

**FY12-17 PUBLIC SERVICES PROGRAM: FISCAL PLAN**

**Water Quality Protection Fund**

FISCAL PROJECTIONS	FY11 ESTIMATE	FY12 RECOMMENDED	FY13 PROJECTION	FY14 PROJECTION	FY15 PROJECTION	FY16 PROJECTION	FY17 PROJECTION
<b>ASSUMPTIONS</b>							
Indirect Cost Rate	12.59%	12.59%	12.59%	12.59%	12.59%	12.59%	12.59%
CPI (Fiscal Year)	2.0%	2.4%	2.7%	3.0%	3.2%	3.4%	3.6%
Investment Income Yield	0.14%	0.40%	0.90%	2.00%	2.75%	3.50%	4.00%
Number of Equivalent Residential Units (ERUs) Billed	242,175	248,930	248,930	248,930	248,930	248,930	248,930
Prior Year Credits (\$)	(\$81,560)	(\$31,030)	\$0	\$0	\$0	\$0	\$0
Number of Gaithersburg ERUs	14,500	14,500	14,500	14,500	14,500	14,500	14,500
Water Quality Protection Charge per ERU	\$49.00	\$62.00	\$74.00	\$89.00	\$96.00	\$112.00	\$113.50
Collection Factor for Charge	99.5%	99.5%	99.5%	99.5%	99.5%	99.5%	99.5%
<b>BEGINNING FUND BALANCE</b>	<b>4,246,020</b>	<b>1,465,860</b>	<b>803,750</b>	<b>910,150</b>	<b>992,480</b>	<b>956,620</b>	<b>1,139,130</b>
<b>REVENUES</b>							
Charges For Services	11,725,680	15,325,460	18,328,720	22,044,000	23,777,790	27,740,760	28,112,290
Miscellaneous	10,000	20,000	50,000	120,000	170,000	230,000	270,000
<b>Subtotal Revenues</b>	<b>11,735,680</b>	<b>15,345,460</b>	<b>18,378,720</b>	<b>22,164,000</b>	<b>23,947,790</b>	<b>27,970,760</b>	<b>28,382,290</b>
<b>INTERFUND TRANSFERS (Net Non-CIP)</b>							
Transfers To General Fund	(655,880)	(1,266,690)	(2,896,910)	(5,642,490)	(6,522,050)	(9,358,730)	(9,134,280)
Indirect Costs	(555,880)	(816,690)	(771,030)	(771,030)	(771,030)	(771,030)	(771,030)
Technology Modernization	(498,370)	(771,030)	(771,030)	(771,030)	(771,030)	(771,030)	(771,030)
Transfers to Debt Service Fund (Non-Tax)	(57,510)	(45,660)	0	0	0	0	0
Transfers to Debt Service Fund (Non-Tax)	(100,000)	(450,000)	(2,125,880)	(4,871,460)	(5,751,020)	(8,587,700)	(8,363,250)
<b>TOTAL RESOURCES</b>	<b>15,325,820</b>	<b>15,544,630</b>	<b>16,285,560</b>	<b>17,431,660</b>	<b>18,418,220</b>	<b>19,568,650</b>	<b>20,387,140</b>
<b>CIP CURRENT REVENUE APPROPRIATION</b>							
<b>PSP OPER. BUDGET APPROP/ EXPS.</b>	<b>(925,000)</b>	<b>(1,200,000)</b>	<b>(1,350,000)</b>	<b>(1,350,000)</b>	<b>(1,350,000)</b>	<b>(1,100,000)</b>	<b>(1,100,000)</b>
Operating Budget	(10,280,120)	(13,540,880)	(14,203,770)	(14,977,700)	(15,692,300)	(16,602,400)	(17,345,400)
Annualizations and One-Time (PC)	n/a	n/a	(54,520)	(54,540)	(54,540)	(54,540)	(54,540)
Annualizations and One-Time (OE + CO))	n/a	n/a	492,700	492,700	492,700	492,700	492,700
FFI - Inspection of New Facilities	n/a	n/a	(70,500)	(141,000)	(211,500)	(282,000)	(282,000)
FFI - Maintenance of New and Newly Transferred Facilities	n/a	n/a	(127,800)	(255,600)	(383,400)	(511,200)	(511,200)
FFI - Operating Impacts of CIP Projects	n/a	n/a	(61,520)	(153,040)	(262,560)	(372,080)	(481,600)
<b>Subtotal PSP Oper Budget Approp / Exp's</b>	<b>(10,280,120)</b>	<b>(13,540,880)</b>	<b>(14,025,410)</b>	<b>(15,089,180)</b>	<b>(16,111,600)</b>	<b>(17,329,520)</b>	<b>(18,182,040)</b>
<b>OTHER CLAIMS ON FUND BALANCE</b>	<b>(2,654,840)</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>(13,859,960)</b>	<b>(14,740,880)</b>	<b>(15,375,410)</b>	<b>(16,439,180)</b>	<b>(17,461,600)</b>	<b>(18,429,520)</b>	<b>(19,282,040)</b>
<b>YEAR END FUND BALANCE</b>	<b>1,465,860</b>	<b>803,750</b>	<b>910,150</b>	<b>992,480</b>	<b>956,620</b>	<b>1,139,130</b>	<b>1,105,100</b>
<b>END-OF-YEAR RESERVES AS A</b>							
<b>PERCENT OF RESOURCES</b>	<b>9.6%</b>	<b>5.2%</b>	<b>5.6%</b>	<b>5.7%</b>	<b>5.2%</b>	<b>5.8%</b>	<b>5.4%</b>

**Assumptions:**

- These projections are based on the County Executive's Recommended budget and include the revenue and resource assumptions of that budget. The projected future expenditures, revenues, and fund balances may vary based on changes to fee or tax rates, usage, inflation, future labor agreements, and other factors not assumed here.
- The Water Quality Protection Charge is applied to all residential and associated non-residential properties (associated non-residential properties are non-residential properties that drain into the stormwater facilities of residential properties), except for those in the cities of Rockville and Takoma Park. The base unit for calculating the charge is the Equivalent Residential Unit (ERU), which is equal to 2,406 square feet of impervious surface (the average amount of impervious surface per single-family residential unit in Montgomery County).
- Residential and associated non-residential property stormwater facilities will be maintained to permit standards as they are phased into the program.
- Operating costs for new facilities to be completed or transferred between FY13 and FY17 have been incorporated in the future fiscal impact (FFI) rows.
- Charges are adjusted to maintain a balance of approximately 5 percent consistent with the County's policy for this fund. For purposes of analysis, increases to the Water Quality Protection Charge are shown in FY13, FY14, FY15, FY16, and FY17.
- 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 February 2010. Debt service on bonds that will be used to finance the CIP project costs of MS-4 compliance has been shown as a transfer to the Debt Service Fund. Potential future costs for complying with the MS-4 permit will be included as they become better defined in terms of their magnitude, scope, and timing.