



MONTGOMERY COUNTY COUNCIL
ROCKVILLE, MARYLAND

OFFICE OF COUNCILMEMBER
NANCY FLOREEN

May 17, 2018

Statement from Councilmember Nancy Floreen on the FY19 Montgomery County budget:

After 16 budgets, I'm reminded of how this process always reveals the dedication and hard work of all those involved in our budget process, and how difficult it is to choose among the many projects we review. There are many wonderful programs that come before us, and I wish we could fund all of them. But resources are finite. We do our best to support what we can, while also delivering a balanced and responsible budget. As so immortally put by the Rolling Stones, "You can't always get what you want, but if you try, sometimes, you might find you get what you need."

I want to thank our new Council Executive Director, Marlene Michaelson. I commend your stewardship during your first budget cycle. This isn't an easy task. I couldn't manage without our staff's thorough analyses, innovative ideas and communication with our constituents, especially my Chief of Staff, Judy Jablow.

I appreciate the significant input from the many stakeholders, including department and agency heads, business representatives, the County Executive and, most importantly, our residents.

As I reflect on the past 16 years, it's noteworthy the amount of change and growth Montgomery County has experienced since my first year as a Councilmember. Back in 2003 our population was 936,000. We've grown 12.2% since then to 1,050,370. This year, we plan to approve the FY19 budget that totals \$5.56 billion and supports 10,483 county employees. This is an 80.5% increase from my first budget in FY04 that was \$3.08 billion, when we had 8,901 county employees.

With this year's budget, we continue our strong commitment to education by funding MCPS at \$2.6 billion to support the current enrollment of 163,184 students and 22,452 employees. Back in FY04, we funded MCPS at \$1.5 billion. Then, it had an enrollment of 139,203 students and 19,291 employees. Compared to FY04, we've increased MCPS' budget by 73%. It is my hope that the next Council, and all future Montgomery County Councils will continue this strong support for education, while working purposefully to provide equity for all our students in all our schools.

As always, we must keep a keen eye on the future. Making these budget decisions is our most important responsibility, and we must be accountable to our residents to ensure we are prudent stewards of this County's fiscal future. By maintaining a healthy financial reserve and our retirees' health benefits, we safeguard our County's AAA bond rating and our financial flexibility. I'm reminded of the difficult decisions that I and some of my colleagues on this Council faced during

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the great recession, and how we continue this struggle to restore funding while facing new challenges that that impact our revenue.

For example, Montgomery County residents are rightly proud of our parks and recreation facilities and programs. These departments were hit hard during the recession, and we continue to try to bring their budgets back to pre-recession levels so we can expand and enhance some of the experiences and services residents enjoy most.

I believe we have a bright future ahead of us, and I'm encouraged by our economic development opportunities. Our unemployment rate when I started on the Council back in 2003 was 3.3% and has returned to this level since the great recession. The County's rate is lower than both the state and national unemployment rate which at 4.1%. Our gross economic output is \$89.9 billion, which is a measure of the total size of the county's economy. Overall, this figure grew 36.4% since 2003. If Montgomery County were an independent country, we would place 66th in the world for total annual economic output. This is pretty cool!

Here are some other encouraging statistics. Since 2003, our assessable base has grown 115.7% and our weighted tax rate (property tax charge) has decreased by 2.3%. Let's not forget the Income Tax Offset Credit, for owner-occupied residences, which began in FY06 at \$116 and is now \$692.

I am unequivocally optimistic about Montgomery County's future and hopeful that the next Council will be wise and restrained in spending our residents' money. We never know what challenges we will face. Our fiscal strength is what makes it possible for us to weather them.