



# Montgomery County Council

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**For Immediate Release**

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**Council fills holes left by Ehrlich cuts in education,  
transportation, human services...**

## **COUNCIL ANNOUNCES \$3.3 BILLION OPERATING BUDGET FOR COMING YEAR THAT PUTS SCHOOLS FIRST, CUTS PROPERTY TAXES**

*6-Year Capital Program Funds 10 New Schools & 710 New Classrooms,  
Boosts County Spending on Transportation by \$67 Million*

The Montgomery County Council today announced agreement on a budget for the fiscal year beginning July 1 that mixes record support for public schools with County funding for critical programs cut by Governor Ehrlich – and includes nearly \$11 million in property tax relief.

The Council also unveiled a six-year, \$2.2 billion Capital Improvements Program – an overall 26 percent increase. The schools increase is \$271 million – or a 43 percent -- and gives priority to new school construction and modernizations to relieve school overcrowding. The \$521 million for transportation projects to address traffic congestion and mobility is a \$67 million, or 14.7 percent, increase in County spending on transportation.

The \$3.3 billion operating budget includes a \$1.6 billion operating budget for the public schools – a 7.3 percent increase over last year and a \$21.2 million increase over the County Executive's proposed budget.

The Council funded key programs not included in the County Executive's proposed budget, including restoration of hours of operation and staffing for County libraries, an additional Fire recruit class, a "Community Pharmacy" for uninsured residents, frail elderly home care and senior transportation, critically-needed parks maintenance, closing cost assistance for first-time homebuyers, expanded recycling, and after-school programs for at-risk youth.

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“We are responding to critical needs in our community,” said Council President Steve Silverman. “We focused on filling gaps in critical services left by Governor Ehrlich’s cuts – and giving back to County residents part of the \$31 million we paid for the Governor’s five-cent property tax increase last year.”

“The Governor promised to fully fund education – and then cut the promised Thornton education funding to Montgomery County by \$15 million. Our County received only \$9 million in school construction money – out of nearly \$60 million worth of eligible projects to address overcrowded schools and needed modernizations.

“And Bob Ehrlich didn’t replace the tens of millions of Montgomery County monies he took from the state Transportation Trust Fund last year. As a result of this year’s state actions on transportation, the only new state transportation projects we’ll see in the coming year are an interchange at Rockville Pike and Montrose Parkway and a widening of part of Woodfield Road north of Gaithersburg. Our needs – and our list – are much, much longer.

“In health and human services, the state has pulled back and we are carrying more of the load for child welfare workers and mental health services. The state also left us holding the bag by cutting funding for substance abuse services for children and adolescents and senior services.

“Despite the state’s action, the buck stops here at local government – and the Council has met the challenge,” said Council President Silverman.

The capital budget increase provides funds needed to build an additional 710 new classrooms over the next six years by :

- building or reopening 10 schools (2 high schools, 2 middle schools, and 6 elementary schools),
- building 21 additions at existing schools, and
- including additions as part of modernization projects

The schools’ capital budget also includes funding to build gymnasias at all 33 elementary schools that do not already have them, accelerate elementary and high school modernization schedules, and provide restroom improvements at 47 schools not on the modernization schedule.

On the revenue front, the Council reduced the property tax rate by one cent per \$100 assessed valuation, a \$10.8 million cut in property taxes for County homeowners. To pay for that tax cut and to meet critical needs shortchanged by state cuts, the Council increased the energy tax by \$39.6 million -- or 52.1 percent -- at an annual average cost to homeowners of \$37. Seventy percent of  
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the energy tax is paid by businesses and by federal facilities otherwise exempt from County taxes. The Council also increased the admissions and amusement tax from 7 percent to 10 percent.

Among the highlights of the budget, the Council:

*In Education...*

- Approved a \$1.6 billion operating budget for the public schools -- \$21.2 million more than proposed by the County Executive . This 7.3 percent increase over last year's schools budget works out to a record \$11,420 in spending per student for the County's 140,718 students
- Expanded full-day kindergarten to 17 new schools -- from 56 to 73 – moving toward a goal of having full-day kindergarten in all elementary schools by 2007
- Increased the local share of school construction funding to open and re-open 10 new schools, build additions to 21 schools, add gymnasias to 33 elementary schools without them, and renovate restrooms at 47 schools not on the modernization list
- Preserved class-size reduction initiatives in reading and math classes
- Approved funding for 250 more children in pre-kindergarten programs, and increased funding for school health services and the Child Assessment Center
- Doubled capital spending for Montgomery College, including \$8 million for replacement and upgrades of information technology at all three campuses, the Rockville Science Center and the Germantown Bioscience Center, as well as renovations to the Takoma Park campus
- Fully funded the College's \$150 million operating budget request
- Expanded the Linkages to Learning school-based health, mental health and social services programs for at-risk youth
- Increased funding for tutoring at-risk children by \$100,000
- Approved \$200,000 for the George B. Thomas Learning Academy's Saturday school for academic support
- Approved funding for tutoring and after school programs through a number of community organizations

*In Transportation and Public Works...*

- Approved construction funding for the Montrose Parkway to improve mobility between I-270 and Rockville Pike
- Added funds to start construction on another Glenmont Metro garage  
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- Added “Freewheeling Days” to provide free Ride-On bus service on the 15 routes serving the County’s most congested areas
- Lowered two-week Ride-On pass prices from \$12 to \$10 and reducing the proposed increase in the 20-ride Ride-On pass price from \$21 to \$18
- Funded resurfacing of 75 miles of roads in 2004 and 2005
- Expanded Call ‘N Ride program by \$575,000 to meet higher demand from low-income elderly and disabled residents
- Approved funding for Father Hurley Boulevard Extended which will connect South Germantown to Germantown Town Center
- Added funding to accelerate improvements on five County roads that will increase traffic-carrying capacity
- Purchased 21 new natural gas buses, five new hybrid buses, and seven new smaller Ride-On buses
- Approved construction of missing sidewalk segments along U.S. 29
- Added \$150,000 to increase tree maintenance
- Approved \$15,000 for graffiti abatement
- Added \$50,000 for trail maintenance, which received no funding in the County Executive’s budget
- Added \$75,000 to address backlog of pending traffic studies
- Added \$250,000 to improve County traffic signalling
- Added \$200,000 to Fare Share/Super Share incentives to encourage employees to use mass transit
- Added \$409,000 to extend Ride-On hours on some routes to earlier in the morning and later in the evening and on the weekend

*In Public Safety...*

- Added a second Fire & Rescue recruit class to begin in FY05 for \$737,000
- Restored full funding for a Gang Prosecutor in the State’s Attorney’s office, and added an Assistant State’s Attorney to focus on juvenile crime
- Added Fire & Rescue personnel for Kensington Stations 18 and 21, and upgraded life support units at Germantown Station 29 and Rockville Station 31
- Approved \$4.6 million to support and enhance public safety technology
- Approved funding to build a new Travilah Fire Station and renovate the Cabin John and Burtonsville Fire Stations
- Approved funding for relocation of Wheaton Rescue Squad
- Approved new district police stations in Gaithersburg/Montgomery Village and Silver Spring

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- Approved renovation of the Montgomery County Detention Center, upgrading of the Sheriff's holding facilities, 11 new courtrooms in the Judicial Center
- Added a part-time librarian at the Montgomery County Correctional Facility

*In Libraries...*

- Restored \$300,000 to increase staffing at County libraries
- Approved \$205,000 to restore hours of operation cut at Bethesda, Gaithersburg, and Wheaton libraries
- Increased funding for the library system's collections budget by \$173,000
- Approved funding to build the new Rockville and Germantown libraries, select the final site for a new Silver Spring library, design a library in the Clarksburg Town Center, and renovate the Wheaton Library

*In Health & Human Services...*

- Approved \$350,000 for a "Community Pharmacy" for 11 non-profit clinics that serve the estimated 80,000 County residents without health insurance with the most common prescription drugs
- Added \$100,000 for mental health services for children who are victims of domestic violence
- Increased funding for the local earned income tax credit for the working poor by \$2.6 million, bringing total County support to \$8 million for 19,330 families
- Approved \$ 350,000 to establish an Asian American Health program, while strengthening the existing African American and Latino health initiatives
- Increased funding for Emergency Services Grants to households to prevent eviction and utility shut-offs
- Approved funding to continue improvements in the County's mental health system
- Included a 1 percent inflation adjustment for HHS non-profit contractors
- Increased funding for in-home aide, chore services, and respite services for seniors by \$265,000
- Expanded the Maternity Partnership Program by \$170,000
- Approved \$20,000 to repair and upgrade Mobile Medical Care's van
- Approved \$25,000 for Our House's youth residential program
- Approved \$25,000 for Rebuilding Together house for low-income seniors and people with disabilities
- Approved \$20,000 for the Red Wiggler Community Farm  
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- Approved \$30,000 for the UpCounty Interfaith Clothing Center
- Increased funding for the Community Clinic Network by \$100,000 to advance electronic recordkeeping
- Increased senior transportation funding by \$100,000
- Expanded mental health safety net services at the County's Multicultural Mental Health Clinic by \$116,800
- Expanded non-winter homeless shelter capacity and case management with \$121,300
- Approved \$50,000 to ARC of Montgomery County for After All program for children with developmental disabilities
- Approved \$20,000 to the African Immigrant and Refugee Foundation for tutoring and mentoring
- Approved \$20,000 for the Caribbean Help Center's employment and educational assistance
- Approved \$60,000 for Centro Familia's training for Spanish-speaking health care providers
- Approved \$34,000 for Food and Friends' meal delivery to persons with life-threatening illnesses
- Approved \$20,000 for Great Strides Therapeutic Riding
- Approved \$15,000 for Impact Silver Spring's community involvement tool kit
- Approved \$51,440 for the Interages intergenerational program
- Approved \$25,000 for in-home aide services provided by the Korean American Senior Citizens Association
- Approved \$35,000 to the Mental Health Association for crisis preparedness
- Approved \$45,000 to the Migrant and Refugee Cultural Support to assist immigrants who are victims of domestic violence
- Approved \$10,000 to Potomac Community Resources for outreach to the developmentally disabled
- Approved \$45,000 for the Senior Health Insurance Assistance Program
- Approved \$30,000 to TransCen for supported employment for young adults with disabilities
- Approved \$90,000 for the Korean American Association of Maryland for social services, housing counseling, and computer training
- Approved \$45,000 for the Korean Community Center of Greater Washington for senior health and mental health outreach
- Approved \$40,000 to the League of Korean Americans for education and training

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- Approved \$20,000 to Top Banana for grocery delivery to low-income seniors
- Approved \$45,000 to the Washington Youth Foundation for after school program and family counseling
- Approved \$125,000 to Adventist Health Care for capital funds for child inpatient psychiatric services
- Approved \$35,000 for Catholic Charities' relocation costs
- Approved \$80,000 to the Jewish Community Council of Greater Washington for event security at the Macabee Games, for assistance to new Russian immigrants, and to design an emergency preparedness plan
- Approved \$20,000 to the Jewish Foundation for Group Homes to buy a van
- Approved \$35,000 to the Lt. Joseph P. Kennedy Institute to buy a van
- Approved \$10,000 for the after school program of the Luther Rice Neighborhood Center

*In Taxes and Finances...*

- Included for coming year millions of dollars in budget savings from FY2003 and FY2004 mid-year budget cuts
- Reduced County property taxes by \$10.8 million by cutting the average tax rate by one cent, from \$1.07 to \$1.06 per \$100 of assessed valuation
- Increased the County admissions and amusements tax from 7 percent to 10 percent, yielding an added \$1.2 million to be dedicated to arts and humanities
- Raised the County energy tax by \$39.6 million – a 52.1 percent increase – costing an average household about \$37
- Restored the County's operating budget reserves to six percent
- Restored \$62,000 to mail County property tax bills to homeowners by eliminating the mailing of the County Executive's Annual Report newsletter
- Included \$302,000 in net income from advertising on Ride On buses
- Increased monthly parking permits in Bethesda, Montgomery Hills, and North Bethesda to raise \$310,000
- Increased late penalties for paying parking tickets from \$15 to \$25, which would raise \$400,000

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*In Housing...*

- Allocated \$17.4 million to the Housing Initiative Fund, to promote affordable housing and neighborhood revitalization, with \$1 million set aside for a revolving loan program to help homebuyers with closing costs
- Restored funding for off-hours work by County housing code enforcement inspectors
- Approved \$80,000 for CASA of Maryland community center at Pine Ridge apartments

*In Environment...*

- Approved \$2.2 million to buy 115,000 wheeled carts, expanding the County's distribution of "Rolling Toters" for mixed-paper recycling to all County households
- Included a requirement that five percent of the County's electricity would come from renewable sources
- Increased storm water management facility maintenance while holding the line on storm water management fees

*In Parks and Recreation...*

- Restored \$205,000 in funding for 11 middle-school "Rec Extra" after-school programs cut by the County Executive
- Restored \$1.5 million for critically-needed park maintenance and operations
- Approved construction of the County's first skateboard park in Olney Manor Recreational Park
- Approved funding for the construction of the Germantown Indoor Swim Center and renovation of the Upper County Indoor Pool
- Approved funding to complete in FY05 the new Damascus Community Recreation Center and expand the size of future recreation centers in White Oak, North Bethesda, and North Potomac to provide additional space for senior centers
- Added \$52,000 to install Automated Enhanced Defibrillators at all County recreation facilities
- Approved \$15,000 for Oktoberfest
- Maintained hours of operation at County nature centers, which would have had to be closed at County Executive's proposed funding level

*In Economic Development...*

- Approved funding to open the 35,000-square-foot Conference Center on Rockville Pike

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- Approved funding for an 800-space parking garage in Wheaton's Westfield Shoppingtown
- Approved funding to assist in the transformation of the Bethesda Theatre into a state-of-the-art performing arts facility
- Increased small business support counseling and staffing for minority business assistance
- Approved \$140,000 for CASA of Maryland's employment and training center
- Added \$100,000 for small business grants and loans in revitalization areas

*In the Arts...*

- Approved \$1.5 million in the designated reserve for a County "Partnership for Arts and Recreation" that would match certain private gifts with County funds
- Approved grants of \$350,000 to the Baltimore Symphony and \$250,000 to the National Philharmonic
- Approved \$325,000 in operating support for the American Film Institute for the Silver Theatre
- Approved \$53,680 for the National Capital Trolley Museum
- Added \$52,500 for the preservation and renovation of the Smithville School Museum in Colesville and \$15,000 to rehabilitate the Button Farm in Seneca State Park, both historic African American sites
- Approved \$410,000 for Bethesda's Imagination Stage
- Added \$250,000 for Olney Theatre

The Council will give formal approval to the budget next Thursday, May 27.

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