

# FY 2027 Proposed Budget

Worksession #3

CIP Overview, Debt Review, Final Balancing

April 13, 2026





# FY 2027 Capital Improvements

- ✓ CIP Overview
- ✓ Capital Budget and Debt Overview
- ✓ New Capital Projects by Program Area
- ✓ Final Balancing





# **CIP Overview**



# Capital Improvements Program

The **CIP** is a five-year capital investment plan which includes both recurring projects and discrete non-recurring projects

Projects are organized into five program areas:

- ▶ General Government
- ▶ Recreation and Parks
- ▶ Stormwater Management
- ▶ Transportation
- ▶ Utilities

Rockville currently has a total of **\$22 million** in taxpayer supported debt and **\$78 million** in Enterprise Fund Debt.

During FY 2027 the city will retire \$10.3 million in outstanding debt.



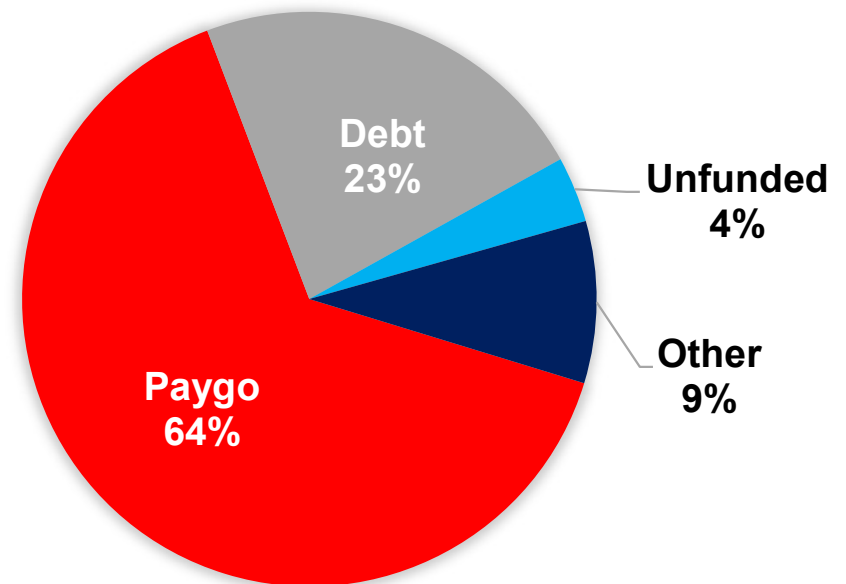
# CIP Funding Sources

The CIP reflects multiple **funding sources**. The city seeks outside funding sources when possible to meet capital needs without affecting taxpayers and/or ratepayers.

## FY 2027 Proposed New Appropriations by Source

Funding sources include:

- ▶ Paygo funding
- ▶ Debt proceeds (bonds/loans)
- ▶ Grant funding
- ▶ Developer funding
- ▶ Other funding sources





# Future Bond Issuance

The FY 2027 CIP includes new appropriations of \$8 million that will be included with future new bond funding (planned for FY 2028). Bonds will support multiple capital projects in the Water and Sewer Funds highlighted below:

- ▶ Blue Plains Wastewater Treatment (UA26)
- ▶ Lead and Copper Regulatory Compliance (UB26)
- ▶ SCADA Improvements (UE16)
- ▶ Sewer Rehab & Improvements (UC26)
- ▶ Water Meter Replacement and AMI Implementation (UB21)
- ▶ Water Treatment Plant Projects (UD16/UA24)



MOODY'S  
INVESTORS SERVICE

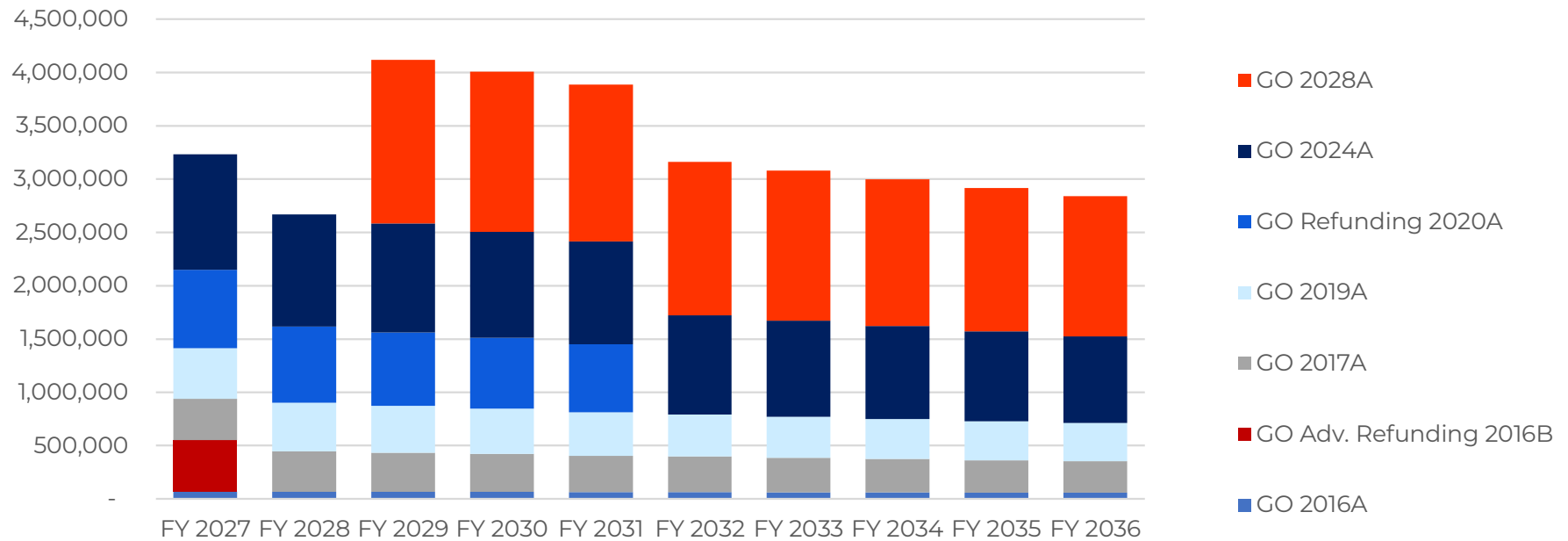
**S&P Global**  
Ratings



# Taxpayer Supported Debt Service

The chart shows a 10 year outlook for taxpayer supported debt service.

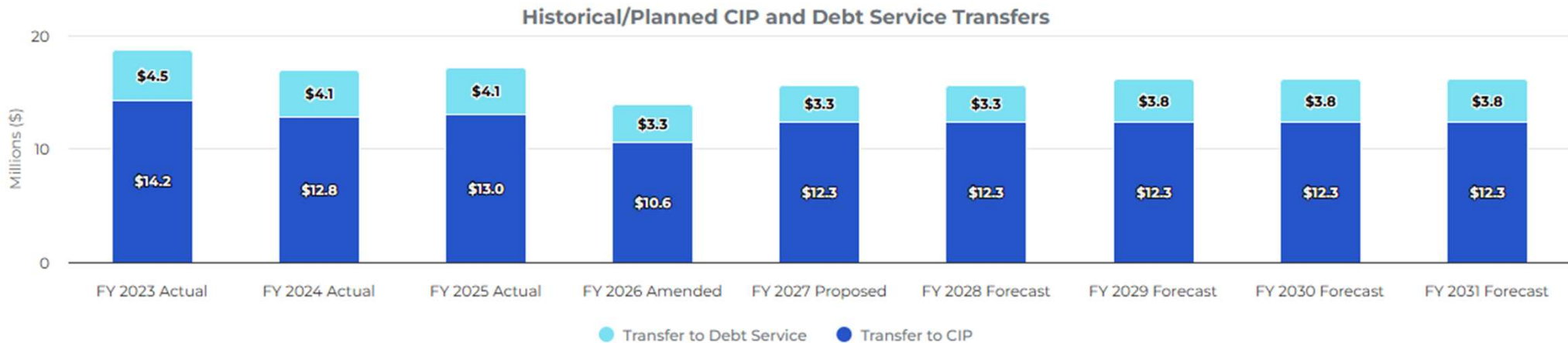
Debt Service Outlook - Taxpayer Supported





# General Fund Transfers

The General Fund provides [paygo transfers](#) to the CIP and [debt service transfers](#) for taxpayers-supported debt. The FY 2027 budget proposes a \$12.3 million CIP transfer and a \$3.3 million debt service transfer.





# **FY 2027 CIP Budget**



# FY 2027 CIP Budget

The FY 2027 proposed CIP includes **\$35.2 million of new appropriations** for capital projects across five program areas. The budget also includes \$93.1 million in carryover capital funding for total appropriations of \$128.3 million.

FY 2027 CIP Appropriations by Program Area

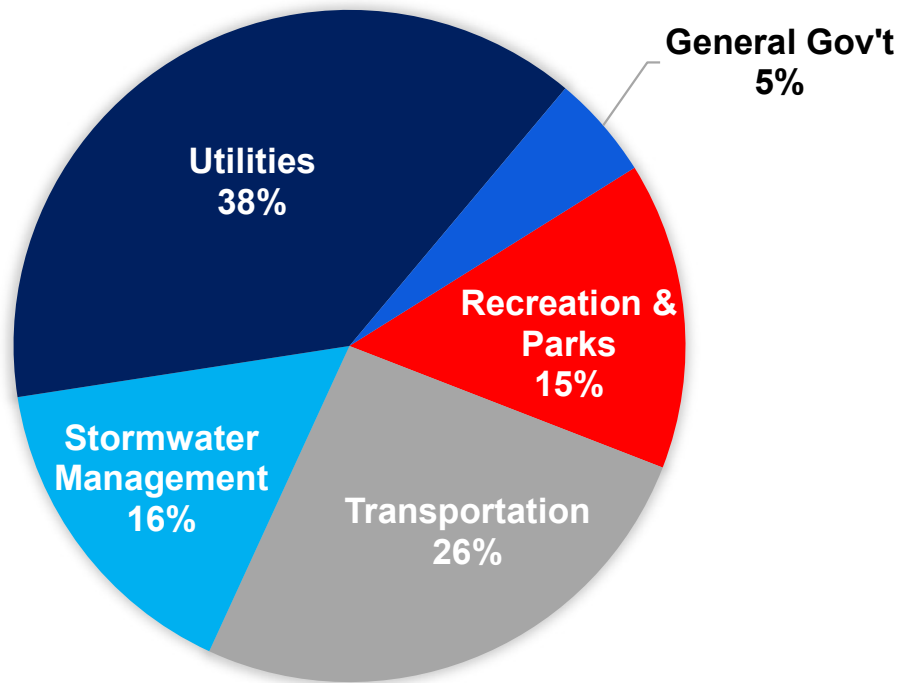
Program Area	Historical Budget	Spent as of 2/12/26	Carryover Funding*	New FY 2027 Funding	Total FY 2027 Appropriations
General Government	28,051,270	23,618,874	4,432,396	1,991,140	6,423,536
Recreation and Parks	24,718,416	14,075,779	10,642,637	8,315,840	18,958,477
Stormwater Management	21,044,674	1,997,860	19,046,814	1,094,000	20,140,814
Transportation	28,055,503	8,863,331	19,192,172	14,105,820	33,297,992
Utilities	45,106,187	5,362,016	39,744,171	9,688,000	49,432,171
<b>Total (\$):</b>	<b>146,976,050</b>	<b>53,917,860</b>	<b>93,058,190</b>	<b>35,194,800</b>	<b>128,252,990</b>

*\*The carryover amount will be updated for the adopted budget ordinance to reflect expenses to date.*



# FY 2027 CIP Budget by Program Area

## FY 2027 CIP Funding by Program Area



The CIP budget supports new and current infrastructure, maintenance and safety improvements, and information technology improvements.

The total appropriations of **\$128.3 million** are allocated to the five program areas.



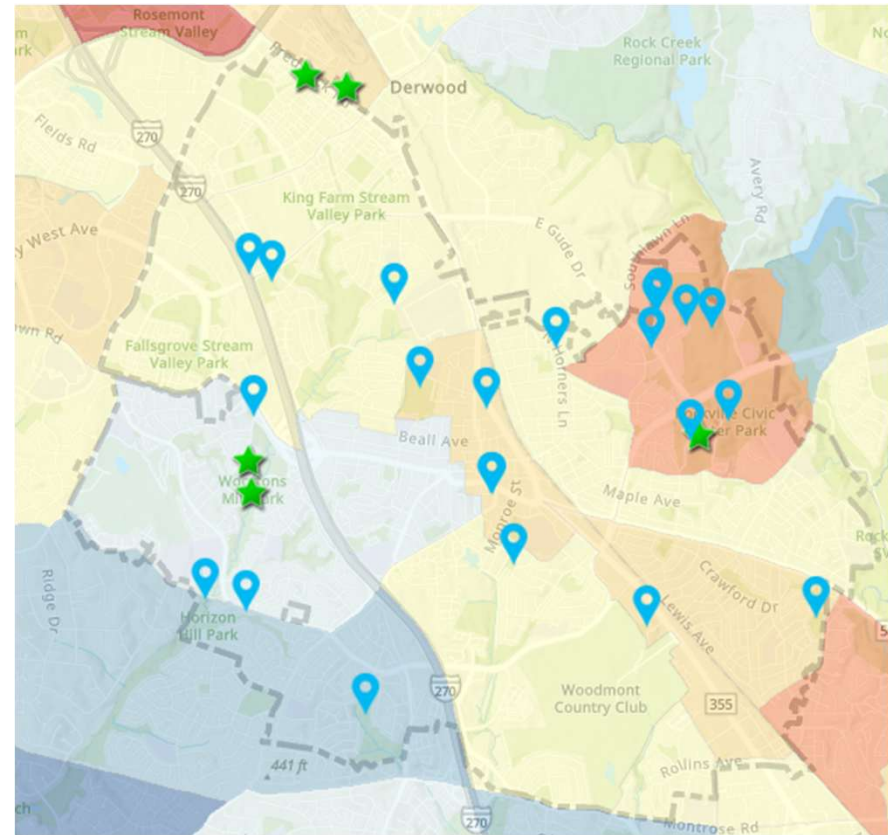
# **Capital Projects Highlights**



# FY 2027 CIP Map

While each project page for discrete projects now includes a map, a citywide map for the five-year capital planning period was created and also now includes an optional overlay for the Community Equity Index (CEI).

[www.rockvillemd.gov/FY27CIPprojects](http://www.rockvillemd.gov/FY27CIPprojects)



# General Gov't Projects – FY27 Highlights



The projects in the General Government Program Area focus on planning, designing, constructing, and rehabilitating city facilities (with the exception of the recreation facilities), and improving the city information and communication systems. Included are projects that do not clearly fit into one of the other program areas of the CIP.

New Projects for FY 2027:

- ▶ **Building Energy Performance Improvements (NEW1)**





# R&P Projects – FY27 Highlights

The projects in the Recreation and Parks Program Area focus on acquiring, maintaining, and improving the quality, attractiveness, infrastructure, and usability of the city's parks, open spaces, forest areas, and rights-of-way, as well as constructing and maintaining all of the city's recreation facilities.

New Projects for FY 2027:

- ▶ Civic Center Maint. Yard Improvements (NEW2)
- ▶ King Farm Farmstead Park Master Plan Implementation - Phase 1 (NEW3)
- ▶ Woottons Mill Park Pavilion (NEW4)



# Stormwater Projects – FY27 Highlights



The projects in the Stormwater Management Program Area focus on improving, creating, restoring, and maintaining the city stormwater management infrastructure including streams, stormwater treatment facilities, storm drain system, and flood conveyance system.

New Projects for FY 2027:

- ▶ Stream Restoration: Woottons Mill Park (NEW5)



# Transportation Projects – FY27

## Highlights



The projects in the Transportation Program Area focus on providing safe and sustainable city streets, bridges, sidewalks, streetlights, traffic signals, and pedestrian and bicycle facilities in accordance with County, State, and federal standards; city transportation plans and policies; and the Vision Zero and Climate Action Plans.

New Projects for FY 2027:

- ▶ Shady Grove WMATA Access Road  
Streetlighting (NEW6)





# Utilities Projects – FY27 Highlights

The projects in the Utilities Program Area focus on rehabilitating, modifying, and building new infrastructure for sustainable and resilient city water and wastewater systems including the water distribution system, water meters, water tanks, Water Treatment Plant (WTP), wastewater collection system, and the Blue Plains Advanced Wastewater Treatment Plant (owned and operated by DC Water).

New Projects for FY 2027:

- ▶ Water Treatment Plant Storm Drain and Culvert Rehabilitation (NEW7)





# Potomac Interceptor Incident

## What Happened?

- A major failure occurred in a large wastewater interceptor line serving the region
- Resulted in discharge of wastewater in and around the Potomac River
- Required immediate response to contain flows and stabilize the system. Emergency Repairs are complete.

## What Was Already Underway?

- Ongoing inspection, maintenance, and rehabilitation of aging interceptor infrastructure
- Planned capital investments to improve system reliability and capacity
- Regional coordination among utilities to invest in upgrades and protect water quality

The city anticipates that its share of funding can be accommodated within the city's Blue Plains Wastewater Treatment: FY26- FY30 (UA26) project



# **Final Balancing Exercise**