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# Environmental Protection

## MISSION STATEMENT

The mission of the Department of Environmental Protection (DEP) is to improve the quality of life in our community through conservation, protection, and restoration of natural resources guided by the principles of science, sustainability, and stewardship; and to provide solid waste management services, including reducing, reusing, and recycling waste in an environmentally progressive and economically sound manner.

## BUDGET OVERVIEW

The total recommended FY13 Operating Budget for the Department of Environmental Protection is \$19,227,511, an increase of \$1,613,591 or 9.2 percent from the FY12 Approved Budget of \$17,613,920. Personnel Costs comprise 43.0 percent of the budget for 82 full-time positions and two part-time positions for 90.59 FTEs. Operating Expenses and Capital Outlay account for the remaining 57.0 percent of the FY13 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 of \$3,210,000 for Water Quality Protection bonds is required.

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:

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

## DEPARTMENT PERFORMANCE MEASURES

Performance measures for this department are included below, with multi-program measures displayed at the front of this section and program-specific measures shown with the relevant program. The FY12 estimates reflect funding based on the FY12 approved budget. The FY13 and FY14 figures are performance targets based on the FY13 recommended budget and funding for comparable service levels in FY14.

## ACCOMPLISHMENTS AND INITIATIVES

- ❖ ***Led the County's effort to adopt a Carryout Bag Law to reduce the number of plastic bags in the County's roads, fields, and streams substantially by encouraging shoppers to bring their own bags when shopping through a 5 cent charge for paper or plastic bags provided by retailers.***
- ❖ ***Completed the draft Countywide Coordinated Implementation Strategy, which includes restoration plans for seven County watersheds as required by the County's state-issued stormwater permit. DEP submitted the draft Strategy to the State for approval and also held a public meeting on it.***
- ❖ ***Helped develop and installed anti-litter advertisements on 60 bus shelters and 33 Ride-On bus routes in the Rockville and Silver Spring Area in support of the County's stormwater permit and the Trash-Free Potomac Treaty.***
- ❖ ***Held citizen outreach workshops to increase public participation in watershed restoration efforts. These efforts reached over 1,000 individuals and 100 Homeowner Associations.***
- ❖ ***Provided outreach and education materials to over 5,100 residents, business owners, and stakeholders at 44 local and regional events, which represents an increase of 121 percent from activities in 2010.***
- ❖ ***Identified a substantial number of unauthorized (illicit) discharges and unmapped storm drains and outfalls into Sligo Creek in partnership with the Center for Watershed Protection.***

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- ❖ **Completed 167 RainScapes projects and conducted RainScapes Program training for over 250 people in workshops on conservation landscaping for homeowners.**
  - ❖ **Restored and stabilized over 2,000 feet of degraded stream channels and eroding stream banks.**
  - ❖ **Reforested seven acres of stream buffers.**
  - ❖ **Certified 34 businesses since launching the Montgomery County Green Business Certification Program with the Montgomery County Chamber of Commerce.**
  - ❖ **Helped develop and continue to support community-based environmental organizations in the County, including Bethesda Green, Silver Spring Green, Poolesville Green and Green Wheaton.**
  - ❖ **Developed rebate programs for residential, commercial, and multifamily energy efficiency improvements using \$3 million of ARRA funding provided to the County through a US Department of Energy grant.**
  - ❖ **Managed distribution and reporting of \$3.1 million of ARRA funds provided to the County through a US Department of Energy grant used for energy efficiency projects by the Department of General Services, Montgomery County Public Schools, Montgomery County Government, Maryland-National Capital Park and Planning Commission (M-NCPPC), and Housing Opportunities Commission.**
  - ❖ **Began developing a web-based “green guide” with funding from the ARRA grant to provide energy efficiency and environmental information to County residents; develop energy efficiency training programs; and conduct research on measures that could be taken to reduce energy consumption in the commercial building sector as directed in the 2009 Climate Protection Plan.**
  - ❖ **Completed implementation of the Mid-Atlantic Regional Air Management Administration (MARAMA) grant to install diesel emissions control equipment on 78 County heavy duty diesel vehicles through a grant award from the Maryland Department of the Environment totaling \$564,689.**
  - ❖ **Worked with the Nonprofit Energy Alliance, a coalition of non-profit organizations in Montgomery County and neighboring jurisdictions, to provide education about and technical assistance in purchasing clean, renewable energy.**
  - ❖ **Developed a regulatory approach for protecting the County’s trees and drafted proposed legislation for submission to Council codifying the approach.**
  - ❖ **Led the regional effort to renegotiate the Inter-municipal Agreement (IMA) to establish the financial and operating responsibilities of users of the Blue Plains Wastewater Treatment Plant with adoption by the County Executive and County Council in early 2012.**
  - ❖ **Developed a Scope of Work for conducting a Sanitary Survey and Water and Sewer Feasibility Study for Glen Hills. Contract awarded in December 2011 with current implementation of the initial phase.**
  - ❖ **Helped develop a Nature and Extent Study proposal for MDE review to address low level groundwater contamination at the Oaks Landfill.**
  - ❖ **Will help develop a Large Water Main Setback Design Standard for adoption by WSSC in collaboration with M-NCPPC, other Montgomery County Departments, Prince George’s County Departments, and WSSC.**
  - ❖ **Will accept an additional 40 facilities into the Stormwater Management Facility Inspection Program, which currently includes over 4,400 facilities.**
  - ❖ **Will transfer over 60 facilities into the Stormwater Management Facility Maintenance Program, which includes approximately 2,000 facilities.**
  - ❖ **Will provide for additional positions and initiatives to comply with the new MS-4 permit, maintenance of new stormwater facilities added to the inventory, process enhancements to the Water Quality Protection Charge (WQPC), and storm drain maintenance currently supported by the General Fund by increasing the WQPC from \$70.50 to \$92.60.**
  - ❖ **Initiate debt issuance in support of the FY13-18 Recommended Stormwater Management Capital improvements program**

- ❖ **Enhance the Outreach/Education, RainScapes and Stormwater Facility Programs through the addition of three new Planning Specialists III to support the expansion of the Stormwater CIP.**
- ❖ **Enhance enforcement through additional resources for Illicit Discharge Detection and Elimination enforcement**
- ❖ **Initiate the update of the County's storm drain Geographical Information System (GIS) layer which is currently incomplete and outdated.**
- ❖ **Productivity Improvements**
  - **Supplemented Watershed Monitoring staff by enlisting and training seven volunteer interns to support 2,240 hours of stream resource condition monitoring and 560 hours of lab work.**
  - **Developed a web-based application for the Green Business Certification which calculates certification requirements and tracks applicant responses.**
  - **Set up alarms on real-time to automated dam and weather monitoring stations to ensure that responsible personnel get timely notification of conditions that could lead to emergency evacuations, thus minimizing the need for monitoring staff.**
  - **Upgraded database of real-time rainfall data to allow access to multiple county and non-county partners to facilitate county stormwater sampling efforts and avoid installation and maintenance of a nearby gauge.**
  - **Cooperated with Department of Transportation to share access to Weatherbug rainfall data which made possible the cancellation of a planned rain gauge, and saved the county \$3,750 in FY12 and \$3,000 annually in subsequent years.**
  - **Trained 70 local designers and contractors on RainScapes project requirements and installation; initiated a "train the trainer" program to build additional capacity among watershed organizations to install RainScapes projects; and continued support to the Watershed Stewards Academy to train local watershed activists on initiating neighborhood-scale RainScapes activities.**

## PROGRAM CONTACTS

Contact Gladys Balderrama of the Department of Environmental Protection at 240.777.7732 or Monica Zaleski of the Office of Management and Budget at 240.777.2781 for more information regarding this department's operating budget.

## PROGRAM DESCRIPTIONS

### **Watershed Management**

This program supports watershed-based monitoring, planning, policy development, and project implementation activities designed to achieve County stream protection goals (Chapter 19, Article IV) and comply with the federal Clean Water Act NPDES Municipal Separate Storm Sewer System (MS-4) permit. In combination with the stormwater management projects in the Capital Improvements Program, this program will provide stormwater treatment for 3,900 acres of impervious area by 2015. Program 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 best management practices that mitigate those impacts within the County's four designated "Special Protection Areas" (Chapter 19, Article IV).

Program staff manage, inspect, and enforce the operational effectiveness of approximately 4,400 stormwater management facilities which receive stormwater runoff discharge and are designed to protect County streams. The Department is also responsible for the structural maintenance of approximately 2,000 of these facilities.

Revenue for this program is generated by the Water Quality Protection Charge, 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.

<b>Program Performance Measures</b>	<b>Actual FY10</b>	<b>Actual FY11</b>	<b>Estimated FY12</b>	<b>Target FY13</b>	<b>Target FY14</b>
County Watershed Stream Quality Index of Biological Integrity (IBI) Score <sup>1</sup>	58%	59%	62%	63%	65%
Amount of Pollutants Removed: Nitrogen (pounds)	6,897	9,490	10,838	14,709	37,524
Amount of Pollutants Removed: Phosphorus (tons)	648	1,006	1,242	1,800	5,110
Amount of Pollutants Removed: Sediment (tons)	85	123	209	296	701

	Actual FY10	Actual FY11	Estimated FY12	Target FY13	Target FY14
Amount of Pollutants Removed: Bacteria (maximum probable number or MPN)	22,061	22,086	22,086	42,734	142,946
Impervious Acres Treated Through Rainscapes Program (cumulative) <sup>2</sup>	2.5	17.89	22.6	35	50
Impervious Acres Treated with Stormwater Facility Retrofits and Stream Restoration (cumulative) <sup>3</sup>	2,170	2,206	2,481	3,682	5,064
Stormwater Facility Maintenance Compliance Rate <sup>4</sup>	83.4%	84.4%	85.4%	86.4%	87.3%

<sup>1</sup> The Index of Biological Integrity (IBI) score classifies watersheds by the diversity of plant and animal life and other factors. Higher scores indicate a healthier watershed.

<sup>2</sup> Goal is to treat 50 acres by FY15.

<sup>3</sup> Goal is 6,445 acres by FY15.

<sup>4</sup> Percentage of private and County-owned stormwater facilities that have complied with the inspection report and/or maintenance notification work order detailing the repairs and/or maintenance needed for the stormwater facility.

<b>FY13 Recommended Changes</b>	<b>Expenditures</b>	<b>FTEs</b>
<b>FY12 Approved</b>	<b>15,944,160</b>	<b>72.10</b>
Increase Cost: Pass-through to City of Gaithersburg	509,140	0.00
Enhance: Professional Services to Update the Storm Drain GIS Layer in the County	200,000	0.00
Increase Cost: Maintenance of New and Newly Transferred Stormwater Management Facilities	162,000	0.00
Shift: Reallocation of Personnel Costs from the General Fund to the Water Quality Protection Charge Based on Current and Projected Workload	151,859	1.36
Enhance: Contractual Services for Illicit Discharge Detection and Elimination in the County	100,000	0.00
Increase Cost: Annualization of Bag Tax Program	97,800	0.00
Increase Cost: Annualization of FY12 Lapsed Positions	94,540	1.10
Increase Cost: Inspection cost of new facilities entering the program	70,500	0.00
Enhance: Add Planning Specialist III (Landscape Architect) for the Stormwater Facility Maintenance Program	66,073	1.00
Enhance: Add Planning Specialist III (Landscape Architect) to Increase Output of the RainScapes Program	66,073	1.00
Enhance: Add Planning Specialist III (Watershed Outreach Specialist) for the Outreach/Education Program	66,073	1.00
Increase Cost: Renewal of the Inspection of Stormwater Facilities Contract	62,000	0.00
Increase Cost: Operating Budget Impacts for Stream Restoration and Storm Water Controls Projects Completed in the Capital Improvements Program	61,520	0.00
Increase Cost: CPI Increase for Stormwater Facility Maintenance Contracts	50,120	0.00
Enhance: Add Administrative Specialist III (Human Resources- Procurement Specialist)	34,437	0.50
Enhance: Add Construction Services Inspector Charged to the Water Quality Protection CIP; Operating Budget Includes Dedicated Vehicle and Operating Expenses Only	31,450	0.00
Increase Cost: Increase cost for Down County Stream Gauge Maintenance	18,310	0.00
Enhance: Add Planning Specialist III for CIP Watershed Restoration Facility Planning Projects Charged to the Water Quality Protection CIP; Operating Budget Includes Operating Expenses Only	4,600	0.00
Enhance: Add Management and Budget Specialist III to Support the Capital Improvements Program and State/Federal Grants Charged to the Water Quality Protection CIP; Operating Budget Includes Operating Expenses	3,700	0.00
Increase Cost: CPI Increase for Asset Management Software contract	1,440	0.00
Decrease Cost: Annualization of Personnel Costs for 4 New FY12 Positions	-1,329	0.00
Decrease Cost: Finance Chargeback for Property Tax Billing	-15,250	0.00
Decrease Cost: Elimination of One-Time Items Approved in FY12	-630,500	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. Other large variances are related to the transition from the previous mainframe budgeting system to Hyperion.	566,723	1.04
<b>FY13 CE Recommended</b>	<b>17,715,439</b>	<b>79.10</b>

## Environmental Policy and Compliance

This program develops and implements scientifically-based, integrated programs which protect and enhance the County's environmental resources and promotes sustainable practices by the County government, businesses, and residents. The division develops, analyzes, and enforces policies, programs, and regulations related to air quality (ambient and indoor), water quality and stormwater management, energy conservation, forest and tree resources, noise control, pollution prevention, and sustainability efforts. The division is also 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.

<b>Program Performance Measures</b>	<b>Actual FY10</b>	<b>Actual FY11</b>	<b>Estimated FY12</b>	<b>Target FY13</b>	<b>Target FY14</b>
Average Number of Days to Resolve Environmental Enforcement Cases	38	42	39	40	40
Percent of Customers Satisfied with DEP Response to Environmental Complaints	78.8%	70.3%	72%	74%	76%
Residential Building Energy Use as a Measure of Greenhouse Gas Reductions (Million British Thermal Units) <sup>1</sup>	N/A	37,428,299	37,849,418	38,270,537	38,691,656

	Actual FY10	Actual FY11	Estimated FY12	Target FY13	Target FY14
Non-Residential Building Energy Use as a Measure of Greenhouse Gas Reductions (Million British Thermal Units) <sup>2</sup>	N/A	32,834,703	32,982,401	33,022,098	33,115,795

<sup>1</sup> Historic data from Montgomery County fuel-energy tax records. Projected figures based on recent trends in energy consumption. The FY10 figure is not available due to a mid-year rate change.

<sup>2</sup> Historic data from Montgomery County fuel-energy tax records. Projected figures based on recent trends in energy consumption. The FY10 figure is not available due to a mid-year rate change.

<b>FY13 Recommended Changes</b>	<b>Expenditures</b>	<b>FTEs</b>
<b>FY12 Approved</b>	<b>595,880</b>	<b>5.70</b>
Shift: FTEs Currently Funded by ARRA Energy Efficiency and Conservation Block Grant Back to General Fund	165,287	1.70
Increase Cost: Motor Pool Rate Adjustment	58,600	0.00
Shift: Green Business Certification Program, Currently Funded by the ARRA Grant Back to General Fund	20,000	0.00
Shift: Reallocation of Personnel Costs to the Water Quality Protection Fund Based on Actual Water Quality Monitoring Workload Increase	-144,624	-1.18
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs. Other large variances are related to the transition from the previous mainframe budgeting system to Hyperion.	52,322	0.22
<b>FY13 CE Recommended</b>	<b>747,465</b>	<b>6.44</b>

## Grants

In FY10, the County received an Energy Efficiency and Conservation Block Grant, funded by the American Recovery and Reinvestment Act (ARRA), to explore opportunities and implement improvements related to energy efficiency and conservation. Seven different activities are being funded by the grant. The bulk of the work funded by the grant will be completed in FY12, and all grant funds must be spent by October, 2012.

<b>FY13 Recommended Changes</b>	<b>Expenditures</b>	<b>FTEs</b>
<b>FY12 Approved</b>	<b>0</b>	<b>1.70</b>
Technical Adj: ARRA Funding Expiring in FY13	0	-1.70
<b>FY13 CE Recommended</b>	<b>0</b>	<b>0.00</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, development of the State-required Montgomery County Comprehensive Water Supply and Sewerage System Plan, and development and implementation of the County groundwater strategy (which focuses on water quality and water supply aspects of groundwater resources). The technical experts in this program work to ensure that the County's management of water and wastewater protects public health and the environment. Additional activities in the Director's Office include centrally coordinated public education, outreach, and communication; budget development and administration; contract management; human resources management; management of the Water Quality Protection Charge including geographical information systems and information technology services.

<b>Program Performance Measures</b>	Actual FY10	Actual FY11	Estimated FY12	Target FY13	Target FY14
Percent Concurrence of County Council Water and Sewer Service Actions with DEP Recommendations	91%	100%	94%	96%	96%

<b>FY13 Recommended Changes</b>	<b>Expenditures</b>	<b>FTEs</b>
<b>FY12 Approved</b>	<b>1,073,880</b>	<b>4.70</b>
Decrease Cost: Elimination of One-Time Items Approved in FY12	-350,000	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. Other large variances are related to the transition from the previous mainframe budgeting system to Hyperion.	40,727	0.35
<b>FY13 CE Recommended</b>	<b>764,607</b>	<b>5.05</b>

# BUDGET SUMMARY

	Actual FY11	Budget FY12	Estimated FY12	Recommended FY13	% Chg Bud/Rec
<b>COUNTY GENERAL FUND</b>					
<b>EXPENDITURES</b>					
Salaries and Wages	1,064,083	958,090	1,002,702	1,005,784	5.0%
Employee Benefits	392,572	315,890	354,764	382,098	21.0%
<b>County General Fund Personnel Costs</b>	<b>1,456,655</b>	<b>1,273,980</b>	<b>1,357,466</b>	<b>1,387,882</b>	<b>8.9%</b>
Operating Expenses	386,943	395,780	439,098	124,190	-68.6%
Capital Outlay	0	0	0	0	—
<b>County General Fund Expenditures</b>	<b>1,843,598</b>	<b>1,669,760</b>	<b>1,796,564</b>	<b>1,512,072</b>	<b>-9.4%</b>
<b>PERSONNEL</b>					
Full-Time	42	40	40	40	—
Part-Time	1	1	1	1	—
FTEs	11.60	10.40	10.40	11.49	10.5%
<b>REVENUES</b>					
Other Charges/Fees	358,786	160,000	160,000	140,000	-12.5%
Other Fines/Forfeitures	14,180	20,000	16,000	16,000	-20.0%
Other Licenses/Permits	3,925	0	4,000	4,000	—
<b>County General Fund Revenues</b>	<b>376,891</b>	<b>180,000</b>	<b>180,000</b>	<b>160,000</b>	<b>-11.1%</b>
<b>GRANT FUND MCG</b>					
<b>EXPENDITURES</b>					
Salaries and Wages	128,056	0	0	0	—
Employee Benefits	36,865	0	0	0	—
<b>Grant Fund MCG Personnel Costs</b>	<b>164,921</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>—</b>
Operating Expenses	1,125,800	0	0	0	—
Debt Service Other	23,314	0	0	0	—
Capital Outlay	0	0	0	0	—
<b>Grant Fund MCG Expenditures</b>	<b>1,314,035</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>—</b>
<b>PERSONNEL</b>					
Full-Time	0	0	0	0	—
Part-Time	0	0	0	0	—
FTEs	1.70	1.70	1.70	0.00	—
<b>REVENUES</b>					
Federal Grants	1,311,346	0	0	0	—
Miscellaneous Revenues	2,689	0	0	0	—
<b>Grant Fund MCG Revenues</b>	<b>1,314,035</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>—</b>
<b>WATER QUALITY PROTECTION FUND</b>					
<b>EXPENDITURES</b>					
Salaries and Wages	2,944,168	4,830,540	4,862,519	5,251,368	8.7%
Employee Benefits	895,831	1,333,600	1,450,119	1,633,525	22.5%
<b>Water Quality Protection Fund Personnel Costs</b>	<b>3,839,999</b>	<b>6,164,140</b>	<b>6,312,638</b>	<b>6,884,893</b>	<b>11.7%</b>
Operating Expenses	6,129,916	9,669,020	9,595,095	10,805,736	11.8%
Capital Outlay	0	111,000	0	24,810	-77.6%
<b>Water Quality Protection Fund Expenditures</b>	<b>9,969,915</b>	<b>15,944,160</b>	<b>15,907,733</b>	<b>17,715,439</b>	<b>11.1%</b>
<b>PERSONNEL</b>					
Full-Time	28	35	35	42	20.0%
Part-Time	1	1	1	1	—
FTEs	38.20	72.10	72.10	79.10	9.7%
<b>REVENUES</b>					
Bag Tax	0	561,640	561,640	561,640	—
Investment Income	2,337	20,000	0	10,000	-50.0%
Water Quality Protection Fee	11,792,194	17,430,790	17,430,790	22,935,660	31.6%
Other Charges/Fees	35,437	0	0	0	—
<b>Water Quality Protection Fund Revenues</b>	<b>11,829,968</b>	<b>18,012,430</b>	<b>17,992,430</b>	<b>23,507,300</b>	<b>30.5%</b>
<b>DEPARTMENT TOTALS</b>					
<b>Total Expenditures</b>	<b>13,127,548</b>	<b>17,613,920</b>	<b>17,704,297</b>	<b>19,227,511</b>	<b>9.2%</b>
<b>Total Full-Time Positions</b>	<b>70</b>	<b>75</b>	<b>75</b>	<b>82</b>	<b>9.3%</b>
<b>Total Part-Time Positions</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>—</b>
<b>Total FTEs</b>	<b>51.50</b>	<b>84.20</b>	<b>84.20</b>	<b>90.59</b>	<b>7.6%</b>
<b>Total Revenues</b>	<b>13,520,894</b>	<b>18,192,430</b>	<b>18,172,430</b>	<b>23,667,300</b>	<b>30.1%</b>

# FY13 RECOMMENDED CHANGES

	Expenditures	FTEs
<b>COUNTY GENERAL FUND</b>		
<b>FY12 ORIGINAL APPROPRIATION</b>	<b>1,669,760</b>	<b>10.40</b>
<b><u>Other Adjustments (with no service impacts)</u></b>		
Shift: FTEs Currently Funded by ARRA Energy Efficiency and Conservation Block Grant Back to General Fund [Environmental Policy and Compliance]	165,287	1.70
Increase Cost: Motor Pool Rate Adjustment [Environmental Policy and Compliance]	58,600	0.00
Increase Cost: Retirement Adjustment	41,226	0.00
Increase Cost: Lump Sum Wage Adjustment	25,854	0.00
Increase Cost: Group Insurance Adjustment	25,397	0.00
Shift: Green Business Certification Program, Currently Funded by the ARRA Grant Back to General Fund [Environmental Policy and Compliance]	20,000	0.00
Increase Cost: Motor Pool Rate Adjustment	4,070	0.00
Increase Cost: Longevity Adjustment	762	0.00
Increase Cost: Workforce Adjustment	0	0.03
Technical Adj: Conversion of WYs to FTEs in the New Hyperion Budgeting System; FTEs are No Longer Measured for Overtime and Lapse	0	0.54
Decrease Cost: Printing and Mail Adjustment	-380	0.00
Shift: Help Desk - Desk Side Support to the Desktop Computer Modernization NDA	-3,880	0.00
Shift: Reallocation of Personnel Costs to the Water Quality Protection Fund Based on Actual Water Quality Monitoring Workload Increase [Environmental Policy and Compliance]	-144,624	-1.18
Decrease Cost: Elimination of One-Time Items Approved in FY12 [Administration]	-350,000	0.00
<b>FY13 RECOMMENDED:</b>	<b>1,512,072</b>	<b>11.49</b>
<b>GRANT FUND MCG</b>		
<b>FY12 ORIGINAL APPROPRIATION</b>	<b>0</b>	<b>1.70</b>
<b><u>Other Adjustments (with no service impacts)</u></b>		
Technical Adj: ARRA Funding Expiring in FY13 [Grants]	0	-1.70
<b>FY13 RECOMMENDED:</b>	<b>0</b>	<b>0.00</b>
<b>WATER QUALITY PROTECTION FUND</b>		
<b>FY12 ORIGINAL APPROPRIATION</b>	<b>15,944,160</b>	<b>72.10</b>
<b><u>Changes (with service impacts)</u></b>		
Enhance: Professional Services to Update the Storm Drain GIS Layer in the County [Watershed Management]	200,000	0.00
Enhance: Contractual Services for Illicit Discharge Detection and Elimination in the County [Watershed Management]	100,000	0.00
Enhance: Add Planning Specialist III (Landscape Architect) for the Stormwater Facility Maintenance Program [Watershed Management]	66,073	1.00
Enhance: Add Planning Specialist III (Landscape Architect) to Increase Output of the RainScapes Program [Watershed Management]	66,073	1.00
Enhance: Add Planning Specialist III (Watershed Outreach Specialist) for the Outreach/Education Program [Watershed Management]	66,073	1.00
Enhance: Add Administrative Specialist III (Human Resources- Procurement Specialist) [Watershed Management]	34,437	0.50
Enhance: Add Construction Services Inspector Charged to the Water Quality Protection CIP; Operating Budget Includes Dedicated Vehicle and Operating Expenses Only [Watershed Management]	31,450	0.00
Enhance: Add Planning Specialist III for CIP Watershed Restoration Facility Planning Projects Charged to the Water Quality Protection CIP; Operating Budget Includes Operating Expenses Only [Watershed Management]	4,600	0.00
Enhance: Add Management and Budget Specialist III to Support the Capital Improvements Program and State/Federal Grants Charged to the Water Quality Protection CIP; Operating Budget Includes Operating Expenses [Watershed Management]	3,700	0.00
<b><u>Other Adjustments (with no service impacts)</u></b>		
Increase Cost: Pass-through to City of Gaithersburg [Watershed Management]	509,140	0.00
Shift: Storm Drain Maintenance Chargeback	327,451	0.00
Increase Cost: Maintenance of New and Newly Transferred Stormwater Management Facilities [Watershed Management]	162,000	0.00
Shift: Reallocation of Personnel Costs from the General Fund to the Water Quality Protection Charge Based on Current and Projected Workload [Watershed Management]	151,859	1.36
Increase Cost: Retirement Adjustment	97,972	0.00

	Expenditures	FTEs
Increase Cost: Annualization of Bag Tax Program [Watershed Management]	97,800	0.00
Increase Cost: Annualization of FY12 Lapsed Positions [Watershed Management]	94,540	1.10
Increase Cost: Lump Sum Wage Adjustment	77,908	0.00
Increase Cost: Group Insurance Adjustment	72,444	0.00
Increase Cost: Inspection cost of new facilities entering the program [Watershed Management]	70,500	0.00
Increase Cost: Renewal of the Inspection of Stormwater Facilities Contract [Watershed Management]	62,000	0.00
Increase Cost: Operating Budget Impacts for Stream Restoration and Storm Water Controls Projects Completed in the Capital Improvements Program [Watershed Management]	61,520	0.00
Increase Cost: CPI Increase for Stormwater Facility Maintenance Contracts [Watershed Management]	50,120	0.00
Increase Cost: Increase cost for Down County Stream Gauge Maintenance [Watershed Management]	18,310	0.00
Increase Cost: Longevity Adjustment	2,323	0.00
Increase Cost: CPI Increase for Asset Management Software contract [Watershed Management]	1,440	0.00
Technical Adj: Conversion of WYs to FTEs in the New Hyperion Budgeting System; FTEs are No Longer Measured for Overtime and Lapse	0	1.00
Technical Adj: Workforce Adjustment	0	0.04
Decrease Cost: Printing and Mail Adjustment	-380	0.00
Decrease Cost: Annualization of Personnel Costs for 4 New FY12 Positions [Watershed Management]	-1,329	0.00
Decrease Cost: Motor Pool Rate Adjustment	-10,995	0.00
Decrease Cost: Finance Chargeback for Property Tax Billing [Watershed Management]	-15,250	0.00
Decrease Cost: Elimination of One-Time Items Approved in FY12 [Watershed Management]	-630,500	0.00
<b>FY13 RECOMMENDED:</b>	<b>17,715,439</b>	<b>79.10</b>

## PROGRAM SUMMARY

Program Name	FY12 Approved		FY13 Recommended	
	Expenditures	FTEs	Expenditures	FTEs
Watershed Management	15,944,160	72.10	17,715,439	79.10
Environmental Policy and Compliance	595,880	5.70	747,465	6.44
Grants	0	1.70	0	0.00
Administration	1,073,880	4.70	764,607	5.05
<b>Total</b>	<b>17,613,920</b>	<b>84.20</b>	<b>19,227,511</b>	<b>90.59</b>

## CHARGES TO OTHER DEPARTMENTS

Charged Department	Charged Fund	FY12		FY13	
		Total\$	FTEs	Total\$	FTEs
<b>COUNTY GENERAL FUND</b>					
CIP	CIP	1,735,920	17.20	2,080,569	20.70

## FUTURE FISCAL IMPACTS

Title	CE REC.			(\$000's)			
	FY13	FY14	FY15	FY16	FY17	FY18	
<b>This table is intended to present significant future fiscal impacts of the department's programs.</b>							
<b>COUNTY GENERAL FUND</b>							
<b>Expenditures</b>							
<b>FY13 Recommended</b>	<b>1,512</b>	<b>1,512</b>	<b>1,512</b>	<b>1,512</b>	<b>1,512</b>	<b>1,512</b>	
No inflation or compensation change is included in outyear projections.							
<b>Elimination of One-Time Lump Sum Wage Adjustment</b>	<b>0</b>	<b>-26</b>	<b>-26</b>	<b>-26</b>	<b>-26</b>	<b>-26</b>	
This represents the elimination of the one-time lump sum wage increases paid in FY13.							
<b>Subtotal Expenditures</b>	<b>1,512</b>	<b>1,486</b>	<b>1,486</b>	<b>1,486</b>	<b>1,486</b>	<b>1,486</b>	
<b>WATER QUALITY PROTECTION FUND</b>							
<b>Expenditures</b>							
<b>FY13 Recommended</b>	<b>17,715</b>	<b>17,715</b>	<b>17,715</b>	<b>17,715</b>	<b>17,715</b>	<b>17,715</b>	
No inflation or compensation change is included in outyear projections.							
<b>Annualization of Positions Recommended in FY13</b>	<b>0</b>	<b>72</b>	<b>72</b>	<b>72</b>	<b>72</b>	<b>72</b>	
New positions in the FY13 budget are generally lapsed due to the time it takes a position to be created and filled. Therefore, the amounts above reflect annualization of these positions in the outyears.							

Title	CE REC.			(\$000's)		
	FY13	FY14	FY15	FY16	FY17	FY18
<b>Elimination of One-Time Items Recommended in FY13</b>	<b>408</b>	<b>-408</b>	<b>-408</b>	<b>-408</b>	<b>-408</b>	<b>-408</b>
Items approved for one-time funding in FY13, including (FILL IN ITEMS), will be eliminated from the base in the outyears.						
<b>Inspections of New Facilities</b>	<b>0</b>	<b>71</b>	<b>141</b>	<b>212</b>	<b>282</b>	<b>282</b>
These figures represent costs associated with the inspection of new above ground and underground stormwater management facilities projected to enter the Water Quality Protection Program.						
<b>Longevity Adjustment</b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>
This represents the annualization of longevity wage increments paid during FY13.						
<b>Maintenance of New and Newly Transferred Stormwater Management Facilities</b>	<b>0</b>	<b>162</b>	<b>324</b>	<b>486</b>	<b>648</b>	<b>648</b>
Expenditures reflect the maintenance requirements of new stormwater management facilities and existing stormwater management facilities that transfer into the County's maintenance program.						
<b>Operating Impacts of CIP Projects</b>	<b>0</b>	<b>-153</b>	<b>-263</b>	<b>-372</b>	<b>-482</b>	<b>-482</b>
These figures represent the impacts on the Operating Budget of projects included in the FY13-18 Recommended Capital Improvements Program.						
<b>Program Growth</b>	<b>0</b>	<b>-300</b>	<b>-350</b>	<b>-400</b>	<b>-450</b>	<b>-500</b>
These figures represent the anticipated increased of expenditures related to an increased in Water Quality Protection initiatives.						
<b>Subtotal Expenditures</b>	<b>18,123</b>	<b>17,160</b>	<b>17,233</b>	<b>17,306</b>	<b>17,379</b>	<b>17,329</b>

## ANNUALIZATION OF PERSONNEL COSTS AND FTEs

	FY13 Recommended		FY14 Annualized	
	Expenditures	FTEs	Expenditures	FTEs
Enhance: Add Planning Specialist III (Landscape Architect) for the Stormwater Facility Maintenance Program [Watershed Management]	61,473	1.00	81,964	1.00
Enhance: Add Planning Specialist III (Landscape Architect) to Increase Output of the RainScapes Program [Watershed Management]	61,473	1.00	81,964	1.00
Enhance: Add Planning Specialist III (Watershed Outreach Specialist) for the Outreach/Education Program [Watershed Management]	61,473	1.00	81,964	1.00
<b>Total</b>	<b>184,419</b>	<b>3.00</b>	<b>245,892</b>	<b>3.00</b>

FY13-18 PUBLIC SERVICES PROGRAM: FISCAL PLAN		Water Quality Protection Fund					
FISCAL PROJECTIONS	FY12 ESTIMATE	FY13 RECOMMENDED	FY14 PROJECTION	FY15 PROJECTION	FY16 PROJECTION	FY17 PROJECTION	FY18 PROJECTION
<b>ASSUMPTIONS</b>							
Indirect Cost Rate	12.59%	12.13%	12.13%	12.13%	12.13%	12.13%	12.13%
CPI (Fiscal Year)	3.1%	2.7%	2.9%	2.9%	2.7%	2.7%	2.7%
Investment Income Yield	0.2%	0.3%	0.4%	0.9%	1.6%	2.4%	2.9%
Number of Equivalent Residential Units (ERUs) Billed	248,930	248,930	248,930	248,930	248,930	248,930	248,930
Prior Year Credits (\$)	(\$31,030)	\$0	\$0	\$0	\$0	\$0	\$1
Number of Gaithersburg ERUs	14,500	14,500	14,500	14,500	14,500	14,500	14,500
Water Quality Protection Charge per ERU	\$70.50	\$92.60	\$98.00	\$102.50	\$106.50	\$110.00	\$113.00
Collection Factor for Charge	99.5%	99.5%	99.5%	99.5%	99.5%	99.5%	99.5%
<b>BEGINNING FUND BALANCE</b>	<b>3,407,660</b>	<b>2,070,500</b>	<b>2,529,410</b>	<b>3,006,410</b>	<b>3,542,030</b>	<b>4,133,850</b>	<b>4,734,610</b>
<b>REVENUES</b>							
Charges For Services	17,430,790	22,935,660	24,273,160	25,387,750	26,378,490	27,245,390	27,988,440
Bag Tax Receipts	561,640	561,640	561,640	561,640	561,640	561,640	561,640
Miscellaneous	0	10,000	10,000	30,000	60,000	90,000	110,000
<b>Subtotal Revenues</b>	<b>17,992,430</b>	<b>23,507,300</b>	<b>24,844,800</b>	<b>25,979,390</b>	<b>27,000,130</b>	<b>27,897,030</b>	<b>28,660,080</b>
<b>INTERFUND TRANSFERS (Net Non-CIP)</b>							
Transfers To General Fund	(816,690)	(4,182,950)	(4,097,620)	(4,088,010)	(4,034,660)	(4,034,660)	(4,036,160)
Indirect Costs	(771,030)	(835,140)	(825,410)	(825,410)	(825,410)	(825,410)	(825,410)
Technology Modernization	(45,660)	(85,810)	(62,710)	(51,600)	0	0	0
Pictometry	0	(52,000)	0	0	0	0	0
Transfers to Debt Service Fund (Non-Tax)	0	(3,210,000)	(3,209,500)	(3,211,000)	(3,209,250)	(3,209,250)	(3,210,750)
<b>TOTAL RESOURCES</b>	<b>20,583,400</b>	<b>21,394,850</b>	<b>23,276,590</b>	<b>24,897,790</b>	<b>26,507,500</b>	<b>27,996,220</b>	<b>29,358,530</b>
<b>CIP CURRENT REVENUE APPROPRIATION</b>							
<b>PSP OPER. BUDGET APPROP/ EXP'S.</b>	<b>(1,200,000)</b>	<b>(1,150,000)</b>	<b>(1,150,000)</b>	<b>(1,150,000)</b>	<b>(1,100,000)</b>	<b>(1,100,000)</b>	<b>(1,100,000)</b>
Operating Budget	(15,907,730)	(17,715,439)	(18,270,543)	(18,998,303)	(19,708,373)	(20,436,813)	(21,194,633)
FFI - Inspection of New Facilities	n/a	0	(141,000)	(211,500)	(282,000)	(282,000)	(282,000)
FFI - Maintenance of New and Newly Transferred Facilities	n/a	0	(255,600)	(383,400)	(511,200)	(511,200)	(511,200)
FFI - Operating Impacts of CIP Projects	n/a	0	(153,040)	(262,560)	(372,080)	(481,600)	(481,600)
FFI - Program Growth	n/a	0	(300,000)	(350,000)	(400,000)	(450,000)	(500,000)
<b>Subtotal PSP Oper Budget Approp / Exp's</b>	<b>(15,907,730)</b>	<b>(17,715,439)</b>	<b>(19,120,183)</b>	<b>(20,205,763)</b>	<b>(21,273,653)</b>	<b>(22,161,613)</b>	<b>(22,969,433)</b>
<b>OTHER CLAIMS ON FUND BALANCE</b>	<b>(1,405,166)</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>(18,512,896)</b>	<b>(18,865,439)</b>	<b>(20,270,183)</b>	<b>(21,355,763)</b>	<b>(22,373,653)</b>	<b>(23,261,613)</b>	<b>(24,069,433)</b>
<b>YEAR END FUND BALANCE</b>	<b>2,070,500</b>	<b>2,529,410</b>	<b>3,006,410</b>	<b>3,542,030</b>	<b>4,133,850</b>	<b>4,734,610</b>	<b>5,289,100</b>
<b>END-OF-YEAR RESERVES AS A</b>							
<b>PERCENT OF RESOURCES</b>	<b>10.1%</b>	<b>11.8%</b>	<b>12.9%</b>	<b>14.2%</b>	<b>15.6%</b>	<b>16.9%</b>	<b>18.0%</b>
<b>NET REVENUE</b>	<b>1,268,010</b>	<b>4,818,911</b>	<b>4,836,497</b>	<b>4,896,617</b>	<b>4,901,067</b>	<b>4,910,007</b>	<b>4,865,237</b>
<b>DEBT SERVICE COVERAGE RATIO</b>	<b>N/A</b>	<b>1.50</b>	<b>1.51</b>	<b>1.52</b>	<b>1.53</b>	<b>1.53</b>	<b>1.52</b>

**Assumptions:**

1. 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.

2. 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).

3. Residential and associated non-residential property stormwater facilities will be maintained to permit standards as they are phased into the program.

4. Operating costs for new facilities to be completed or transferred between FY14 and FY18 have been incorporated in the future fiscal impact (FFI) rows.

5. 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. The Department of Finance expects to issue \$40 million in water quality bonds in late FY12, and debt service costs included in this plan reflect only this initial debt issuance. Future WQPC rates are subject to change based on the timing and size of future debt issuance and legislation.

6. Charges are adjusted to fund the planned service program and maintain a fund balance sufficient to cover 1.5 times debt service costs.