

Utilities

MISSION STATEMENT

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

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

BUDGET OVERVIEW

The FY06 Approved Budget for the tax supported Utilities non-departmental account (NDA) is \$19,124,190, an increase of \$4,380,480 or 29.7 percent from the FY05 approved budget of \$14,743,710. Allocation of these utilities expenditures is as follows: electricity, 87.3 percent; natural gas, 8.1 percent; water and sewer, 4.2 percent; and fuel oil 0.4 percent. The total increase is due to unit rate cost increases, and from new or annualized facilities, streetlights, or traffic signals.

The FY06 Approved Budget includes County government utilities expenditures for both tax and non-tax supported operations. Tax supported utilities expenditures related to the General Fund departments are budgeted in the Utilities NDA, while utilities expenditures related to special fund departments are budgeted in those funds. Some of these special funds, such as Recreation and portions of the Department of Public Works and Transportation, are tax supported. Other special funds, such as Solid Waste, are not supported by taxes, but through user fees or charges for services.

Utilities expenditures are also found in the budgets of other County agencies: Montgomery County Public Schools (MCPS), Montgomery College, the Washington Suburban Sanitary Commission (WSSC), and the Maryland-National Capital Park and Planning Commission (M-NCPPC). The total budget request for these "outside" agencies is \$53,946,130, which includes the entire bi-county area of WSSC.

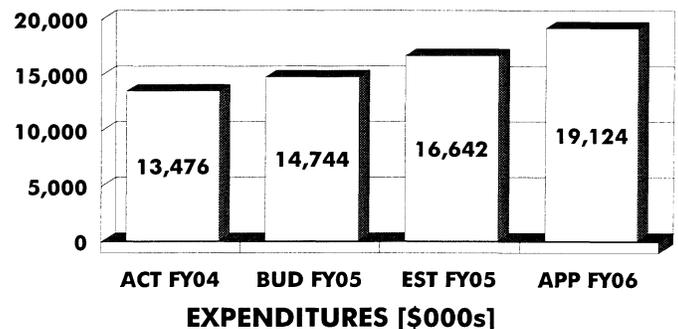
The FY06 Approved tax supported budget for Utilities Management, including both the General Fund NDA (\$19,124,190) and the other tax supported funds (\$1,604,080), is \$20,728,270, an increase of \$4,604,520 or approximately 28.6 percent from the FY05 approved utilities budget.

The FY06 Approved Budget for non-tax supported utilities expenditures is \$3,356,390, an increase of \$972,070 or 40.8 percent from the FY05 approved budget. In both the tax and non-tax supported funds, increased utilities expenditures result primarily from higher commodity unit costs due to market price fluctuations; greater consumption due to new facilities or

Program Summary

	Expenditures	WYs
Utilities (for All General Fund Departments)	19,124,190	0.0
Totals	19,124,190	0.0

Trends



services; and in some cases, a more precise alignment of budgeted costs with actual prior-year expenditures by utility type. Energy conservation and cost-saving measures (e.g., new building design, lighting technology, energy and HVAC management systems) help offset increased utility consumption or unit costs.

PROGRAM CONTACTS

Contact Bryan Hunt of the Office of Management and Budget at 240.777.2770 for more information regarding this department's operating budget.

PROGRAM DESCRIPTIONS

Utilities (for All General Fund Departments)

The Utilities non-departmental account provides the General Fund operating expense appropriation for the Department of Public Works and Transportation, Division of Operations. The utilities expenditures for other non-tax supported operations and other agencies are appropriated within their respective department or agency.

FY06 Changes

	Expenditures	WYs
FY05 Approved	14,743,710	0.0
FY06 Approved	19,124,190	0.0

BUDGET SUMMARY

	Actual FY04	Budget FY05	Estimated FY05	Approved FY06	% Chg Bud/App
COUNTY GENERAL FUND					
EXPENDITURES					
Salaries and Wages	0	0	0	0	—
Employee Benefits	0	0	0	0	—
County General Fund Personnel Costs	0	0	0	0	—
Operating Expenses	13,476,126	14,743,710	16,642,220	19,124,190	29.7%
Capital Outlay	0	0	0	0	—
County General Fund Expenditures	13,476,126	14,743,710	16,642,220	19,124,190	29.7%
PERSONNEL					
Full-Time	0	0	0	0	—
Part-Time	0	0	0	0	—
Workyears	0.0	0.0	0.0	0.0	—

FY06 APPROVED CHANGES CROSSWALK

	Expenditures	WYs
COUNTY GENERAL FUND		
FY05 ORIGINAL APPROPRIATION	14,743,710	0.0
<u>Changes (with service impacts)</u>		
Add: New or annualized buildings or facilities [Utilities (for All General Fund Departments)]	807,380	0.0
Add: New or annualized street lights and traffic signals [Utilities (for All General Fund Departments)]	46,250	0.0
<u>Other Adjustments (with no service impacts)</u>		
Increase Cost: Unfunded electricity cost liability MCG (FY05 rates) [Utilities (for All General Fund Departments)]	2,399,570	0.0
Increase Cost: Natural Gas [Utilities (for All General Fund Departments)]	527,660	0.0
Increase Cost: Annualization of FY05 Operating Expenses [Utilities (for All General Fund Departments)]	304,000	0.0
Increase Cost: Building or facilities electricity rates [Utilities (for All General Fund Departments)]	171,550	0.0
Increase Cost: Traffic Engineering electricity rates [Utilities (for All General Fund Departments)]	143,920	0.0
Increase Cost: Water and Sewage [Utilities (for All General Fund Departments)]	64,060	0.0
Decrease Cost: Fuel oil [Utilities (for All General Fund Departments)]	-4,660	0.0
Decrease Cost: Solid Waste System Benefit Charge Adjustment [Utilities (for All General Fund Departments)]	-23,250	0.0
Decrease Cost: Energy conservation CIP projects [Utilities (for All General Fund Departments)]	-56,000	0.0
FY06 APPROVED:	19,124,190	0.0