



# Environmental Protection

**Recommended FY18 Budget**  
**\$30,029,364**

**Full Time Equivalents**  
**107.97**

## 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 way while fostering smart growth, a thriving economy and healthy communities.

## Budget Overview

The total recommended FY18 Operating Budget for the Department of Environmental Protection is \$30,029,364, an increase of \$2,017,214 or 7.20 percent from the FY17 Approved Budget of \$28,012,150. Personnel Costs comprise 37.22 percent of the budget for 99 full-time position(s) and no part-time position(s), and a total of 107.97 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 62.78 percent of the FY18 budget.


The primary cost increases in FY18 for the department are related to the operating, maintaining, and inspecting of stormwater management facilities which the County has responsibility to maintain and the continued support to the Maryland-National Capital Park and Planning Commission's (M-NCPPC) stormwater management program.

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 \$6,146,000 for Water Quality Protection bonds is required in FY18.

In addition, this department's Capital Improvements Program (CIP) requires Current Revenue funding.

## Linkage to County Result Areas

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

-  **Healthy and Sustainable Neighborhoods**
-  **A Responsive, Accountable County Government**

## Department 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 FY17 estimates reflect funding based on the FY17 approved budget. The FY18 and FY19 figures are performance targets based on the FY18 recommended budget and funding for comparable service levels in FY19.

## Accomplishments

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- ☑ Prepared and submitted the draft 2017 Montgomery County Comprehensive Water Supply and Sewerage Systems Plan to the Maryland Department of the Environment.
  - ☑ Updated the Water Quality Protection Charge (WQPC) legislation to more directly align with stormwater management permitting requirements, address issues raised by property owners regarding the volume of stormwater runoff treated, and allow up to a 100% credit of the WQPC.
  - ☑ Provided extensive outreach and education to support building owners in complying with the County's Commercial Energy Benchmarking Law. Supported, in partnership with the Department of Finance, the construction of the first Commercial Pace (C-PACE) project in the County. The Shady Grove Professional Building and Comfort Inn Shady Grove project includes energy efficiency, weatherization, and lighting upgrades.
  - ☑ Launched Phase II of the Bag Disposal Fee Outreach Campaign distributing 50,000 reusable bags to the public.
  - ☑ Hosted the 2nd annual Montgomery County GreenFest with more than 1,250 attendees, more than 100 vendors and exhibitors, environmental films, and a keynote speech by the EPA Administrator.

## Innovations and Productivity Improvements

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- ✱ The County Executive's budget includes enhancements to the department's billing and invoicing functions in the growing program area of stormwater management capital projects by providing an additional Office Services Coordinator (OSC).
- ✱ The County Executive's budget includes two new positions to address changes in State law in the area of inspection and maintenance of Environmental Site Design (ESD) installations on public and private property as part of the County's stormwater management program.
- ✱ Established the Residential Energy program to assist residents, including low-income residents, reduce their energy costs and greenhouse gas emissions through implementation of energy efficiency and renewable energy measures.
- ✱ Automated the application processes for the Water Quality Protection Charge credits, RainScapes Rebates, and Tree Montgomery programs.
- ✱ Improved approval process for the Water Quality Protection Charge credit program for residential properties with permitted Environmental Site Design (ESD). This positions the department to more efficiently take treatment credit under the Municipal Separate Storm Sewer System (MS4) permit and allows for a seamless application process for the homeowner.

## Program Contacts

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Contact Patty Bubar of the Department of Environmental Protection at 240.777.7786 or Matt Schaeffer of the Office of Management and Budget at 240.777.2766 for more information regarding this department's operating budget.

## Program Descriptions

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### ✱ Watershed Management Operations

The Watershed Management Operations Division manages, inspects, and ensures the operational effectiveness of over 11,000 stormwater management facilities, and is also responsible for the structural maintenance of over 3,700 of these facilities.

The Watershed Management Operations Division supports watershed-based monitoring, planning, policy development, 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 (MS-4) permit. Program staff conducts 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 best management practices that mitigate those impacts within the County's designated "Special Protection Areas."

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 in the cities of Gaithersburg, Rockville, and Takoma Park.

Program Performance Measures	Actual FY15	Actual FY16	Estimated FY17	Target FY18	Target FY19
Percent of the nitrogen pollution reduction goal met	15.22	17.74	20.90	23.95	27.80
Percent of the phosphorous pollution reduction goal met	38.59	47.13	54.79	65.12	75.44
Percent of the impervious acreage control goal met	45.7	50.9	57.77	68.74	79.71
County watershed stream quality Index of Biological Integrity (IBI) score	59.9	61.0	61.8	62.6	63.3
Stormwater facility maintenance compliance rate	92	88	89	89	89

FY18 Recommended Changes	Expenditures	FTEs
<b>FY17 Approved</b>	<b>25,113,963</b>	<b>87.76</b>
Increase Cost: Maryland-National Capital Park and Planning Commission (M-NCPPC) Stormwater Management Program	160,000	0.00
Shift: Staff realignment from Solid Waste Services to Water Quality Protection Fund for environmental planning work (i.e. Countywide Water and Sewer Plan, Ten Year Environmental Plan)	113,502	0.71
Increase Cost: Charges from the Department of Transportation	33,198	0.00
Increase Cost: Operating Expenses for new Office Services Coordinator - watershed management division billing and administrative support	1,442	0.00
Technical Adj: Use County staff versus contractors to inspect Environmental Site Design (ESD) facilities on public and private properties as required by current State stormwater management law	0	2.00
Decrease Cost: Charges from the Department of Finance	(15,139)	0.00
Decrease Cost: United States Geological Survey (USGS) Water Quality Monitoring contract	(73,830)	0.00
Decrease Cost: Align stream restoration and maintenance program costs with prior year actuals	(108,651)	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.	1,955,837	1.00
<b>FY18 Recommended</b>	<b>27,180,322</b>	<b>91.47</b>

## Environmental Policy and Compliance

The Division of Environmental Policy and Compliance develops and implements integrated programs which protect and enhance the County's environmental resources and promote sustainable practices by residents, businesses, and the County government. The division analyzes, develops and implements programs related to air quality, energy conservation and renewable energy, forest and tree resources, and other sustainability issues. The division also helps formulate and enforce County laws and regulations related to air and water pollution, illegal dumping, noise control, pesticides and other environmental issues. Finally, the division is responsible for environmental monitoring of the County's solid waste facilities; coordination of responses on all legislative referrals at the local, state, and federal levels; and participation on local and regional task forces, committees, and various advisory groups.

Program Performance Measures	Actual FY15	Actual FY16	Estimated FY17	Target FY18	Target FY19
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Program Performance Measures	Actual FY15	Actual FY16	Estimated FY17	Target FY18	Target FY19
Average number of days to resolve incoming complaints	28	27	28	28	28
Percent of customers who rated themselves as satisfied with DEP response to environmental complaints <sup>1</sup>	77.6	N/A	75.0	75.0	75.0
Non-residential building energy use (Million British Thermal Units) (000s) <sup>2</sup>	33,316	31,672	31,457	31,431	31,330
Residential building energy use (Million British Thermal Units) (000s) <sup>3</sup>	39,731	34,097	33,274	33,307	32,730

<sup>1</sup> FY16 numbers are not fully available due to a system malfunction that failed to send out electronic email customer surveys. The system malfunction has been corrected.

<sup>2</sup> Projections are made based on the average annual change in consumption over the previous five years.

<sup>3</sup> Projections are made based on the average annual change in consumption over the previous five years.

FY18 Recommended Changes	Expenditures	FTEs
<b>FY17 Approved</b>	<b>2,079,624</b>	<b>12.44</b>
Decrease Cost: Operating Expense Reductions	(8,341)	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.	(79,448)	(1.00)
<b>FY18 Recommended</b>	<b>1,991,835</b>	<b>11.44</b>

## Administration

The Office of the Director provides leadership on policy development, implementation, and administration for all departmental programs and management services. The Director's Office is also responsible for planning, development, and administration of water supply and wastewater policies for the County, as well as development of the State-required Montgomery County Comprehensive Water Supply and Sewerage System Plan, in order to ensure that the County's management of water and wastewater protects public health and the environment. The Director's Office generates the Water Quality Protection Charge revenue and rate and manages integration of the Water Quality Protection Charge funds, bond issuance funds, and other County funds with program and permit requirements. The Director's office provides IT, including geographical information systems and services, procurement, budget, human resources, and other management services to implement capital and non-capital programs.

FY18 Recommended Changes	Expenditures	FTEs
<b>FY17 Approved</b>	<b>818,563</b>	<b>5.06</b>
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	38,644	0.00
<b>FY18 Recommended</b>	<b>857,207</b>	<b>5.06</b>

## BUDGET SUMMARY

	Actual FY16	Budget FY17	Estimate FY17	Recommended FY18	%Chg Bud/Rec
<b>COUNTY GENERAL FUND</b>					
<b>EXPENDITURES</b>					
Salaries and Wages	1,196,965	1,422,015	1,324,972	1,485,476	4.5 %
Employee Benefits	417,232	469,294	419,535	500,671	6.7 %

## BUDGET SUMMARY

	Actual FY16	Budget FY17	Estimate FY17	Recommended FY18	%Chg Bud/Rec
<b>County General Fund Personnel Costs</b>	<b>1,614,197</b>	<b>1,891,309</b>	<b>1,744,507</b>	<b>1,986,147</b>	<b>5.0 %</b>
Operating Expenses	823,768	845,965	866,727	796,196	-5.9 %
Capital Outlay	5,831	0	0	0	—
<b>County General Fund Expenditures</b>	<b>2,443,796</b>	<b>2,737,274</b>	<b>2,611,234</b>	<b>2,782,343</b>	<b>1.6 %</b>
PERSONNEL					
Full-Time	43	46	46	46	—
Part-Time	2	0	0	0	—
FTEs	15.09	16.50	16.50	16.50	—
REVENUES					
Other Charges/Fees	74,617	62,550	35,550	47,000	-24.9 %
Other Fines/Forfeitures	7,025	10,000	10,000	10,000	—
Other Licenses/Permits	9,700	6,000	6,000	8,000	33.3 %
Tree Canopy	676,525	500,000	500,000	500,000	—
<b>County General Fund Revenues</b>	<b>767,867</b>	<b>578,550</b>	<b>551,550</b>	<b>565,000</b>	<b>-2.3 %</b>

## WATER QUALITY PROTECTION FUND

### EXPENDITURES

Salaries and Wages	5,718,254	6,450,122	6,299,052	6,908,379	7.1 %
Employee Benefits	1,879,632	2,163,220	2,090,025	2,281,450	5.5 %
<b>Water Quality Protection Fund Personnel Costs</b>	<b>7,597,886</b>	<b>8,613,342</b>	<b>8,389,077</b>	<b>9,189,829</b>	<b>6.7 %</b>
Operating Expenses	14,887,987	16,661,534	16,850,677	18,057,192	8.4 %
Capital Outlay	29,826	0	0	0	—
<b>Water Quality Protection Fund Expenditures</b>	<b>22,515,699</b>	<b>25,274,876</b>	<b>25,239,754</b>	<b>27,247,021</b>	<b>7.8 %</b>

### PERSONNEL

Full-Time	50	50	50	53	6.0 %
Part-Time	0	0	0	0	—
FTEs	86.69	88.76	88.76	91.47	3.1 %

### REVENUES

Bag Tax	2,471,921	2,280,000	2,471,921	2,471,921	8.4 %
Investment Income	69,878	91,130	137,520	235,750	158.7 %
Other Charges/Fees	106,288	200,000	1,090,000	565,000	182.5 %
Water Quality Protection Charge	30,806,226	34,530,616	34,548,261	37,501,846	8.6 %
<b>Water Quality Protection Fund Revenues</b>	<b>33,454,313</b>	<b>37,101,746</b>	<b>38,247,702</b>	<b>40,774,517</b>	<b>9.9 %</b>

## GRANT FUND - MCG

### EXPENDITURES

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>

## BUDGET SUMMARY

	Actual FY16	Budget FY17	Estimate FY17	Recommended FY18	%Chg Bud/Rec
Operating Expenses	128,552	0	0	0	—
<b>Grant Fund - MCG Expenditures</b>	<b>128,552</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>—</b>
PERSONNEL					
Full-Time	0	0	0	0	—
Part-Time	0	0	0	0	—
FTEs	0.00	0.00	0.00	0.00	—
REVENUES					
Other Intergovernmental	40,000	0	0	0	—
State Grants	88,252	0	0	0	—
<b>Grant Fund - MCG Revenues</b>	<b>128,252</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>—</b>

## DEPARTMENT TOTALS

<b>Total Expenditures</b>	<b>25,088,047</b>	<b>28,012,150</b>	<b>27,850,988</b>	<b>30,029,364</b>	<b>7.2 %</b>
<b>Total Full-Time Positions</b>	<b>93</b>	<b>96</b>	<b>96</b>	<b>99</b>	<b>3.1 %</b>
<b>Total Part-Time Positions</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>—</b>
<b>Total FTEs</b>	<b>101.78</b>	<b>105.26</b>	<b>105.26</b>	<b>107.97</b>	<b>2.6 %</b>
<b>Total Revenues</b>	<b>34,350,432</b>	<b>37,680,296</b>	<b>38,799,252</b>	<b>41,339,517</b>	<b>9.7 %</b>

## FY18 RECOMMENDED CHANGES

	Expenditures FTEs	
<b>COUNTY GENERAL FUND</b>		
	<b>FY17 ORIGINAL APPROPRIATION</b>	<b>2,737,274 16.50</b>
<b><u>Changes (with service impacts)</u></b>		
Reduce: Lapse adjustment	(54,746)	0.00
<b><u>Other Adjustments (with no service impacts)</u></b>		
Increase Cost: Annualization of FY17 Lapsed Positions	90,619	0.00
Increase Cost: Motor Pool Adjustment	65,954	0.00
Increase Cost: FY18 Compensation Adjustment	34,796	0.00
Increase Cost: Annualization of FY17 Personnel Costs	13,473	0.00
Increase Cost: Retirement Adjustment	7,606	0.00
Increase Cost: Annualization of FY17 Compensation Increases	3,090	0.00
Decrease Cost: Printing and Mail	(2,222)	0.00
Decrease Cost: Operating Expense Reductions [Environmental Policy and Compliance]	(8,341)	0.00
Decrease Cost: Elimination of One-Time Items Approved in FY17	(105,160)	0.00
	<b>FY18 RECOMMENDED</b>	<b>2,782,343 16.50</b>

## WATER QUALITY PROTECTION FUND

## FY18 RECOMMENDED CHANGES

	Expenditures	FTEs
<b>FY17 ORIGINAL APPROPRIATION</b>	<b>25,274,876</b>	<b>88.76</b>
<b><u>Changes (with service impacts)</u></b>		
Enhance: Inspections of New Stormwater Management Facilities	450,000	0.00
Enhance: Growth in Rainscapes Rebates for Property Owners	110,000	0.00
<b><u>Other Adjustments (with no service impacts)</u></b>		
Increase Cost: Operating Budget Impacts of CIP Projects	1,124,000	0.00
Increase Cost: Maryland-National Capital Park and Planning Commission (M-NCPPC) Stormwater Management Program [Watershed Management Operations]	160,000	0.00
Increase Cost: FY18 Compensation Adjustment	127,407	0.00
Shift: Staff realignment from Solid Waste Services to Water Quality Protection Fund for environmental planning work (i.e. Countywide Water and Sewer Plan, Ten Year Environmental Plan) [Watershed Management Operations]	113,502	0.71
Increase Cost: Annualization of FY17 Personnel Costs	103,692	0.00
Increase Cost: Increase in Stream Monitoring costs	87,500	0.00
Increase Cost: Building Rent Escalation	35,180	0.00
Increase Cost: Charges from the Department of Transportation [Watershed Management Operations]	33,198	0.00
Increase Cost: Annualization of FY17 Compensation Increases	27,274	0.00
Increase Cost: Retirement Adjustment	13,084	0.00
Increase Cost: Operating Expenses for new Office Services Coordinator - watershed management division billing and administrative support [Watershed Management Operations]	1,442	0.00
Technical Adj: Use County staff versus contractors to inspect Environmental Site Design (ESD) facilities on public and private properties as required by current State stormwater management law [Watershed Management Operations]	0	2.00
Decrease Cost: Printing and Mail	(2,415)	0.00
Decrease Cost: Charges from the Department of Finance [Watershed Management Operations]	(15,139)	0.00
Decrease Cost: United States Geological Survey (USGS) Water Quality Monitoring contract [Watershed Management Operations]	(73,830)	0.00
Decrease Cost: Elimination of One-Time Items Approved in FY17	(98,880)	0.00
Decrease Cost: Align stream restoration and maintenance program costs with prior year actuals [Watershed Management Operations]	(108,651)	0.00
Decrease Cost: Motor Pool Adjustment	(115,219)	0.00
<b>FY18 RECOMMENDED</b>	<b>27,247,021</b>	<b>91.47</b>

## PROGRAM SUMMARY

Program Name	FY17 APPR Expenditures	FY17 APPR FTEs	FY18 REC Expenditures	FY18 REC FTEs
Watershed Management Operations	25,113,963	87.76	27,180,322	91.47
Environmental Policy and Compliance	2,079,624	12.44	1,991,835	11.44
Administration	818,563	5.06	857,207	5.06
<b>Total</b>	<b>28,012,150</b>	<b>105.26</b>	<b>30,029,364</b>	<b>107.97</b>



## CHARGES TO OTHER DEPARTMENTS

Charged Department	Charged Fund	FY17 Total\$	FY17 FTES	FY18 Total\$	FY18 FTES
<b>WATER QUALITY PROTECTION FUND</b>					
CIP	Capital Fund	3,059,512	26.20	3,302,853	27.20

## FUTURE FISCAL IMPACTS

CE RECOMMENDED (\$000S)

Title	FY18	FY19	FY20	FY21	FY22	FY23
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### COUNTY GENERAL FUND

#### EXPENDITURES

<b>FY18 Recommended</b>	<b>2,782</b>	<b>2,782</b>	<b>2,782</b>	<b>2,782</b>	<b>2,782</b>	<b>2,782</b>
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No inflation or compensation change is included in outyear projections.

<b>Elimination of One-Time Items Recommended in FY18</b>	<b>0</b>	<b>55</b>	<b>55</b>	<b>55</b>	<b>55</b>	<b>55</b>
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Items recommended for one-time funding in FY18, including one-time general program reductions in FY18, will be eliminated from the base in the outyears.

<b>Labor Contracts</b>	<b>0</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>6</b>
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These figures represent the estimated annualized cost of general wage adjustments, service increments, and other negotiated items.

<b>Subtotal Expenditures</b>	<b>2,782</b>	<b>2,843</b>	<b>2,843</b>	<b>2,843</b>	<b>2,843</b>	<b>2,843</b>
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### WATER QUALITY PROTECTION FUND

#### EXPENDITURES

<b>FY18 Recommended</b>	<b>27,247</b>	<b>27,247</b>	<b>27,247</b>	<b>27,247</b>	<b>27,247</b>	<b>27,247</b>
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No inflation or compensation change is included in outyear projections.

<b>Annualization of Positions Recommended in FY18</b>	<b>0</b>	<b>55</b>	<b>55</b>	<b>55</b>	<b>55</b>	<b>55</b>
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New positions in the FY18 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 FY18</b>	<b>0</b>	<b>(4)</b>	<b>(4)</b>	<b>(4)</b>	<b>(4)</b>	<b>(4)</b>
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Items recommended for one-time funding in FY18, including first year operating expenses associated with new positions, will be eliminated from the base in the outyears.

<b>Building Rent Escalation</b>	<b>0</b>	<b>72</b>	<b>150</b>	<b>0</b>	<b>0</b>	<b>0</b>
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Increase in lease costs for DEP offices.

<b>Operating Budget Impacts of CIP Projects</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>935</b>	<b>706</b>	<b>706</b>
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These figures represent the Operating Budget Impacts of Stormwater Management projects in the FY17-22 CIP.

<b>Program Growth</b>	<b>0</b>	<b>0</b>	<b>500</b>	<b>750</b>	<b>1,500</b>	<b>2,500</b>
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These figures represent the anticipated increase of personnel and operating expenses related to an increase in Water Quality Protection initiatives, including the MS4 program.

<b>Wheaton Redevelopment Project Operating Budget Impacts</b>	<b>0</b>	<b>0</b>	<b>348</b>	<b>1,975</b>	<b>1,959</b>	<b>1,935</b>
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These figures represent the total impact (debt service, operating expenses) of the Wheaton Redevelopment project on the Water Quality Protection Fund.



## FUTURE FISCAL IMPACTS

CE RECOMMENDED (\$000S)

Title	FY18	FY19	FY20	FY21	FY22	FY23
<b>Labor Contracts</b>	<b>0</b>	<b>40</b>	<b>40</b>	<b>40</b>	<b>40</b>	<b>40</b>
These figures represent the estimated annualized cost of general wage adjustments, service increments, and other negotiated items.						
<b>Subtotal Expenditures</b>	<b>27,247</b>	<b>27,410</b>	<b>28,336</b>	<b>30,998</b>	<b>31,503</b>	<b>32,479</b>

## ANNUALIZATION OF PERSONNEL COSTS AND FTES

	FY18 Recommended		FY19 Annualized	
	Expenditures	FTEs	Expenditures	FTEs
Program Manager II - Inspections of privately owned Environmental Site Design (ESD) facilities	75,041	1.00	102,764	1.00
Program Manager II - Inspections of publically owned Environmental Site Design (ESD) facilities	75,041	1.00	102,764	1.00
<b>Total</b>	<b>150,082</b>	<b>2.00</b>	<b>205,528</b>	<b>2.00</b>

FY18-23 PUBLIC SERVICES PROGRAM: FISCAL PLAN				Water Quality Protection Fund			
FISCAL PROJECTIONS	FY17 Estimate	FY18 CE Rec	FY19 PROJECTION	FY20 PROJECTION	FY21 PROJECTION	FY22 PROJECTION	FY23 PROJECTION
<b>ASSUMPTIONS</b>							
Indirect Cost Rate	16.45%	17.39%	17.39%	17.39%	17.39%	17.39%	17.39%
CPI (Fiscal Year)	1.80%	2.3%	2.3%	2.4%	2.5%	2.5%	2.5%
Investment Income Yield	0.50%	1.20%	1.70%	2.20%	2.70%	3.00%	3.00%
Number of Equivalent Residential Units (ERUs) Billed	368,355	365,000	365,000	365,000	365,000	365,000	365,000
Water Quality Protection Charge (\$/ERU)	\$95.00	\$104.25	\$114.70	\$125.50	\$136.25	\$138.50	\$139.50
Collection Factor for Charge	99.5%	99.5%	99.5%	99.5%	99.5%	99.5%	99.5%
<b>BEGINNING FUND BALANCE</b>	<b>16,884,269</b>	<b>1,337,245</b>	<b>1,694,480</b>	<b>1,567,335</b>	<b>2,567,870</b>	<b>2,809,555</b>	<b>3,324,688</b>
<b>REVENUES</b>							
Charges For Services	34,548,261	37,501,846	41,261,115	45,145,528	49,010,598	49,807,406	50,336,510
Bag Tax Receipts	2,471,921	2,471,921	2,471,921	2,471,921	2,471,921	2,471,921	2,471,921
Miscellaneous	1,227,520	800,750	383,980	482,210	580,440	639,380	639,380
<b>Subtotal Revenues</b>	<b>38,247,702</b>	<b>40,774,517</b>	<b>44,117,016</b>	<b>48,099,659</b>	<b>52,062,959</b>	<b>52,918,707</b>	<b>53,447,811</b>
<b>INTERFUND TRANSFERS (Net Non-CIP)</b>	<b>(7,579,471)</b>	<b>(7,757,261)</b>	<b>(12,981,770)</b>	<b>(12,980,260)</b>	<b>(16,984,410)</b>	<b>(16,982,710)</b>	<b>(16,984,510)</b>
Transfers To General Fund	(1,431,071)	(1,611,261)	(1,598,110)	(1,598,110)	(1,598,110)	(1,598,110)	(1,598,110)
Indirect Costs	(1,417,920)	(1,598,110)	(1,598,110)	(1,598,110)	(1,598,110)	(1,598,110)	(1,598,110)
Telecommunications Charge	(13,151)	(13,151)	0	0	0	0	0
Transfers to Debt Service Fund (Non-Tax)	(6,148,400)	(6,146,000)	(11,383,660)	(11,382,150)	(15,388,300)	(15,384,600)	(15,386,400)
<b>TOTAL RESOURCES</b>	<b>47,552,500</b>	<b>34,354,501</b>	<b>32,829,726</b>	<b>36,686,734</b>	<b>37,646,419</b>	<b>38,745,552</b>	<b>39,787,989</b>
<b>CIP CURRENT REVENUE APPROPRIATION</b>	<b>(7,986,000)</b>	<b>(5,413,000)</b>	<b>(3,852,000)</b>	<b>(5,783,000)</b>	<b>(3,839,000)</b>	<b>(3,918,000)</b>	<b>(3,943,000)</b>
<b>PSP OPER. BUDGET APPROP/ EXP'S.</b>							
Operating Budget	(25,239,754)	(27,247,021)	(27,247,021)	(27,247,021)	(27,247,021)	(27,247,021)	(27,247,021)
Annualizations of Positions Recommended in FY18	0	0	(55,446)	(55,446)	(55,446)	(55,446)	(55,446)
Elimination of One-Time Items Recommended in FY18	0	0	4,326	4,326	4,326	4,326	4,326
Labor Contracts	0	0	(40,000)	(40,000)	(40,000)	(40,000)	(40,000)
Building Rent Escalation	0	0	(72,250)	(149,903)	0	0	0
Wheaton Redevelopment Project Operating Budget Impacts	0	0	0	(347,820)	(1,974,723)	(1,958,723)	(1,934,723)
Program Growth				(500,000)	(750,000)	(1,500,000)	(2,500,000)
<b>Subtotal PSP Oper Budget Approp / Exp's</b>	<b>(25,239,754)</b>	<b>(27,247,021)</b>	<b>(27,410,391)</b>	<b>(28,335,864)</b>	<b>(30,997,864)</b>	<b>(31,502,864)</b>	<b>(32,478,864)</b>
<b>OTHER CLAIMS ON FUND BALANCE</b>	<b>(12,989,501)</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>(46,215,255)</b>	<b>(32,660,021)</b>	<b>(31,262,391)</b>	<b>(34,118,864)</b>	<b>(34,836,864)</b>	<b>(35,420,864)</b>	<b>(36,421,864)</b>
<b>YEAR END FUND BALANCE</b>	<b>1,337,245</b>	<b>1,694,480</b>	<b>1,567,335</b>	<b>2,567,870</b>	<b>2,809,555</b>	<b>3,324,688</b>	<b>3,366,125</b>
<b>END-OF-YEAR RESERVES AS A PERCENT OF RESOURCES</b>	<b>2.8%</b>	<b>4.9%</b>	<b>4.8%</b>	<b>7.0%</b>	<b>7.5%</b>	<b>8.6%</b>	<b>8.5%</b>
<b>NET REVENUE</b>	<b>11,576,877</b>	<b>11,916,235</b>	<b>15,108,515</b>	<b>18,165,685</b>	<b>19,466,985</b>	<b>19,817,733</b>	<b>19,370,837</b>
<b>DEBT SERVICE COVERAGE RATIO</b>	<b>1.88</b>	<b>1.94</b>	<b>1.33</b>	<b>1.60</b>	<b>1.27</b>	<b>1.29</b>	<b>1.26</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.
- Stormwater facilities transferred into the maintenance program will be maintained to permit standards as they are phased into the program.
- Operating costs for new facilities to be completed or transferred and Operating Budget Impacts of Stormwater CIP projects between FY19 and FY23 have been incorporated in the future fiscal impact (FFI) rows.
- The operating budget includes planning and implementation costs for compliance with the 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. The Department of Finance issued \$37.8 million in Water Quality Protection Charge Revenue Bonds dated July 18, 2012 (Series 2012A) and \$46.5 million dated April 6, 2016 (Series 2016A). The actual debt service costs for the Series 2012A and 2016A bond issuances and projected debt service for anticipated bond issuances (\$65 million in FY2018 and a \$50 million bond issuance in FY2020) are included in the fiscal plan. Actual debt service costs may vary depending on the size and timing of future 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.
- Charges are adjusted to fund the planned service program and maintain net revenues sufficient to cover 1.25 times debt service costs.
- The Water Quality Protection fund balance policy target is 5% of resources.
- The CIP Current Revenue Appropriation represents both currently programmed and projected future requirements in the Stormwater Management CIP projects.