
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.

HIGHLIGHTS

The County owns, operates, and/or maintains 412 facilities totaling 9,687,923 square feet. The Department of General Services manages the payment for 770 separately metered utility accounts for these facilities. The Utilities non-departmental account (NDA) budget funds 447 of these accounts, in addition to 68,426 streetlights, and 822 traffic-controlled signalized intersections.

BUDGET OVERVIEW

The FY15 Recommended Budget for the tax-supported Utilities NDA is \$26,064,133, an increase of \$367,486 or 1.4 percent above the FY14 Approved Budget of \$25,696,647. Allocation of these utilities expenditures is approximately: electricity, 85.6 percent; natural gas, 6.9 percent; water and sewer, 6.4 percent; fuel oil, 0.8 percent, and propane, 0.2 percent.

The FY15 Recommended 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 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 \$70,504,690 which includes the entire bi-county area of WSSC.

The FY15 Recommended tax-supported budget for Utilities Management, including both the General Fund NDA (\$26,064,133) and the other tax supported funds (\$2,831,872), is \$28,896,005, an increase of \$367,486 or approximately 1.3 percent above the FY14 Approved utilities budget. The FY15 Recommended Budget for non-tax supported utilities expenditures is \$5,325,559, a decrease of \$744,906 or 12.3 percent under the FY14 Approved Budget.

In both the tax and non-tax supported funds, increased utilities expenditures result primarily from greater consumption due to new facilities or services; and in some cases, a more precise alignment of budgeted costs with actual prior-year expenditures by utility type; decreases in utility expenditures result primarily from reductions in consumption. 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.

Unleaded gasoline, diesel, and compressed natural gas fuels are purchased from various providers, and are budgeted in the Department of General Services, Division of Fleet Management Services; not the General Fund Utilities NDA. The Interagency Committee on Energy and Utilities Management (ICEUM) also monitors changes in energy costs in the current year and will recommend appropriate changes, if necessary, prior to final Council approval of the FY15 Budget.

The following is a description of utility service requirements for departments which receive tax or non-tax supported appropriations for utilities expenditures. The utilities expenditures for the non-tax supported operations are appropriated within their respective operating funds but are described in the combined utilities presentation for reader convenience.

TAX SUPPORTED

Department of General Services

The Department of General Services is responsible for managing all utilities for general County operations including all County office buildings, police stations, libraries, health and human services facilities, correctional facilities, maintenance buildings, and warehouses.

Department of Transportation

The Department of Transportation manages all County streetlights, traffic signals, traffic count stations, and flashing school signs. The utilities expenditures for these devices are budgeted here as this Department designs, installs, controls, and maintains them. In addition, minimal utility costs for the Operations Center and Highway Maintenance Depots are budgeted in the Traffic Engineering component of the General Fund non-departmental account.

Division of Transit Services - Mass Transit

The Department of Transportation Mass Transit Facilities Fund supports all utilities associated with the Ride On transit centers and Park and Ride Lots.

Department of Recreation

The Department of Recreation funds all utility costs for its recreational facilities located throughout the County, such as swimming pools, community recreation centers, and senior citizen centers.

Urban Districts

Urban District utilities are supported by Urban District Funds, which are included in the operating budget for Regional Services Centers.

NON-TAX SUPPORTED

Fleet Management Services

The Department of General Services - Fleet Management Services utility expenditures are displayed in the Special Fund Agencies - Non-Tax Supported section, to reflect that Fleet Management Services expenditures are not appropriated directly but in the budgets of other departments.

The Department of General Services - Fleet Management Services Motor Pool Internal Service Fund supports all utilities associated with the vehicle maintenance garages in Rockville, Silver Spring, and Gaithersburg. Fuel for the County's fleet is also budgeted in that special fund, but these costs are not included in the utilities expenditures displayed in this section.

Parking Districts

The Parking Districts funds utility expenditures associated with the operation of all County-owned parking garages and parking lots.

Liquor Control

The Department of Liquor Control funds utility expenditures associated with the operation of the liquor warehouse, administrative offices, and the County-owned and contractor-operated retail liquor stores.

Department of Environmental Protection, Solid Waste Services

Solid Waste Services funds utility expenditures associated with the operation of the County's Solid Waste Management System. Utilities expenditures associated with the operation of the Oaks Sanitary Landfill maintenance building, the County's Recycling Center, the Resource Recovery Facility, and most of the Solid Waste Transfer Station are currently the responsibility of the operators. Only the site office and maintenance depot costs continue to be budgeted as an identifiable utilities expenditure in the Solid Waste Disposal Fund.

Other Agencies

Utilities for MCPS, Montgomery College, WSSC (bi-county), and M-NCPPC are displayed in the charts on the following pages. These are the amounts requested in the budgets of those agencies.

LINKAGE TO COUNTY RESULT AREAS

While this program area supports all eight of the County Result Areas, the following are emphasized:

- ❖ ***An Effective and Efficient Transportation Network***
- ❖ ***Safe Streets and Secure Neighborhoods***

PROGRAM CONTACTS

Contact Angela Dizelos of the Utilities at 240.777.6028 or Erika Lopez-Finn of the Office of Management and Budget at 240.777.2771 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 utilities operating expense appropriations for the facilities maintained by the Department of General Services and the Department of Transportation. The utilities expenditures for other non-tax supported operations and other agencies are appropriated within their respective department or agency.

BUDGET SUMMARY

	Actual FY13	Budget FY14	Estimated FY14	Recommended FY15	% Chg Bud/Rec
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	22,680,448	25,696,647	25,676,960	26,064,133	1.4%
Capital Outlay	0	0	0	0	—
County General Fund Expenditures	22,680,448	25,696,647	25,676,960	26,064,133	1.4%
PERSONNEL					
Full-Time	0	0	0	0	—
Part-Time	0	0	0	0	—
FTEs	0.00	0.00	0.00	0.00	—
GRANT FUND MCG					
EXPENDITURES					
Salaries and Wages	0	0	0	0	—
Employee Benefits	0	0	0	0	—
Grant Fund MCG Personnel Costs	0	0	0	0	—
Operating Expenses	0	0	0	0	—
Capital Outlay	0	0	0	0	—
Grant Fund MCG Expenditures	0	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	—
DEPARTMENT TOTALS					
Total Expenditures	22,680,448	25,696,647	25,676,960	26,064,133	1.4%
Total Full-Time Positions	0	0	0	0	—
Total Part-Time Positions	0	0	0	0	—
Total FTEs	0.00	0.00	0.00	0.00	—
Total Revenues	0	0	0	0	—

FY15 RECOMMENDED CHANGES

	Expenditures	FTEs
COUNTY GENERAL FUND		
FY14 ORIGINAL APPROPRIATION	25,696,647	0.00
Other Adjustments (with no service impacts)		
Increase Cost: Utility costs for new and renovated buildings	695,008	0.00
Increase Cost: Estimated consumption and unit costs	219,693	0.00
Decrease Cost: ESCO contract utility savings	-159,784	0.00
Decrease Cost: Streetlight utilities	-387,431	0.00
FY15 RECOMMENDED:	26,064,133	0.00

FUTURE FISCAL IMPACTS

Title	CE REC. FY15	FY16	FY17	(\$000's)		
	FY18	FY19	FY20			
This table is intended to present significant future fiscal impacts of the department's programs.						
COUNTY GENERAL FUND						
Expenditures						
FY15 Recommended	26,064	26,064	26,064	26,064	26,064	26,064
No inflation or compensation change is included in outyear projections.						
Subtotal Expenditures	26,064	26,064	26,064	26,064	26,064	26,064

COUNTY UTILITIES EXPENDITURES

EXPENDITURES BY DEPARTMENT/AGENCY

	ACTUAL FY12	ACTUAL FY13	APPROVED FY14	RECOMMENDED FY15	CHANGE BUD/APPR	% CHANGE REC/APPR
COUNTY GOVERNMENT TAX SUPPORTED OPERATIONS						
NON-DEPARTMENTAL ACCOUNT						
Facilities	17,102,414	13,487,035	15,136,684	15,891,601	754,917	5.0%
Traffic Signals and Streetlighting	9,612,993	9,193,413	10,559,963	10,172,532	(387,431)	-3.7%
GENERAL FUND NDA EXPENDITURES	26,715,407	22,680,448	25,696,647	26,064,133	367,486	1.4%
OTHER TAX SUPPORTED OPERATIONS						
Transit Services	90,394	73,694	91,730	91,730	0	0.0%
Recreation	3,382,220	2,755,137	2,740,142	2,740,142	0	0.0%
SUBTOTAL	3,472,614	2,828,831	2,831,872	2,831,872	0	0.0%
TOTAL TAX SUPPORTED	30,188,021	25,509,279	28,528,519	28,896,005	367,486	1.3%
COUNTY GOVERNMENT NON-TAX SUPPORTED OPERATIONS						
Fleet Management Services	1,288,141	1,069,366	1,630,392	1,630,392	0	0.0%
Parking Districts	3,513,100	2,183,187	3,120,058	2,598,489	(521,569)	-16.7%
Liquor Control	950,804	852,105	1,093,810	865,810	(228,000)	-20.8%
Solid Waste Services	129,931	132,380	226,205	230,868	4,663	2.1%
TOTAL NON-TAX SUPPORTED	5,881,976	4,237,038	6,070,465	5,325,559	(744,906)	-12.3%
SUMMARY - COUNTY GOVERNMENT						
TOTAL TAX SUPPORTED	30,188,021	25,509,279	28,528,519	28,896,005	367,486	1.3%
TOTAL NON-TAX SUPPORTED	5,881,976	4,237,038	6,070,465	5,325,559	(744,906)	-12.3%
TOTAL COUNTY GOVERNMENT	36,069,997	29,746,317	34,598,984	34,221,564	(377,420)	-1.1%
OUTSIDE AGENCIES TAX AND NON-TAX SUPPORTED OPERATIONS						
Montgomery County Public Schools	41,687,370	35,779,753	36,792,003	35,692,609	(1,523,816)	-3.0%
Montgomery College	8,467,370	7,096,728	7,096,728	7,613,648	536,257	7.3%
Washington Suburban Sanitary Commission	25,644,000	23,062,585	23,910,000	23,246,536	(672,052)	-2.8%
M-NCPPC	4,018,250	2,819,826	5,388,300	3,951,897	1,558,000	-26.7%
TOTAL OTHER AGENCIES EXPENDITURES	79,816,990	68,758,892	73,187,031	70,504,690	(101,611)	-3.7%
TOTAL UTILITIES EXPENDITURES	115,886,987	98,505,209	107,786,015	104,726,254	(479,031)	-2.8%

COUNTY UTILITIES EXPENDITURES

EXPENDITURES BY ENERGY SOURCE

	ACTUAL FY12	BUDGET FY13	APPROVED FY14	RECOMMENDED FY15	CHANGE BUDGET/REC	% CHANGE BUDGET/REC
COUNTY GOVERNMENT TAX SUPPORTED OPERATIONS						
NON-DEPARTMENTAL ACCOUNT						
Electricity	23,761,843	19,560,557	22,113,482	22,320,160	206,678	0.9%
Water & Sewer	1,520,404	1,528,193	1,831,663	1,676,271	(155,392)	-8.5%
Fuel Oil	109,726	83,127	210,000	210,000	0	0.0%
Natural Gas	1,303,010	1,478,902	1,481,502	1,797,702	316,200	21.3%
Propane	20,424	29,669	60,000	60,000	0	0.0%
GENERAL FUND NDA EXPENDITURES	26,715,407	22,680,448	25,696,647	26,064,133	367,486	1.4%
OTHER TAX SUPPORTED OPERATIONS						
Electricity	2,462,135	1,805,671	1,832,172	1,832,172	0	0.0%
Water & Sewer	519,967	472,923	360,090	360,090	0	0.0%
Fuel Oil	12,007	81,133	0	0	0	0.0%
Natural Gas	450,172	437,411	639,610	639,610	0	0.0%
Propane	28,333	31,693	0	0	0	0.0%
SUBTOTAL	3,472,614	2,828,831	2,831,872	2,831,872	0	0.0%
TOTAL TAX SUPPORTED	30,188,021	25,509,279	28,528,519	28,896,005	367,486	1.3%
NON-TAX SUPPORTED OPERATIONS						
Electricity	5,447,371	3,762,544	5,394,024	4,685,740	(708,284)	-13.1%
Water & Sewer	103,449	99,596	223,212	186,590	(36,622)	-16.4%
Fuel Oil	2,670	0	0	0	0	0.0%
Natural Gas	328,486	374,898	452,189	452,189	0	0.0%
Propane	0	0	1,040	1,040	0	0.0%
TOTAL NON-TAX SUPPORTED	5,881,976	4,237,038	6,070,465	5,325,559	(744,906)	-12.3%
SUMMARY - COUNTY GOVERNMENT						
Electricity	31,671,349	25,128,772	29,339,678	28,838,072	(501,606)	-1.7%
Water & Sewer	2,143,820	2,100,712	2,414,965	2,222,951	(192,014)	-8.0%
Fuel Oil	124,403	164,260	210,000	210,000	0	0.0%
Natural Gas	2,081,668	2,291,211	2,573,301	2,889,501	316,200	12.3%
Propane	48,757	61,362	61,040	61,040	0	0.0%
TOTAL COUNTY GOVERNMENT	36,069,997	29,746,317	34,598,984	34,221,564	(377,420)	-1.1%
OUTSIDE AGENCIES TAX AND NON-TAX SUPPORTED OPERATIONS						
Electricity	63,249,890	56,244,835	58,587,502	56,760,349	(1,827,153)	-3.1%
Water & Sewer	4,790,030	4,496,191	4,600,336	5,047,625	447,289	9.7%
Fuel Oil	413,500	289,160	1,813,151	351,100	(1,462,051)	-80.6%
Natural Gas	11,086,670	7,540,076	7,900,546	8,083,160	182,614	2.3%
Propane	276,900	188,630	285,496	262,456	(23,040)	-8.1%
SUBTOTAL	79,816,990	68,758,892	73,187,031	70,504,690	(2,682,341)	-3.7%
TOTAL UTILITIES EXPENDITURES						
Electricity	94,921,239	81,373,607	87,927,180	85,598,421	(2,328,759)	-2.6%
Water & Sewer	6,933,850	6,596,903	7,015,301	7,270,576	255,275	3.6%
Fuel Oil	537,903	453,420	2,023,151	561,100	(1,462,051)	-72.3%
Natural Gas	13,168,338	9,831,287	10,473,847	10,972,661	498,814	4.8%
Propane	325,657	249,992	346,536	323,496	(23,040)	-6.6%
TOTAL UTILITIES EXPENDITURES	115,886,987	98,505,209	107,786,015	104,726,254	(3,059,761)	-2.8%