



Utilities

APPROVED FY23 BUDGET

\$22,736,337

FULL TIME EQUIVALENTS

0.00

 DAVID DISE, DIRECTOR

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.

The Department of General Services manages the payment for over 1,500 separately metered utility accounts for these County facilities, streetlights, and traffic control signalized intersections.

BUDGET OVERVIEW

The total approved FY23 Operating Budget for the Utilities is \$22,736,337, a decrease of \$980,158 or 4.13 percent from the FY22 Approved Budget of \$23,716,495. Allocation of these utilities expenditures is approximately: electricity, 74 percent; natural gas, 10 percent; water and sewer, 10 percent. Renewable energy and other expenses total 6 percent.

The FY23 Approved Budget include 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, Washington Suburban Sanitary Commission (WSSC) Water, and the Maryland-National Capital Park and Planning Commission (M-NCPPC). The total utilities budget request for these "outside" agencies is \$70,918,478 which includes the entire bi-county area of WSSC.

The FY23 Approved tax supported budget for Utilities Management, including both the General Fund NDA (\$22,736,337) and the other tax supported funds (\$4,604,165), is \$27,340,502, an increase of \$23,235 or approximately 0.09 percent above the FY22 Approved utilities budget of \$27,317,267. The FY23 Approved Budget for non-tax supported utilities expenditures is \$4,406,111, an increase of \$4,491 from the FY22 Approved Budget of \$4,401,620.

Increased utilities expenditures result primarily from greater consumption due to new facilities or services, increased rates, 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 and higher unit costs. Reductions in energy consumption at County facilities due to telework also contribute to reduced utility expenditures. Renewable energy includes the purchase of credits to offset fossil fuel purchases.

COUNTY PRIORITY OUTCOMES

While this program area supports all seven of the County Executive's Priority Outcomes, the following are emphasized:

-  **A Greener County**
-  **Easier Commutes**

PROGRAM CONTACTS

Contact Angela Dizelos of the Department of General Services/Utilities Management at 240.777.6028 or Anita Aryeetey of the Office of Management and Budget at 2407772784 for more information regarding this department's operating budget.

BUDGET SUMMARY

	Actual FY21	Budget FY22	Estimate FY22	Approved FY23	%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	22,600,087	23,716,495	25,608,767	22,736,337	-4.1 %
County General Fund Expenditures	22,600,087	23,716,495	25,608,767	22,736,337	-4.1 %
PERSONNEL					
Full-Time	0	0	0	0	—
Part-Time	0	0	0	0	—
FTEs	0.00	0.00	0.00	0.00	—

FY23 APPROVED CHANGES

	Expenditures	FTEs
COUNTY GENERAL FUND		
FY22 ORIGINAL APPROPRIATION	23,716,495	0.00
<u>Changes (with service impacts)</u>		
Reduce: Utilities Budget by 10% (\$2,526,260) [Utilities]	(2,526,260)	0.00
<u>Other Adjustments (with no service impacts)</u>		

FY23 APPROVED CHANGES

	Expenditures	FTEs
Increase Cost: Annualization of FY22 Operating Expenses	1,546,102	0.00
FY23 APPROVED	22,736,337	0.00

FUNDING PARAMETER ITEMS

CC APPROVED (\$000S)

Title	FY23	FY24	FY25	FY26	FY27	FY28
COUNTY GENERAL FUND						
EXPENDITURES						
FY23 Approved	22,736	22,736	22,736	22,736	22,736	22,736
No inflation or compensation change is included in outyear projections.						
Brookville Microgrid Payments	0	1,155	2,136	2,371	2,371	2,371
These payments fund the solar microgrid installation at the Brookville Bus Depot in Silver Spring. In the future, a portion of these costs will be charged to the Transit budget where there will also be offsetting fuel cost savings. The exact cost allocations will vary based on the pace and scope of bus fleet electrification.						
Subtotal Expenditures	22,736	23,891	24,872	25,107	25,107	25,107

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