load)					\$46.00 / ton				
Waste delivered in open-top roll-off box and declared C&E					\$ 93.00 / disposal ton	Miscellaneous (48-31(f)):					Compost Bins \$0.00 each				

* Note: Base Systems Benefit Charges are set to cover County Base Systems Costs net of Disposal Charges.

** With respect to Base and Incremental Systems Benefit Charges, this category includes dwellings in buildings of six or fewer households.

*** The Nonresidential rate multiplied by the total number of 2,000 square foot units of enclosed area equals the nonresidential charge.