Resolution No.: 20-1246
Introduced: October 27, 2026
Adopted: October 27, 2026

COUNTY COUNCIL
FOR MONTGOMERY COUNTY, MARYLAND

Lead Sponsor: County Council

SUBJECT: Establishment of Spending Control Limits for Use in the Preparation of the FY28 Capital and Operating Budget of the Washington Suburban Sanitary Commission

Background

1. When the Montgomery and Prince George's County Councils approved the FY94 budget of the Washington Suburban Sanitary Commission (WSSCWater) in May 1993, their concern about rising WSSCWater rates, debt and debt service led them to create a Bi-County Working Group on WSSCWater Spending Controls to review WSSCWater's finances and recommend spending control limits to guide the preparation of the WSSCWater budget.

2. The Working Group's January 1994 report recommended "the creation of a spending affordability process that requires the Counties to set annual ceilings on WSSCWater's rates and debt (debt in this context means both bonded indebtedness and debt service), and then place corresponding limits on the size of the capital and operating budgets of the Commission."

3. On February 15, 1994, the Prince George's County Council adopted Resolution CR-12-1994. This resolution proposed a Bi-County Rate Affordability Committee (RAC), which would transmit to the two Councils before October 15 of each year recommended "limits to the increase of debt and debt service in the WSSCWater water and sewer operating budget and to the increase of WSSCWater water and sewer rates for the next fiscal year", as well as "debt and rate targets for the next six years."

4. On April 5, 1994, the Montgomery County Council adopted Resolution 12-1558, which calls for the establishment of a WSSCWater spending affordability process in each county. Under this process, each Council appoints a Spending Affordability Committee (SAC); for Montgomery County, the SAC is the Transportation & Environment Committee. Each SAC recommends spending control limits to its Council, and each Council recommends limits and transmits them to the other Council. Spending control limits are "ceilings on elements of the WSSCWater capital and operating budgets in the following year that have

been selected by the SACs. Spending control limits must include ceilings on debt and debt service."

5. Both Councils' resolutions provide for the Councils to adopt identical spending affordability resolutions for the following fiscal year. Both resolutions state that the Councils must not approve a WSSCWater budget in excess of the approved Bi-County spending control limits unless a majority of each Council votes to raise the limits.

6. A public hearing was held on September 29, 2026.

7. On October 12, 2026 the Transportation & Environment Committee discussed spending control limits for WSSCWater's FY28 Operating Budget.

8. The County Council held a worksession on October 27, 2026.

Action

The County Council for Montgomery County, Maryland approves the following resolution:

1. The Montgomery County Council recommends to the Prince George's County Council the joint establishment of four spending control limits for use in preparation of the FY28 WSSCWater capital and operating budget.

2. These spending control limits are:

• New debt:	$547,488,000
• Water and Sewer Debt service:	$419,577,000
• Total water/sewer operating expenses:	$1,269,073,000
• Maximum average rate increase:	7.0%

3. Montgomery County Council action on FY28 spending control limits does not presume approval of any specific level of WSSCWater workforce compensation or benefits adjustments for FY27. Compensation and benefits decisions for the FY28 budget will be made during the budget review process next spring, in the context of the Council's review of compensation and benefit adjustments across all County agencies.

This is a correct copy of Council action.

Sara R. Tenenbaum
Clerk of the Council