
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 FY14 Operating Budget for the Department of Environmental Protection is \$19,982,058, an increase of \$756,178 or 3.9 percent from the FY13 Approved Budget of \$19,225,880. Personnel Costs comprise 43.0 percent of the budget for 82 full-time positions and two part-time positions. A total of 92.88 FTEs includes these positions as well as any seasonal, temporary, and positions charged to or from other departments or funds. Operating Expenses account for the remaining 57.0 percent of the FY14 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 \$3,017,000 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 FY13 estimates reflect funding based on the FY13 approved budget. The FY14 and FY15 figures are performance targets based on the FY14 recommended budget and funding for comparable service levels in FY15.

ACCOMPLISHMENTS AND INITIATIVES

- ❖ ***Certified 50 businesses since launching the Montgomery County Green Business Certification Program with the Montgomery County Chamber of Commerce and Montgomery College.***
- ❖ ***Worked with County Council on the development of ban on pavement sealants with coal tar.***
- ❖ ***Refined a regulatory approach for protecting the County's tree canopy including proposed legislation for submission to Council codifying the approach.***
- ❖ ***Restored over 3,907 linear feet of degraded stream channels and eroding stream banks in the Northwest Branch Watershed and reforested over two acres of stream buffers.***
- ❖ ***Inspected over 1,400 stormwater management facilities and performed repair and maintenance work on 1,100 of those facilities.***
- ❖ ***Provided watershed outreach information to 12,000 residents, business owners, and stakeholders at 117 local and regional events.***
- ❖ ***Constructed and encouraged others to implement RainScapes projects by completing 169 RainScapes Rewards projects on residential and private institutional properties, and trained over 230 individuals on conservation***

landscaping, rain barrels, and rain gardens.

- ❖ **Developed amendments to the Water Quality Protection Charge (WQPC) that meet all requirements of the new State law and include a more equitable residential fee system, extend coverage to all non-residential property owners, encourage on-site controls, implement credit and hardship programs, and provide a phase-in to soften the impact of increases to the Charge caused by the amendments.**
- ❖ **Developed the semi-annual groundwater monitoring reports for the closed Oaks and Gude landfills, as required by the Maryland Department of the Environment.**
- ❖ **Completed the ARRA-funded Commercial and Multi-Family Building Study, which is the first comprehensive baseline and policy analysis the County has conducted for energy efficiency in these sectors.**
- ❖ **Launched MyGreenMontgomery, a "one-stop" website related to environmental issues in Montgomery County.**
- ❖ **Productivity Improvements**
 - **Worked with Friends of Sligo Creek to implement a new direct e-mail pollution reporting method that allows a quicker response to water quality issues.**
 - **Provided training for professional designers and contractors to improve RainScapes projects submitted through the rebate program and reduce County staff time revising plans.**
 - **Enhanced Street Sweeping Program by converting from once per year residential street sweeping to twice per month arterial street sweeping to increase total miles swept and total amount of material collected without increasing expenditures. The twice monthly frequency is necessary to receive credit for treatment of impervious surfaces and pollution reduction to meet stormwater permit requirements.**
 - **Expanded participation in watershed outreach and education activities organized by and for the Latino community.**
 - **Began translations of watershed outreach and education materials into Spanish using in-house expertise to reduce time and production costs.**
 - **Launched the Stream Stewards Volunteer program to solicit and involve residents in watershed outreach and stewardship opportunities to meet stormwater permit requirements. Since January 2012, 54 volunteers have donated 345 hours of service through the Stream Stewards program.**

PROGRAM CONTACTS

Contact Gladys Balderrama of the Department of Environmental Protection at 240.777.7732 or Matt Schaeffer of the Office of Management and Budget at 240.777.2751 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 4,300 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 over 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 over 2,000 of these facilities.

Revenue for this program is generated by the Water Quality Protection Charge, applied to all residential and non-residential properties except for those in the cities of Gaithersburg, Rockville, and Takoma Park.

Program Performance Measures	Actual FY11	Actual FY12	Estimated FY13	Target FY14	Target FY15
County Watershed Stream Quality Index of Biological Integrity (IBI) Score ¹	56%	58%	59%	60%	61%
Percent of the phosphorous pollution reduction goal met ²	0.22%	1.58%	3.71%	36.37%	44.22%
Percent of the nitrogen pollution reduction goal met ³	0.10%	0.59%	1.62%	20.48%	33.70%
Percent of the impervious acreage control goal met ⁴	0.56%	2.53%	6.7%	42%	100%
Stormwater Facility Maintenance Compliance Rate ⁵	85.4	85.4%	86.4%	87.3%	87.3%

¹ The Index of Biological Integrity (IBI) score classifies watersheds by the diversity of stream life and other factors. Higher scores indicate a healthier watershed.

² Change from FY13 to FY14 due to significant increases in County stormwater management projects.

³ Change from FY13 to FY14 due to significant increases in County stormwater management projects.

⁴ Change from FY13 to FY14 due to significant increases in County stormwater management projects.

⁵ 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.

FY14 Recommended Changes	Expenditures	FTEs
FY13 Approved	17,714,898	79.10
Increase Cost: Storm Drain Maintenance charges from Department of Transportation	1,079,113	2.29
Increase Cost: Charges from M-NCPPC for their MS4 Program	479,262	0.00
Enhance: Contract Support: Administration of WQPC Credit Program and additional MS4 permit related work	200,000	0.00
Increase Cost: Lease of additional office space resulting from staffing increase and cost increases for existing space	194,074	0.00
Increase Cost: FY14 Compensation Adjustment	145,489	0.00
Increase Cost: Motor Pool Adjustment	142,415	0.00
Add: Contract Support for Administering Hardship Credit and Credit Program	89,100	0.00
Increase Cost: Annualization of FY13 Lapsed Positions	71,718	0.00
Technical Adj: Adjustment to align current M-NCPPC Stormwater Management support with FY13 appropriation	49,300	0.00
Add: Contract Support: GIS data analysis related to WQPC changes	45,760	0.00
Increase Cost: Group Insurance Adjustment	22,355	0.00
Increase Cost: Retirement Adjustment	21,735	0.00
Increase Cost: Operating expenses related to County Stormwater Management Facilities	19,000	0.00
Increase Cost: Other Labor Contract Costs	6,505	0.00
Increase Cost: Printing and Mail Adjustment	122	0.00
Increase Cost: Annualization of FY13 Personnel Costs	-18,592	0.00
Decrease Cost: Elimination of FY13 \$2,000 Lump Sum	-77,367	0.00
Decrease Cost: Elimination of One-Time Items Approved in FY13	-408,010	0.00
Technical Adj: Eliminate Gaithersburg WQPC pass through	-1,323,650	0.00
FY14 CE Recommended	18,453,227	81.39

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.

Program Performance Measures	Actual FY11	Actual FY12	Estimated FY13	Target FY14	Target FY15
Average Number of Days to Resolve Incoming Complaints	42	40	40	40	40
Percent of Customers Satisfied with DEP Response to Environmental Complaints	70.8%	72%	74%	76%	76%
Residential Building Energy Use as a Measure of Greenhouse Gas Reductions (Million British Thermal Units) ¹	37,958,498	37,183,835	36,409,172	35,634,509	34,859,845
Non-Residential Building Energy Use as a Measure of Greenhouse Gas Reductions (Million British Thermal Units) ²	32,882,190	32,211,125	31,540,060	30,868,995	30,197,930

¹ Historic data from Montgomery County fuel-energy tax records. Projected figures based on recent trends in energy consumption.

² Historic data from Montgomery County fuel-energy tax records. Projected figures based on recent trends in energy consumption.

FY14 Recommended Changes	Expenditures	FTEs
FY13 Approved	747,465	6.44
Increase Cost: Motor Pool Adjustment	14,001	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.	-3,118	0.00
FY14 CE Recommended	758,348	6.44

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 were funded by the grant. The work funded by the grant was completed in FY13.

FY14 Recommended Changes	Expenditures	FTEs
FY13 Approved	0	0.00
FY14 CE Recommended	0	0.00

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.

FY14 Recommended Changes	Expenditures	FTEs
FY13 Approved	763,517	5.05
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	6,966	0.00
FY14 CE Recommended	770,483	5.05

BUDGET SUMMARY

	Actual FY12	Budget FY13	Estimated FY13	Recommended FY14	% Chg Bud/Rec
COUNTY GENERAL FUND					
EXPENDITURES					
Salaries and Wages	1,018,258	1,004,690	972,785	1,012,022	0.7%
Employee Benefits	352,311	382,102	372,753	377,938	-1.1%
County General Fund Personnel Costs	1,370,569	1,386,792	1,345,538	1,389,960	0.2%
Operating Expenses	290,730	124,190	160,952	138,871	11.8%
Capital Outlay	0	0	0	0	—
County General Fund Expenditures	1,661,299	1,510,982	1,506,490	1,528,831	1.2%
PERSONNEL					
Full-Time	40	40	40	40	—
Part-Time	1	1	1	1	—
FTEs	10.40	11.49	11.49	11.49	—
REVENUES					
Other Charges/Fees	103,455	140,000	837,638	140,000	—
Other Fines/Forfeitures	14,255	16,000	16,000	16,000	—
Other Licenses/Permits	4,224	4,000	4,000	4,000	—
County General Fund Revenues	121,934	160,000	857,638	160,000	—
GRANT FUND MCG					
EXPENDITURES					
Salaries and Wages	127,945	0	0	0	—
Employee Benefits	26,482	0	0	0	—
Grant Fund MCG Personnel Costs	154,427	0	0	0	—
Operating Expenses	2,584,676	0	0	0	—
Capital Outlay	0	0	0	0	—
Grant Fund MCG Expenditures	2,739,103	0	0	0	—
PERSONNEL					
Full-Time	0	0	0	0	—
Part-Time	0	0	0	0	—
FTEs	1.70	0.00	0.00	0.00	—
REVENUES					
Federal Grants	4,566,270	0	0	0	—
Other Intergovernmental	10,271	0	0	0	—
Grant Fund MCG Revenues	4,576,541	0	0	0	—
WATER QUALITY PROTECTION FUND					
EXPENDITURES					
Salaries and Wages	4,891,609	5,250,824	5,101,152	5,342,242	1.7%
Employee Benefits	1,375,791	1,633,528	1,704,274	1,854,312	13.5%
Water Quality Protection Fund Personnel Costs	6,267,400	6,884,352	6,805,426	7,196,554	4.5%
Operating Expenses	9,299,388	10,805,736	10,631,672	11,256,673	4.2%
Capital Outlay	0	24,810	0	0	—
Water Quality Protection Fund Expenditures	15,566,788	17,714,898	17,437,098	18,453,227	4.2%
PERSONNEL					
Full-Time	35	42	42	42	—
Part-Time	1	1	1	1	—
FTEs	72.10	79.10	79.10	81.39	2.9%
REVENUES					
Bag Tax	871,037	561,640	2,290,000	1,832,000	226.2%
Investment Income	79	10,000	0	0	—
Miscellaneous Revenues	28,127	0	0	0	—
Water Quality Protection Fee	17,337,106	22,935,660	22,935,660	22,345,931	-2.6%
Other Charges/Fees	37,896	0	0	0	—
Water Quality Protection Fund Revenues	18,274,245	23,507,300	25,225,660	24,177,931	2.9%
DEPARTMENT TOTALS					
Total Expenditures	19,967,190	19,225,880	18,943,588	19,982,058	3.9%
Total Full-Time Positions	75	82	82	82	—
Total Part-Time Positions	2	2	2	2	—
Total FTEs	84.20	90.59	90.59	92.88	2.5%
Total Revenues	22,972,720	23,667,300	26,083,298	24,337,931	2.8%

FY14 RECOMMENDED CHANGES

	Expenditures	FTEs
COUNTY GENERAL FUND		
FY13 ORIGINAL APPROPRIATION	1,510,982	11.49
<u>Other Adjustments (with no service impacts)</u>		
Increase Cost: FY14 Compensation Adjustment	38,160	0.00
Increase Cost: Motor Pool Adjustment [Environmental Policy and Compliance]	14,001	0.00
Increase Cost: Retirement Adjustment	11,172	0.00
Increase Cost: Other Labor Contract Costs	1,595	0.00
Increase Cost: Printing and Mail Adjustment	680	0.00
Decrease Cost: Group Insurance Adjustment	-11,336	0.00
Decrease Cost: Annualization of FY13 Personnel Costs	-11,659	0.00
Decrease Cost: Elimination of FY13 \$2,000 Lump Sum	-24,764	0.00
FY14 RECOMMENDED:	1,528,831	11.49
GRANT FUND MCG		
FY13 ORIGINAL APPROPRIATION	0	0.00
FY14 RECOMMENDED:	0	0.00
WATER QUALITY PROTECTION FUND		
FY13 ORIGINAL APPROPRIATION	17,714,898	79.10
<u>Changes (with service impacts)</u>		
Enhance: Contract Support: Administration of WQPC Credit Program and additional MS4 permit related work [Watershed Management]	200,000	0.00
Add: Contract Support for Administering Hardship Credit and Credit Program [Watershed Management]	89,100	0.00
Add: Contract Support: GIS data analysis related to WQPC changes [Watershed Management]	45,760	0.00
<u>Other Adjustments (with no service impacts)</u>		
Increase Cost: Storm Drain Maintenance charges from Department of Transportation [Watershed Management]	1,079,113	2.29
Increase Cost: Charges from M-NCPPC for their MS4 Program [Watershed Management]	479,262	0.00
Increase Cost: Lease of additional office space resulting from staffing increase and cost increases for existing space [Watershed Management]	194,074	0.00
Increase Cost: FY14 Compensation Adjustment [Watershed Management]	145,489	0.00
Increase Cost: Motor Pool Adjustment [Watershed Management]	142,415	0.00
Increase Cost: Annualization of FY13 Lapsed Positions [Watershed Management]	71,718	0.00
Technical Adj: Adjustment to align current M-NCPPC Stormwater Management support with FY13 appropriation [Watershed Management]	49,300	0.00
Increase Cost: Group Insurance Adjustment [Watershed Management]	22,355	0.00
Increase Cost: Retirement Adjustment [Watershed Management]	21,735	0.00
Increase Cost: Operating expenses related to County Stormwater Management Facilities [Watershed Management]	19,000	0.00
Increase Cost: Other Labor Contract Costs [Watershed Management]	6,505	0.00
Increase Cost: Printing and Mail Adjustment [Watershed Management]	122	0.00
Increase Cost: Annualization of FY13 Personnel Costs [Watershed Management]	-18,592	0.00
Decrease Cost: Elimination of FY13 \$2,000 Lump Sum [Watershed Management]	-77,367	0.00
Decrease Cost: Elimination of One-Time Items Approved in FY13 [Watershed Management]	-408,010	0.00
Technical Adj: Eliminate Gaithersburg WQPC pass through [Watershed Management]	-1,323,650	0.00
FY14 RECOMMENDED:	18,453,227	81.39

PROGRAM SUMMARY

Program Name	FY13 Approved		FY14 Recommended	
	Expenditures	FTEs	Expenditures	FTEs
Watershed Management	17,714,898	79.10	18,453,227	81.39
Environmental Policy and Compliance	747,465	6.44	758,348	6.44
Grants	0	0.00	0	0.00
Administration	763,517	5.05	770,483	5.05
Total	19,225,880	90.59	19,982,058	92.88

CHARGES TO OTHER DEPARTMENTS

Charged Department	Charged Fund	FY13		FY14	
		Total\$	FTEs	Total\$	FTEs
COUNTY GENERAL FUND					
CIP	CIP	2,172,828	21.50	2,261,927	21.50

FUTURE FISCAL IMPACTS

Title	CE REC.			(\$000's)		
	FY14	FY15	FY16	FY17	FY18	FY19
This table is intended to present significant future fiscal impacts of the department's programs.						
COUNTY GENERAL FUND						
Expenditures						
FY14 Recommended	1,529	1,529	1,529	1,529	1,529	1,529
No inflation or compensation change is included in outyear projections.						
Labor Contracts	0	49	59	59	59	59
These figures represent the estimated cost of general wage adjustments, new service increments, and associated benefits.						
Subtotal Expenditures	1,529	1,577	1,588	1,588	1,588	1,588
WATER QUALITY PROTECTION FUND						
Expenditures						
FY14 Recommended	18,453	18,453	18,453	18,453	18,453	18,453
No inflation or compensation change is included in outyear projections.						
Labor Contracts	0	195	245	245	245	245
These figures represent the estimated cost of general wage adjustments, new service increments, and associated benefits.						
Labor Contracts - Other	0	0	-7	-7	-7	-7
These figures represent other negotiated items included in the labor agreements.						
Inspections of New Facilities	0	71	141	212	282	282
These figures represent costs associated with the inspection of new above ground and underground stormwater management facilities.						
Maintenance of New and Newly Transferred Stormwater Management Facilities	0	383	511	511	511	511
Expenditures reflect the maintenance requirements of new stormwater management facilities and existing stormwater management facilities that transfer into the County's maintenance program.						
Operating Impacts of CIP Projects	0	62	241	430	430	430
These figures represent the impacts on the Operating Budget of projects included in the FY13-18 Amended Capital Improvements Program.						
Program Growth	0	350	400	450	500	500
These figures represent the anticipated increase of expenditures related to an increase in Water Quality Protection initiatives, including the MS4 program.						
Subtotal Expenditures	18,453	19,514	19,984	20,294	20,414	20,414

FY14-19 PUBLIC SERVICES PROGRAM: FISCAL PLAN

Water Quality Protection Fund

FISCAL PROJECTIONS	FY13 Estimate	FY14 REC	FY15 PROJECTION	FY16 PROJECTION	FY17 PROJECTION	FY18 PROJECTION	FY19 PROJECTION
ASSUMPTIONS							
Indirect Cost Rate	12.13%	15.69%	15.69%	15.69%	15.69%	15.69%	15.69%
CPI (Fiscal Year)	2.2%	2.3%	2.4%	2.7%	3.2%	3.5%	3.7%
Investment Income Yield	0.16%	0.19%	0.36%	0.75%	1.35%	1.80%	2.15%
Original Rate Structure: Number of Equivalent Residential Units (ERUs) Billed	248,930	0	0	0	0	0	0
New Rate Structure: Number of Equivalent Residential Units (ERUs) Billed	n/a	276,588	326,857	372,369	372,369	372,369	372,369
New Rate Structure: Hardship Program (reduction to revenue)	n/a	(\$400,000)	(\$400,000)	(\$400,000)	(\$400,000)	(\$400,000)	(\$400,000)
New Rate Structure: SWMF Incentives (reduction to revenue)	n/a	(\$756,580)	(\$1,005,791)	(\$1,255,000)	(\$1,397,547)	(\$1,444,573)	(\$1,759,058)
Number of Gaithersburg ERUs	14,500	0	0	0	0	0	0
Water Quality Protection Charge per ERU	\$92.60	\$85.40	\$85.40	\$85.40	\$95.10	\$98.30	\$119.70
Collection Factor for Charge	99.5%	99.5%	99.5%	99.5%	99.5%	99.5%	99.5%
BEGINNING FUND BALANCE	4,322,845	5,450,252	5,561,447	7,899,309	12,487,445	14,789,790	16,999,923
REVENUES							
Charges For Services	22,935,660	22,345,931	26,368,228	29,986,310	33,437,684	34,576,280	42,190,647
Bag Tax Receipts	2,290,000	1,832,000	1,465,600	1,172,480	937,984	750,387	600,310
Subtotal Revenues	25,225,660	24,177,931	27,833,828	31,158,790	34,375,668	35,326,667	42,790,957
INTERFUND TRANSFERS (Net Non-CIP)	(3,849,590)	(4,213,509)	(4,203,776)	(4,149,390)	(8,561,540)	(8,559,240)	(8,560,340)
Transfers To General Fund	(972,950)	(1,196,509)	(1,184,576)	(1,129,140)	(1,129,140)	(1,129,140)	(1,129,140)
Indirect Costs	(835,140)	(1,129,140)	(1,129,140)	(1,129,140)	(1,129,140)	(1,129,140)	(1,129,140)
Technology Modernization	(85,810)	(67,369)	(55,436)	0	0	0	0
Pictometry	(52,000)	0	0	0	0	0	0
Transfers to Debt Service Fund (Non-Tax)	(2,876,640)	(3,017,000)	(3,019,200)	(3,020,250)	(7,432,400)	(7,430,100)	(7,431,200)
TOTAL RESOURCES	25,698,915	25,414,674	29,191,499	34,908,709	38,301,573	41,557,217	51,230,540
CIP CURRENT REVENUE APPROPRIATION	(1,400,000)	(1,400,000)	(1,400,000)	(1,400,000)	(1,400,000)	(1,450,000)	(1,450,000)
PSP OPER. BUDGET APPROP/ EXP'S.							
Operating Budget	(17,437,098)	(18,453,227)	(18,831,747)	(19,490,467)	(20,271,487)	(21,146,497)	(22,103,527)
FFI - Inspection of New Facilities	0	0	(70,500)	(141,000)	(211,500)	(282,000)	(282,000)
FFI - Maintenance of New and Newly Transferred Facilities	0	0	(383,400)	(511,200)	(511,200)	(511,200)	(511,200)
FFI - Operating Impacts of CIP Projects	0	0	(62,000)	(241,000)	(430,000)	(430,000)	(430,000)
FFI - Program Growth	0	0	(350,000)	(400,000)	(450,000)	(500,000)	(500,000)
FFI - Labor Contracts	0	0	(194,543)	(237,597)	(237,597)	(237,597)	(237,597)
Subtotal PSP Oper Budget Approp / Exp's	(17,437,098)	(18,453,227)	(19,892,190)	(21,021,264)	(22,111,784)	(23,107,294)	(24,064,324)
OTHER CLAIMS ON FUND BALANCE	(1,411,565)	0	0	0	0	0	0
TOTAL USE OF RESOURCES	(20,248,663)	(19,853,227)	(21,292,190)	(22,421,264)	(23,511,784)	(24,557,294)	(25,514,324)
YEAR END FUND BALANCE	5,450,252	5,561,447	7,899,309	12,487,445	14,789,790	16,999,923	25,716,216
END-OF-YEAR RESERVES AS A PERCENT OF RESOURCES	21.2%	21.9%	27.1%	35.8%	38.6%	40.9%	50.2%
NET REVENUE	4,819,452	4,528,195	6,951,605	9,245,983	11,372,341	11,327,830	17,835,090
DEBT SERVICE COVERAGE RATIO	1.50	1.50	2.30	3.06	1.53	1.52	2.40

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. In FY14, the Water Quality Protection Charge rate structure will change as outlined in Bill 34-12. Beginning in FY14, the Water Quality Protection Charge is applied to all residential and non-residential properties except for those in the cities of Gaithersburg, 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 median amount of impervious surface per single-family residential unit in Montgomery County).
3. Stormwater facilities transferred into the maintenance program 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 FY15 and FY19 have been incorporated in the future fiscal impact (FFI) rows.
5. 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). The actual debt service costs for the Series 2012A bond issuance and projected debt service for bond issuances of \$55 million in FY2016 and a \$65 million bond issuance in FY2018 are included in the fiscal plan. Future WQPC rates are subject to change based on the timing and size of future debt issuance, State Aid, 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.