



Environmental Protection

RECOMMENDED FY27 BUDGET

\$45,764,034

FULL TIME EQUIVALENTS

104.40

 **JENNIFER MACEDONIA, DIRECTOR**

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, innovative, inclusive, and industry-leading way while fostering smart growth, a thriving more sustainable economy, and healthy communities.

BUDGET OVERVIEW

The total recommended FY27 Operating Budget for the Department of Environmental Protection is \$45,764,034, a decrease of \$3,452,792 or 7.02 percent from the FY26 Approved Budget of \$49,216,826. Personnel Costs comprise 36.03 percent of the budget for 129 full-time position(s) and one part-time position(s), and a total of 104.40 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 63.97 percent of the FY27 budget.

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 is required for Water Quality Protection Bonds and long-term financing offered by the State of Maryland.

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

COUNTY PRIORITY OUTCOMES

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

-  **A Greener County**
-  **Effective, Sustainable Government**

INNOVATIONS AND PRODUCTIVITY IMPROVEMENTS

-  Issued electric leaf blower rebates and educated the public on the leaf blower electrification law. In 2025, DEP expanded dealer participation, offering flexible funding and streamlining rebates. The department conducted in-person outreach to landscapers in English and Spanish, and public messaging reached millions of impressions.

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- ★ Celebrated the 10th anniversary Tree Montgomery, which has planted thousands of shade trees across thousands of properties, including public schools, with a high survival rate. These trees will help remove air pollutants, manage stormwater, and save in energy costs. The program also secured its fourth Chesapeake Bay Trust Urban Trees grant, which provides funds to plant trees in under-served urban areas.
 - ★ Developed the inaugural Healthy, Efficient, Electrified, Climate-Adapted Pilot (HEECAP) low-and-moderate-income (LMI) Homes Grant Program. Now its second year, this program distributes grants in the current term to organizations that implement electrification, climate resilience, and pre-weatherization repair projects for low- and moderate-income residents. The goal is to holistically upgrade homes for better efficiency, lower bills, and less environmental and climate harm.
 - ★ Completed award agreements with the Maryland Energy Administration (MEA) and the Maryland Department of Transportation (MDOT) to build EV charging stations throughout the County. Funding from MEA and MDOT will support the installation of Level 2 and DC Fast Charging infrastructure at County-owned and non-County locations, including parking garages, park-and-ride lots, libraries, and community centers.

PROGRAM CONTACTS

Contact Vicky Wan of the Department of Environmental Protection at 240-777-7722 or Richard H. Harris of the Office of Management and Budget at 240-777-2795 for more information regarding this department's operating budget.

PROGRAM 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 FY26 estimates reflect funding based on the FY26 Approved Budget. The FY27 and FY28 figures are performance targets based on the FY27 Recommended Budget and funding for comparable service levels in FY28.

PROGRAM DESCRIPTIONS

★ Administration

The Strategic and Administrative Services (SAS) Division provides essential support to ensure the department operates efficiently, transparently, and strategically. SAS oversees Fiscal Management, including budget and financial planning, debt management, payroll, accounts receivable and payable, fixed assets, internal controls, compliance, and financial reporting. These functions ensure accountability and sound stewardship of public resources.

Information Technology Operations within SAS manages the department's technology infrastructure, providing reliable systems, cybersecurity, and comprehensive IT support. This includes helpdesk and network services, application management, GIS, equipment and device oversight, and continuity of operations.

Human Resources (HR) and the Racial Equity & Social Justice (RESJ) team work together to foster a fair, inclusive, and high-performing workplace. HR supports recruitment, onboarding, performance management, and compliance, while RESJ embeds equity principles into policies, programs, and community engagement efforts.

Procurement manages purchasing, contract administration, vendor relationships, and compliance with County policies, insurance, and bonding requirements. Billing Management ensures accurate and efficient collection of the Solid Waste Fee and the Water

Quality Protection Charge, including processing appeals, credits, and customer inquiries. Performance and Data Management drives strategic planning, innovation, and data analysis to inform departmental decision-making, while Administrative Services coordinates daily operations such as facilities management, office administration, fleet oversight, and financial processing support.

Separate from SAS, the DEP Communications team works to engage the public and increase transparency. The team focuses on expanding media coverage, growing the department's social media audience, improving the DEP web experience, and reaching new and diverse audiences through targeted outreach and engagement. Together, SAS and Communications help ensure that the department operates efficiently, serves the public effectively, and communicates its work clearly to the community.

Program Performance Measures	Actual FY24	Actual FY25	Estimated FY26	Target FY27	Target FY28
Hours of overtime worked	6,387	4,976	4,909	4,876	4,920
Average days for requisitions to receive all internal approvals	10	6	9	8	8
Average days for invoices to receive all internal approvals ¹	11	9	10	10	10
Average days to fill vacant positions	360	318	339	339	332
Percent of procurements completed within County guidelines	100%	100%	100%	100%	100%
Online Engagement: Average monthly social media impressions (Facebook, Twitter, Instagram)	176,542	108,476	168,110	170,000	170,000
Online Engagement: Average monthly social media engagements (Facebook, Twitter, Instagram)	1,863	6,353	3,499	3,905	4,586
Online Engagement: Total social media audience (Facebook, Twitter, Instagram)	11,604	12,775	11,767	12,049	12,197

¹ Excludes the Recycling & Resource Management Division.

FY27 Recommended Changes	Expenditures	FTEs
FY26 Approved	1,176,407	6.05
Increase Cost: Two and a Half Percent Inflationary Adjustment to Non-Profit Service Provider Contracts	10,175	0.00
Shift: Senior Engineer from General Fund to Water Quality Protection Fund	(84,377)	(0.40)
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	126,634	0.40
FY27 Recommended	1,228,839	6.05

Energy, Climate, and Compliance

The Energy, Climate, and Compliance Division develops and implements policies and programs focused on reducing greenhouse gas emissions and enhancing the resilience of the County in the face of a changing climate, and enforces County laws and regulations related to air and water pollution, illegal dumping, noise control, the bag tax and compliance with the plastic bag ban, and other environmental laws.

The division engages with, and provides programs for:

- residential and commercial properties related to energy efficiency and the use of renewable energy, including the Benchmarking Law and Building Energy Performance Standards;
- County residents through Montgomery Energy Connection to provide customized education on the benefits of energy efficiency, availability of energy-related programs, and opportunities for energy assistance; promotes the adoption of electric and other low-emission vehicles;
- energy policies at the State and Federal level that support the County's climate goals; and

- under-served communities that will feel the impacts of climate change more acutely are considered in all aspects of the division's work.

In addition, the division works with other County departments and agencies, community-based organizations, and others to increase their capacity to develop and implement climate solutions as part of their operations.

Program Performance Measures	Actual FY24	Actual FY25	Estimated FY26	Target FY27	Target FY28
Percent of commercial buildings in compliance with the building benchmarking law	89.2%	80.0%	90.0%	90.0%	90.0%
Average days to close environmental cases	39.3	34.8	40.0	40.0	40.0
Percent of customers rating themselves as satisfied with DEP's response to environmental complaints	78.0%	79.0%	75.0%	75.0%	75.0%

FY27 Recommended Changes	Expenditures	FTEs
FY26 Approved	6,773,032	20.31
Increase Cost: Climate Program Contracts	15,519	0.00
Reduce: Funds for Electric Leaf Blower Program Implementation	(280,000)	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.	209,047	0.00
FY27 Recommended	6,717,598	20.31

Watershed Restoration

The Watershed Restoration Division leads the County's efforts to improve stream health and water quality through the targeted planning, design, construction, inspection, and maintenance of best management practices (BMP) built to manage stormwater runoff. The Watershed Restoration division supports watershed-based monitoring and reporting to achieve County stream protection goals (Montgomery County Code Chapter 19, Article IV) and complies with the Federal Clean Water Act NPDES Municipal Separate Storm Sewer System (MS4) permit. Staff conduct 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 BMPs that mitigate those impacts within the County's designated "Special Protection Areas." The division implements programs to extend stewardship and BMPs beyond streams and facilities by targeting private property owners. These programs include Tree Montgomery (Chapter 55, Article 3), RainScapes, and Pet Waste. The division uses funds collected through the Bring your Own Bag initiative to support public outreach and reduce litter in local streams.

The Watershed Restoration Division successfully implements these programs through extensive partnerships with the Maryland Department of Natural Resources; Maryland Department of the Environment; Maryland Department of Agriculture; Montgomery County Public Schools; Montgomery County Department of Transportation; Montgomery County Department of General Services; Maryland-National Capital Park and Planning Commission; the Towns of Chevy Chase, Kensington, Somerset, and Poolesville; the Villages of Chevy Chase and Friendship Heights; watershed organizations; homeowner associations; businesses; and private property owners. The long-term goal is to protect and improve water resources for Montgomery County residents and the Chesapeake Bay.

Revenue for this program is generated through the Water Quality Protection Charge, which is applied to all residential and non-residential properties except those owned by the State and County governments and those located within the incorporated

cities of Gaithersburg, Rockville, and Takoma Park. Additional funding is provided through the Bring Your Own Bag bill.

Program Performance Measures	Actual FY24	Actual FY25	Estimated FY26	Target FY27	Target FY28
Pounds of sediment reduced (thousands)	10,718	11,671	11,050	11,146	11,289
Amount of total phosphorus loads reduced (pounds)	6,711	6,681	6,692	6,695	6,689
Amount of total nitrogen loads reduced (pounds)	46,268	43,359	45,337	44,988	44,561
Percent of stormwater management triennial inspections completed ¹	93.0%	94.0%	96.0%	94.0%	95.0%
Percent of stormwater management facility maintenance work orders completed	97.0%	96.0%	93.0%	95.0%	95.0%
Percent of the impervious acreage control goal met	66%	72%	100%	100%	100%

¹ Does not include triennial inspections of best management practices on Single Family Residential (SFR) properties which are covered under a separate inspection program.

FY27 Recommended Changes	Expenditures	FTEs
FY26 Approved	41,267,387	108.14
Increase Cost: Support for Water Quality Work at the Maryland-National Capital Park and Planning Commission	308,572	0.00
Shift: Senior Engineer from General Fund to Water Quality Protection Fund	84,377	0.40
Increase Cost: Administrative Information Technology Costs	18,000	0.00
Increase Cost: Two and a Half Percent Inflationary Adjustment to Non-Profit Service Provider Contracts	8,223	0.00
Increase Cost: Best Management Practice Monitoring in Special Protection Areas	6,444	0.00
Increase Cost: Pet Waste Management Program	6,000	0.00
Decrease Cost: Adjustment to Department of Finance Chargeback	(49,547)	(0.50)
Re-align: Department of Transportation Personnel and Operating Costs to Capital Budget	(4,737,593)	(29.60)
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	905,734	(0.40)
FY27 Recommended	37,817,597	78.04

BUDGET SUMMARY

	Actual FY25	Budget FY26	Estimated FY26	Recommended FY27	%Chg Bud/Rec
COUNTY GENERAL FUND					
EXPENDITURES					
Salaries and Wages	3,027,549	3,125,975	3,303,759	3,239,135	3.6 %
Employee Benefits	798,261	869,631	812,324	918,969	5.7 %
County General Fund Personnel Costs	3,825,810	3,995,606	4,116,083	4,158,104	4.1 %
Operating Expenses	5,427,540	5,843,679	5,745,932	5,600,381	-4.2 %
Capital Outlay	26,400	0	0	0	—
County General Fund Expenditures	9,279,750	9,839,285	9,862,015	9,758,485	-0.8 %
PERSONNEL					
Full-Time	62	61	61	61	—
Part-Time	0	0	0	0	—
FTEs	29.00	26.76	26.76	26.36	-1.5 %
REVENUES					
Other Licenses/Permits	28,525	20,000	20,000	20,000	—

BUDGET SUMMARY

	Actual FY25	Budget FY26	Estimated FY26	Recommended FY27	%Chg Bud/Rec
Other Charges/Fees	(425,395)	60,400	60,400	60,400	—
Other Fines/Forfeitures	20,850	15,000	15,000	15,000	—
Tree Canopy	872,290	1,500,000	1,500,000	1,500,000	—
County General Fund Revenues	496,270	1,595,400	1,595,400	1,595,400	—

WATER QUALITY PROTECTION FUND

EXPENDITURES

Salaries and Wages	9,424,477	10,784,202	11,036,490	9,514,987	-11.8 %
Employee Benefits	2,700,384	3,431,509	3,150,431	2,814,255	-18.0 %
Water Quality Protection Fund Personnel Costs	12,124,861	14,215,711	14,186,921	12,329,242	-13.3 %
Operating Expenses	20,384,534	25,161,830	25,161,830	23,676,307	-5.9 %
Capital Outlay	72,446	0	0	0	—
Water Quality Protection Fund Expenditures	32,581,841	39,377,541	39,348,751	36,005,549	-8.6 %

PERSONNEL

Full-Time	67	68	68	68	—
Part-Time	1	1	1	1	—
FTEs	103.69	107.74	107.74	78.04	-27.6 %

REVENUES

Bag Tax	2,893,044	2,568,000	2,568,000	2,568,000	—
Water Quality Protection Charge	51,792,613	53,481,687	53,481,687	57,323,950	7.2 %
Investment Income	2,460,223	1,768,850	1,768,850	1,469,520	-16.9 %
Other Charges/Fees	148,040	47,500	47,500	47,500	—
Miscellaneous Revenues	46,771	0	0	0	—
Water Quality Protection Fund Revenues	57,340,691	57,866,037	57,866,037	61,408,970	6.1 %

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	1,300,637	0	0	0	—
Grant Fund - MCG Expenditures	1,300,637	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	—

REVENUES

State Grants	242,001	0	0	0	—
Federal Grants	158,829	0	0	0	—

BUDGET SUMMARY

	Actual FY25	Budget FY26	Estimated FY26	Recommended FY27	%Chg Bud/Rec
Other Intergovernmental	13,957	0	0	0	—
Miscellaneous Revenues	9,334	0	0	0	—
Grant Fund - MCG Revenues	424,121	0	0	0	—

DEPARTMENT TOTALS

Total Expenditures	43,162,228	49,216,826	49,210,766	45,764,034	-7.0 %
Total Full-Time Positions	129	129	129	129	—
Total Part-Time Positions	1	1	1	1	—
Total FTEs	132.69	134.50	134.50	104.40	-22.4 %
Total Revenues	58,261,082	59,461,437	59,461,437	63,004,370	6.0 %

FY27 RECOMMENDED CHANGES

	Expenditures	FTEs
COUNTY GENERAL FUND		
	FY26 ORIGINAL APPROPRIATION	9,839,285 26.76
<u>Changes (with service impacts)</u>		
Reduce: Funds for Electric Leaf Blower Program Implementation [Energy, Climate, and Compliance]	(280,000)	0.00
<u>Other Adjustments (with no service impacts)</u>		
Increase Cost: FY27 Compensation Adjustment	160,569	0.00
Increase Cost: Lapse Adjustment	54,938	0.00
Increase Cost: Annualization of FY26 Compensation Increases	21,354	0.00
Increase Cost: Annualization of FY26 Personnel Costs	19,681	0.00
Increase Cost: Climate Program Contracts [Energy, Climate, and Compliance]	15,519	0.00
Increase Cost: Printing and Mail	12,529	0.00
Increase Cost: Two and a Half Percent Inflationary Adjustment to Non-Profit Service Provider Contracts [Administration]	10,175	0.00
Decrease Cost: Motor Pool Adjustment	(1,521)	0.00
Decrease Cost: Retirement Adjustment	(9,667)	0.00
Shift: Senior Engineer from General Fund to Water Quality Protection Fund [Administration]	(84,377)	(0.40)
	FY27 RECOMMENDED	9,758,485 26.36
WATER QUALITY PROTECTION FUND		
	FY26 ORIGINAL APPROPRIATION	39,377,541 107.74
<u>Other Adjustments (with no service impacts)</u>		
Increase Cost: Lapse Adjustment	508,810	0.00
Increase Cost: FY27 Compensation Adjustment	395,447	0.00

FY27 RECOMMENDED CHANGES

	Expenditures	FTEs
Increase Cost: Support for Water Quality Work at the Maryland-National Capital Park and Planning Commission [Watershed Restoration]	308,572	0.00
Increase Cost: Annualization of FY26 Personnel Costs	186,879	0.00
Shift: Senior Engineer from General Fund to Water Quality Protection Fund [Watershed Restoration]	84,377	0.40
Increase Cost: Annualization of FY26 Compensation Increases	67,615	0.00
Increase Cost: Annualization of FY26 Lapsed Positions	30,021	0.00
Increase Cost: Administrative Information Technology Costs [Watershed Restoration]	18,000	0.00
Increase Cost: Printing and Mail	15,875	0.00
Increase Cost: Two and a Half Percent Inflationary Adjustment to Non-Profit Service Provider Contracts [Watershed Restoration]	8,223	0.00
Increase Cost: Best Management Practice Monitoring in Special Protection Areas [Watershed Restoration]	6,444	0.00
Increase Cost: Pet Waste Management Program [Watershed Restoration]	6,000	0.00
Decrease Cost: Retirement Adjustment	(26,436)	0.00
Decrease Cost: Adjustment to Department of Finance Chargeback [Watershed Restoration]	(49,547)	(0.50)
Decrease Cost: Elimination of One-Time Items Approved in FY26	(57,302)	0.00
Decrease Cost: Motor Pool Adjustment	(137,377)	0.00
Re-align: Department of Transportation Personnel and Operating Costs to Capital Budget [Watershed Restoration]	(4,737,593)	(29.60)
FY27 RECOMMENDED	36,005,549	78.04

PROGRAM SUMMARY

Program Name	FY26 APPR Expenditures	FY26 APPR FTEs	FY27 REC Expenditures	FY27 REC FTEs
Administration	1,176,407	6.05	1,228,839	6.05
Energy, Climate, and Compliance	6,773,032	20.31	6,717,598	20.31
Watershed Restoration	41,267,387	108.14	37,817,597	78.04
Total	49,216,826	134.50	45,764,034	104.40

CHARGES TO OTHER DEPARTMENTS

Charged Department	Charged Fund	FY26 Total\$	FY26 FTEs	FY27 Total\$	FY27 FTEs
WATER QUALITY PROTECTION FUND					
CIP	Capital Fund	3,043,921	18.65	3,014,039	17.20

FUNDING PARAMETER ITEMS

CE RECOMMENDED (\$000S)

Title	FY27	FY28	FY29	FY30	FY31	FY32
COUNTY GENERAL FUND						

FUNDING PARAMETER ITEMS

CE RECOMMENDED (\$000S)

Title	FY27	FY28	FY29	FY30	FY31	FY32
EXPENDITURES						
FY27 Recommended	9,758	9,758	9,758	9,758	9,758	9,758
No inflation or compensation change is included in outyear projections.						
Labor Contracts	0	29	29	29	29	29
These figures represent the estimated annualized cost of general wage adjustments, service increments, and other negotiated items.						
Subtotal Expenditures	9,758	9,787	9,787	9,787	9,787	9,787

WATER QUALITY PROTECTION FUND

EXPENDITURES

FY27 Recommended	36,006	36,006	36,006	36,006	36,006	36,006
No inflation or compensation change is included in outyear projections.						
Bag Tax Implementation Outreach	0	(100)	(250)	(250)	(250)	(250)
Outreach and communications surrounding the amended bag tax law will run through FY28.						
Labor Contracts	0	69	69	69	69	69
These figures represent the estimated annualized cost of general wage adjustments, service increments, and other negotiated items.						
Subtotal Expenditures	36,006	35,975	35,825	35,825	35,825	35,825

FY27-32 PUBLIC SERVICES PROGRAM: FISCAL PLAN

FISCAL PROJECTIONS	FY26 Estimate	FY27 CE Recommended	FY28 Projection	FY29 Projection	FY30 Projection	FY31 Projection	FY32 Projection
ASSUMPTIONS							
Indirect Cost Rate	19.98%	13.01%	13.01%	13.01%	13.01%	13.01%	13.01%
CPI (Fiscal Year)	2.18%	2.87%	2.23%	1.80%	1.66%	1.71%	1.73%
Investment Income Yield	4.00%	3.25%	3.00%	3.00%	3.00%	3.00%	3.00%
Number of Equivalent Residential Units (ERUs) Billed	368,000	368,000	368,000	368,000	368,000	368,000	368,000
Water Quality Protection Charge (\$/ERU)	\$147.00	\$157.50	\$168.00	\$178.50	\$189.00	\$199.50	\$210.00
Target Debt Service Coverage Ratio	1.25	1.25	1.25	1.25	1.25	1.25	1.25
BEGINNING FUND BALANCE	13,764,940	9,534,769	10,620,541	7,052,880	5,682,702	5,924,309	3,435,868
REVENUES							
Charges For Services	53,481,687	57,323,950	61,166,188	65,008,418	68,850,659	72,692,887	76,535,117
Bag Tax Receipts	2,568,000	2,568,000	2,368,000	2,368,000	2,368,000	2,368,000	2,368,000
Miscellaneous	1,816,350	1,517,020	1,403,980	1,403,980	1,403,980	1,403,980	1,403,980
Subtotal Revenues	57,866,037	61,408,970	64,938,168	68,780,398	72,622,639	76,464,867	80,307,097
INTERFUND TRANSFERS (Net Non-CIP)							
Transfers To General Fund	(13,295,520)	(13,674,650)	(19,117,920)	(22,009,100)	(24,204,530)	(30,820,820)	(32,628,100)
Transfers To Debt Service Fund (Non-Tax)	(2,840,300)	(1,604,030)	(1,649,100)	(1,643,660)	(1,641,710)	(1,643,020)	(1,643,900)
WQPF Required Debt Service	(10,455,220)	(12,070,620)	(17,468,820)	(20,365,440)	(22,562,820)	(29,177,800)	(30,984,200)
	(9,511,900)	(11,127,300)	(16,526,900)	(19,422,400)	(21,620,300)	(30,120,200)	(31,926,600)
TOTAL RESOURCES	58,335,456	57,269,090	56,440,790	53,824,179	54,100,811	51,568,357	51,114,865
CIP CURRENT REVENUE APPROPRIATION							
PSP OPER. BUDGET APPROPRIATION	(9,451,936)	(10,643,000)	(12,608,000)	(11,638,000)	(11,719,000)	(11,646,000)	(11,729,000)
Operating Budget	(39,348,751)	(36,005,549)	(36,779,909)	(36,503,477)	(36,457,502)	(36,486,489)	(36,506,113)
FFIs (Future Fiscal Impacts) Requested & Projected							
CPI - OE Adjustment	0	0	(527,982)	(443,381)	(412,361)	(431,303)	(444,137)
Outreach for Amended Bag Fee Law	0	0	100,000	250,000	250,000	250,000	250,000
CPI - PC Adjustment	0	0	(274,942)	(233,110)	(218,155)	(228,200)	(234,991)
Labor Contracts	0	0	0	0	(69,000)	0	0
Subtotal PSP Oper Budget Approp / Exp's	(39,348,751)	(36,005,549)	(36,779,909)	(36,503,477)	(36,457,502)	(36,486,489)	(36,506,113)
TOTAL USE OF RESOURCES	(48,800,687)	(46,648,549)	(49,387,909)	(48,141,477)	(48,176,502)	(48,132,489)	(48,235,113)
ACFR YEAR END FUND BALANCE	9,534,769	10,620,541	7,052,880	5,682,702	5,924,309	3,435,868	2,879,752
END-OF-YEAR RESERVES AS A PERCENT OF RESOURCES	16.3%	18.5%	12.5%	10.6%	11.0%	6.7%	5.6%
NET REVENUE	15,676,986	23,799,392	26,509,159	30,633,262	34,523,427	38,335,359	42,157,084
DEBT SERVICE COVERAGE RATIO	1.65	2.14	1.60	1.58	1.60	1.27	1.32

Assumptions:

1. These projections are based on the County Executive's recommended operating 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.
2. Stormwater facilities transferred into the maintenance program will be maintained to permit standards as they are phased into the program.
3. Operating costs for new facilities to be completed or transferred and Operating Budget Impacts of Stormwater CIP projects between FY28 and FY32 have been incorporated in the future fiscal impact (FFI) rows.
4. 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 2021. Debt service on bonds and loans 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. Actual debt service costs may vary depending on the size and timing of future loan and bond issues. Current revenue may be used to offset future borrowing requirements.
5. Future WQPC rates are subject to change based on future operating budget spending, the timing and size of future debt issuance, State Aid, and legislation.
6. Charges are adjusted to fund the planned service program and maintain net revenues sufficient to cover 1.25 times debt service costs.
7. The Water Quality Protection fund balance minimum policy target is 5% of resources.