



Rockville Utilities

Rockville's four utility funds are enterprise funds. They function like a private business, with costs fully recovered through user charges. The utility funds are the water fund, the sewer fund, the refuse fund, and the stormwater management fund.

Revenue from the funds pays for repairs and replacement of aging water and sewer pipes and other infrastructure vital to providing these services, and for required payments to the Washington Suburban Sanitary Commission related to a regional wastewater treatment plant. The city does not control the amount paid for regional wastewater treatment.

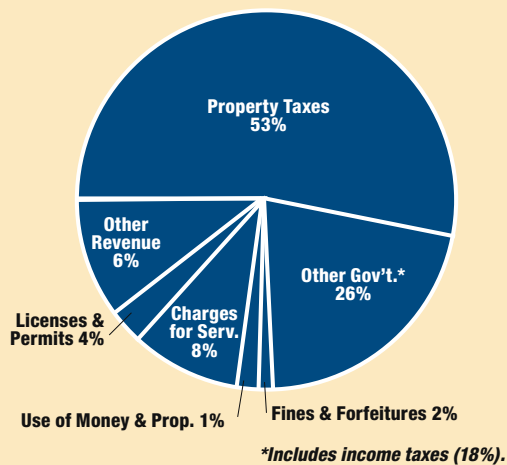
The water rate structure through calendar year 2021 is a tiered system that is based on meter size. Starting in January 2022, the city will transition to a rate structure that is based on property classification, namely single family, multifamily, and nonresidential. This new structure more equitably distributes the cost of providing water and sewer service.

Based on the proposed FY22 rates, annual residential expenses for city utilities for a sample family of four would increase by \$42.70.

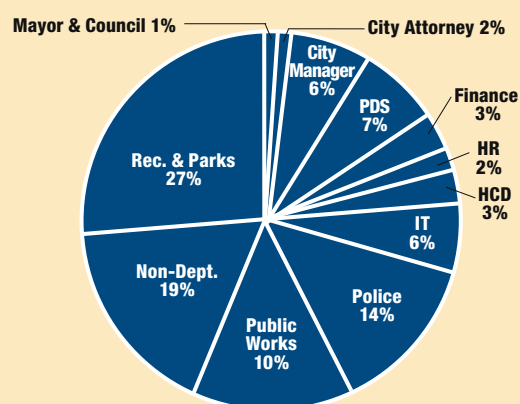
For tables illustrating the annual financial impact of changes to the city's fees and charges for a sample household, see page 28 of the proposed budget at www.rockvillemd.gov/budget.

Understanding the General Fund

Proposed FY22 General Fund Revenues



Proposed FY22 General Fund Expenditures



Budget Watch: Fiscal Year 2022

Rockville's Mayor and Council continue budget deliberations this month with public hearings and work sessions focused on crafting a Fiscal Year 2022 budget that outlines the city's priorities.

City Manager Rob DiSpirito on Feb. 22 presented the Mayor and Council with a FY 2022 budget proposal that addresses the impacts of the COVID-19 pandemic on the Rockville community.

"Due to the financial pressures on the Rockville community as a result of the pandemic, the proposed budget includes no increases in real or personal property tax rates, a six-month delay in adjustments to the city's water and sewer utility rates, a modest increase of \$14 per year for the refuse and recycling rate, and no increase in the stormwater management fee," DiSpirito wrote in a letter introducing the budget.

Find video of the presentation with the Feb. 22 meeting listing at www.rockvillemd.gov/AgendaCenter.

The budget, which covers the fiscal year that begins July 1, is scheduled for adoption by the Mayor and Council on Monday, May 3.

The proposed FY 2022 operating budget of \$139.7 million is a decrease of less than 1% from the FY 2021 adopted budget. The general fund budget, which supports the largest portion of the operating budget, is \$85.3 million, a 0.8% increase.

The city's current real property tax rate of \$0.292 per \$100 of assessed valuation would remain the same for FY22. All residential and commercial property owners pay this tax. Rockville has not increased its property tax rate since 1995.

The proposed budget prioritizes assistance to the community impacted by the COVID-19 pandemic. It includes a grant that is \$45,000 above traditional funding for caregiver agencies to assist residents with food, housing, utilities and other critical services and a \$15,200 subsidy to the Farmers Market Eat Fresh Program, to provide fresh and healthy foods to individuals who qualify. The budget also commits \$270,000 in reserve funds toward redesigning the city's website and

\$150,000 for software that facilitates easier access to city services.

Other priorities in the proposal include:

- \$3 million for the Department of Housing and Community Development, created in 2020 to more effectively address the need for affordable housing and social services.
- \$1.4 million for Rockville Economic Development, Inc., to recruit, retain and conduct outreach to Rockville businesses.
- Transportation, pedestrian and bicycle safety improvement projects to support Vision Zero, a strategy to eliminate all traffic and pedestrian fatalities and severe injuries, while increasing safe, healthy, and fair mobility for all.
- Developing the city's sustainability initiatives and

Climate Action Plan.

- Social justice, inclusion and diversity initiatives.

The proposal funds an assistant to the city manager for equity, inclusion and diversity, as well as a mental health specialist for the police department.

The proposed FY 2022-FY 2026 CIP, the five-year plan for funding new construction and infrastructure maintenance, includes \$20.8 million in new funding, combined with a carryover of \$55.4 million to support 45 projects during the fiscal year. ✚

OFFER YOUR IDEAS

- Using the budget survey, in English and Spanish, at www.rockvillemd.gov/budget.
- At public hearings during the Mayor and Council meetings on March 1 and April 12.

FY 2022 BUDGET AT A GLANCE CALENDAR

- **Monday, March 1:** Work session and public hearing.
- **Monday, March 22:** Work session.
- **Monday, April 12:** Public hearing.
- **Friday, April 16:** Close of budget public record.
- **Monday, April 19:** Work session.
- **Monday, May 3:** Adoption of FY22 operating budget and Capital Improvements Program.
- **Thursday, July 1:** FY 2022 begins.

For information about how to testify at hearings, find agendas, posted the week before each date at www.rockvillemd.gov/AgendaCenter.

Meetings are broadcast on channel 11 on county cable, livestreamed at www.rockvillemd.gov/rockville11, and available a day after each meeting at www.rockvillemd.gov/videoondemand.

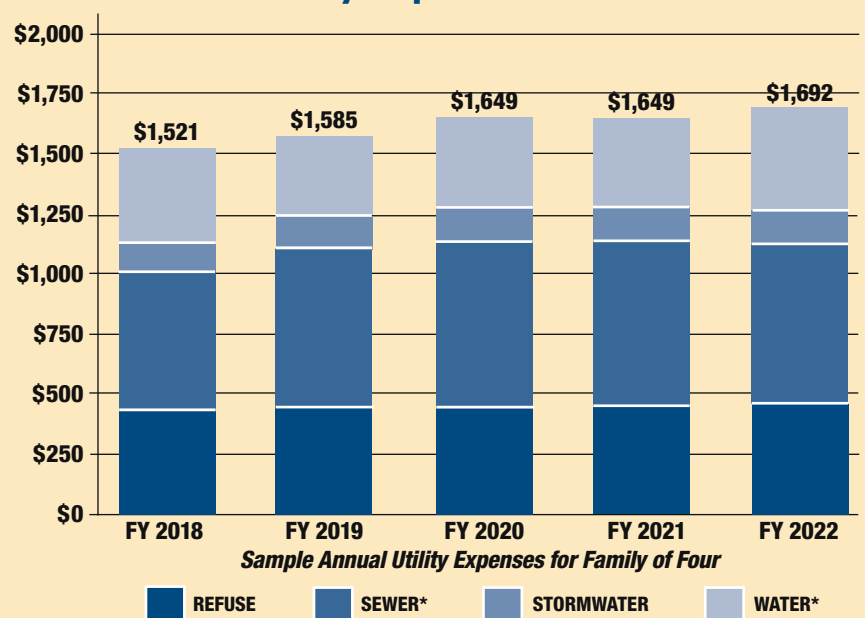
To review the proposed budget, visit www.rockvillemd.gov/budget.

Proposed Rockville Utility Rates

Based on the proposed FY22 rates, annual residential expenses for city utilities for a sample family of four would increase by \$42.70 for the year.

	ADOPTED FY 2021	PROPOSED FY 2022
Refuse and Recycling Rate	\$445 per year	\$459 per year
Sewer Rate*	\$679.48 per year	\$671.56 per year
Stormwater Management Rate	\$132 per year	\$132 per year
Water Rate*	\$392.96 per year	\$429.58 per year

Past Five Years of Utility Expenses



• Nearly all the capital costs in the sewer fund, and a substantial portion of the operating costs, are payments that are not controlled by the city for the operation of and capital improvements to the District of Columbia Water and Sewer Authority's Blue Plains Wastewater Treatment Plant. For more on water and sewer rates, see page 371 of the proposed budget. Find the proposed budget at www.rockvillemd.gov/budget.



WHAT ARE WE CELEBRATING THIS MONTH? March is packed — not only is it Women's History Month, March celebrates the American Red Cross, Irish-American heritage, middle level education, youth art, and music in our schools. It's also National Celery Month, which tangentially fits with March as National Nutrition Month, as well as National Professional Social Work Month. (St. Patrick's Day is Wednesday, March 17. Have fun, but be responsible!)