



# Montgomery County Council

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*From the Office of Council President Roger Berliner*

May 17, 2012

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## Statement of Montgomery County Council President Roger Berliner on the FY13 Operating Budget and the FY13-18 Capital Improvements Program

Colleagues and County residents,

The budget we have just adopted accurately reflects the tenor of our time -- a time when there is both guarded optimism about our economic future and the lingering effects from one of the worst recessions in our nation's history.

We know that our residents and businesses are still struggling, even as confidence about the future grows. And our actions today recognize that reality. In an almost unprecedented decision, we are maintaining property taxes approximately \$32 million below the Charter limit. At the same time, we have made a good faith effort to reduce energy taxes by an additional \$11.4 million. These taxpayer sensitive decisions on our part are even more important in light of the increased income tax burden our residents will feel as a result of decisions made yesterday by the State Legislature.

But it is also true that times are not as dire as they have been. And the fiscally responsible actions taken by this Council over the course of the past few years, under the leadership of Councilmember Ervin and her predecessors, has also allowed us to weather the economic storms better than almost any comparable jurisdiction in the nation and helped put us on the sustainable fiscal path we are traversing today.

This budget reflects that reality. We can, for the first time in 3 years, grant our employees a modest one-time raise consistent with their negotiated agreements. And we can make substantially more progress in securing our financial future by setting aside additional resources for our fiscal reserves and to meet future retirement related liabilities. It is a prudent budget that includes strategic restorations and important investments in our top priorities.

- Education is, and always has been, one of our highest values and our top priority. This budget reflects that too. MCPS is one of the finest school systems in the country and we are approving 100% of its operating budget request and meeting our maintenance

of effort obligation. Montgomery College is one of the finest community colleges in the country, and we are providing 100% of the dollars they requested as well.

- Public safety is one of local government’s most fundamental obligations. And we are meeting that obligation in this budget. We have a safe community and we should not lose sight of that unarguable fact. But we also have areas that need more attention than we have been able to properly provide. Going forward, with an increase of 58 officers, we will have more boots on the ground and an even safer community.
- One of the most admirable aspects of our county is its response to those who are the least fortunate among us. Our community’s compassion has consistently led this Council to focus on and strengthen whenever possible our social safety net -- and this year is no different.
  - Here are just a few examples of the assistance we are providing:
- The demand for health care from the uninsured continues to grow, and our budget will fund 7,500 additional visits to Montgomery Cares this year.
- We will provide \$500,000 in additional utility assistance for our citizens who, in the midst of these difficult times, can’t always afford to keep the lights on;
- We will strengthen our non-profit community by providing much-needed inflation adjustments so that their critical work continues to serve our community so well;
- Parents working multiple jobs to make ends meet need our assistance and we have provided \$1 million in additional tax credits and \$500,000 for child care assistance to make their job as parents more manageable;

This budget also begins to restore some of the vital county services that have been ravaged by cuts in previous years. None have been cut more deeply than our highly valued libraries. This year, the County Executive proposed restoring 10% of the previous years’ reductions, and we have added to that another \$200,000 for good measure.

As our Shaping the Future – Adapting to Change series has underscored, our land use decisions have arguably the most profound affect on the future of our community. We can not stint in the resources we provide our excellent Park & Planning Commission, and I am pleased that this budget funds 100% of the Commission’s request for the first time in many years.

Finally, we have focused on creating a more favorable business climate in our county. We know that our capacity to provide the quality of services our community expects of us depends on having a vibrant local economy, and we are working with our business community to maximize our potential.

- We are providing substantial new funding for our business community to truly partner with us in the critical endeavor of attracting and retaining businesses in our community;
- we have provided additional funds to meet the specific needs of thousands of small businesses that are big business in Montgomery County;
- we are joining a small handful of communities to embrace the concept of a Chief Innovation Officer to help our county attract “new economy” enterprises, engage our County’s residents, and put our data to work.
- And last, but not least, we have made a good faith effort to reduce the tax burden on businesses and residents by paring back the energy tax.

Taken as a whole, these efforts underscore this Council's commitment to ensuring a bright economic future for all of our residents.

In an operating budget of 4.6 billion dollars, there is much more that could be said, but I hope I have hit the highlights.

Our action today also finalizes our review of the FY13-18 Capital Improvements Program. This is a CIP that I am pleased to say contains a lot of good news, even though we scaled back our capital spending for the next six years to avoid taking on too much additional debt.

Just as our commitment to our world-class school system is reflected in our operating budget, so it is in our capital budget. All elementary school modernizations and additions remain funded and on schedule, and our Council concurred with the Board of Education on accelerating completion of the Wheaton High School project. No parent wants their child learning in a closet or waiting until 2 to eat lunch because the facility is so small. Our students need adequate space to learn and thrive, and this CIP reflects those priorities.

The important work of growing our economy is also reflected in the CIP with strategic investments that ultimately will benefit the entire County. For starters, the Council demonstrated its commitment to the redevelopment of Wheaton, with a \$66 million investment to ignite the spark of all that Wheaton has to offer.

Our Council is also very focused on the critical need to double down on our County's commitment to transit – for its economic, environmental and quality of life benefits. We restored funding for the Bethesda South metro entrance as a show of our commitment to the Purple Line, and included unprecedented funding for the Capital Crescent Trail as well to honor a fundamental promise to the community. And we are moving forward with serious consideration of a proposed County-wide rapid transit system to connect with the rapid transit network embraced by the Governor for the Corridor Cities Transitway.

Yet we are also very mindful of the day to day driving needs of our residents. We are expanding our Ride On service, investing in a new network of roads throughout the county, including around White Flint that promises to relieve congestion along Rockville Pike, and importantly, increasing funds for repaving and resurfacing our roadways.

Our CIP also includes funding for a much-needed new garage at Montgomery College, a long-awaited North Potomac Recreation Center, and critical pieces of bike infrastructure like the Metropolitan Branch Trail. In sum, all portions of our county will see significant enhancements as a result of this CIP.

I want to take a moment to recognize the contribution our County Executive has made to this budget. When it was first unveiled, I indicated that I thought it would serve us very well in our consideration. And it has. His blueprint became our framework. I commend the County Executive for his work in this regard, and thank him for his partnership in being careful stewards of our County's budget. I also want to thank the heads of our other County agencies for submitting pragmatic budgets and for partnering with us through this process.

After the recent years of budgets that left our County feeling the sting of painful reductions, I believe our Council can and should feel differently about this budget. It is lean, but not without substance; it invests wisely, not irresponsibly; and it is restorative, not reckless. And while I am the one speaking about our work, it is not my budget – it is a budget that each and every one of my colleagues made significant contributions to. I want to thank my colleagues for their hard work during these busy past few months.

As a body comprised of nine fiercely independent thinkers, we do not always agree. But we collaborated throughout this budget process, and the product we have adopted is a consensus budget. I appreciate each and every one of your many contributions.

I especially appreciate the efforts of my hard-working Vice President and Chair of the Government Operations Committee, Councilmember Navarro. Your leadership on – among other issues -- positive youth engagement, Wheaton, fiscal issues, and reaching out to the new demographics that increasingly define our community has been invaluable during this process. Thank you.

But I'd like to end these remarks by thanking our tireless Council staff. "The Fifth Floor," as they are so affectionately known around the Council Office Building, works extremely hard year-round – but especially during our budget season.

Annette Delgado, Bart Friedman, Lynn Guthrie, and Sandra Marin, otherwise known as LIS, provided us with a constant stream of vital information from the community.

Linda Lauer, Crystal Brockington, Jill Gaebel, and Mary Anne Paradise kept the trains running on schedule.

The Office of Legislative Oversight, led by Karen Orlansky, provided invaluable insight into our budget considerations.

Marie Jean-Paul, Susan Mabie, and Karen Pecoraro provided outstanding administrative support.

Linda Price was always there for my office, and all of our offices, with an uncanny ability to solve any problem. Mary Jane Berry kept our administrative operations in top shape. A computer is only as smart as its user – and Michelle Parsons kept all of our computers running!

Susan Farag got a bit of reprieve from take home cars this year, and kept us well-informed on corrections and police issues. Jean Arthur helped us understand a large number of smaller budgets, and Justina Ferber provided expert help on Montgomery College and the Arts and Humanities Council.

Linda McMillan kept us up to speed on critical health and human services issues, and Vivian Yao made sure we were apprised on all matters related to libraries, recreation, and other important health and human services issues.

Essie McGuire ably assumed the portfolio of fire and rescue services in addition to the budget for MCPS, and Marlene Michaelson made sure we were informed of the park and planning issues.

Peggy Fitzgerald-Bare led our grants process and made valuable funding recommendations. Costis Torigas gave us the latest on technology, and Keith Levchenko kept us well-informed on WSSC, DEP and school CIP issues.

Jeff Zyontz not only kept us well fed but also well-acquainted with zoning. Our newest member of the fifth floor, Jacob Sesker, made sure we had plenty of options on the table first when it came to Wheaton, and then again when it came to taxes.

As always, Glenn Orlin worked his magic like only he can, and Steve Farber led the fifth floor with a steady hand and a tremendous work ethic. And of course, Amanda Mihill, Bob Drummer, and Mike Faden kept us legal!

Our Council could simply not do the work we do without these hard-working public servants, and I know I speak for my colleagues when I say we are so grateful for your work. Finally I want to thank my staff. As everyone on this side of the dais knows, we are absolutely dependent upon our personal staffs to carry us thru this process, and that has been certainly true for me. Zac Trupp, Chad Bolt, Susan Buffone, and Lou D'Ovidio .....a much heartfelt thank you.

And as my colleagues also know, we lean the heaviest on our confidential aides, and I know each of you have come to appreciate, I am so so blessed to have an extraordinarily wise woman serving as my Chief of Staff, Cindy Gibson. Thank you does not do justice to the depth of gratitude I have for her.

Before I turn it over to you, my colleagues, for any comments you care to make, I want to say what a privilege it has been to lead this body through our budget process. Thank you.