

Montgomery revenue off, budget officials rethink values

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The boom was good for Montgomery County.

In the four years before the recession began in late 2007, revenue increased more than \$1 billion and spending jumped nearly as much. Public schools were showered with resources, public employees were paid generously, the uninsured were given health coverage and the poor were given tax breaks.

Now officials are scrambling not to run out of money by June 30.

They're trying to retroactively double the local energy tax, starting two weeks ago. They've used up most of their rainy-day fund. And they're cutting off hundreds of contracts, saving \$148,056 on locksmiths, \$7,301 in the cost of chemicals for a Germantown pool and \$1,000 on dead-animal disposal.

Montgomery is one of the nation's richest counties, but now economic realities are closing in on a political culture accustomed to ever-rising budgets and government generosity, forcing officials and the public to face an uncomfortable and unfamiliar future.

Communities across the country, Montgomery's neighbors among them, are feeling the aftereffects of the recession. District officials are considering a levy on soda and higher taxes on the wealthy. Fairfax County raised its property tax rate and dipped into reserves to avoid some cuts.

That Montgomery officials are having to scrounge their way out of the fiscal year is a sign of how far things have fallen.

"When there's a lot of money, it's fun to give it away," said Nancy Dacek, a former PTA leader who served on the Montgomery County Council for a dozen years, including during a major downturn in the early 1990s.

"This is a very caring county. We are concerned about our neighborhoods. We are concerned about our schools. We always have been, and that's a good thing," Dacek said. "But we can't say no, either, and we're going to have to do that."

This week, for the first time in more than four decades, the council is scheduled to vote on a budget that is smaller than the one it passed the year before. How Montgomery got here, and how it decides to spend the billions of dollars it does have, are questions that go beyond grants and salary levels and the thousands of lines of fiscal minutiae in the thick

budget book under debate. They go to the county's values. "The budget is a moral document," said Joy Nurmi, a community affairs official and former council staffer.

Spending, cutting mix

The guide to the future has its own linguistic cues and telltale verbs. Department lists in the budget fall under "Decrease," which is meant to convey cuts with little or no direct effect on people. Then there's "Reduce" and, to a smaller degree, "Eliminate." There are also increases and the vast middle of continued spending.

The picture that emerges in the \$4.3 billion budget is a mishmash: painful cuts to good programs; cuts of things that should have been gone a long time ago; and continued spending -- especially on salaries and benefits -- that creates a disconnect between the size of government and the county's ability to pay for it.

It's a good budget for gypsy moths, the West Nile virus and frisky deer, with funds for population control down. Less so for senior citizens, who would get rides to fewer stores and less dental care. Early cutbacks left some elderly without toilet paper at county facilities, an official said.

The biggest item by far is education spending. For a sense of scale, consider this: Sharp proposed cuts in eight areas of the budget, including Health and Human Services, total \$69 million. The school board's proposed increase in spending to cover employee benefits alone is \$69.7 million, although not all of that is expected to be funded.

The budget calls for cutting police, fire code enforcers, homeless services and payments to the uninsured, just as recession-driven applications for public assistance have soared 19 percent in six months. "Meeting human needs is what motivates me," said council member George L. Leventhal (D-At Large), who is pushing his colleagues to restore some of the social-services funding. "We saw it coming, but we didn't think it was this bad."

Officials have turned to tax increases. A proposed cellphone tax would increase monthly bills by \$1 a line, or 50 percent. Businesses are in revolt over the proposed doubling of the energy tax. Adventist HealthCare says the added \$620,000 cost is the equivalent of seven intensive-care nurses or 30 fetal monitors.

Costly good intentions

The creeping costs of good intentions helped bring Montgomery to this point. County leaders and numerous advocates for expanding public services have pressed for what they consider a progressive approach. But such aspirations can drift off track as policies wend their way through a bureaucracy in which fiscal controls are sometimes lacking. Well-meaning ideas can morph into employee perks.

In 1988, Montgomery launched a multilingual certification program for government employees. The idea was to tap the language skills of workers to better serve a diverse population. For years, some were paid extra for the number of hours they used another language or if they could certify that they used the language a certain percentage of the time.

But that changed. In 2001, for example, rules set out in the collective bargaining agreement with general government employees shifted. The county would pay extra for every hour workers were on the clock, whether they used their language skills or not, officials said.

The program grew from 498 employees and a cost of \$959,000 in 2005 to 708 participants and a tab of \$1.4 million in 2009, according to an analysis of pay records. Officials propose spending nearly \$1 million in the next fiscal year. But officials don't effectively track usage or prioritize languages.

Montgomery's Department of Correction and Rehabilitation workers, for example, were paid the bonus last year for being able to speak French, German, Polish, Spanish, Hindi, Bengali, Urdu, Arabic, Tagalog, Burmese, Korean, Yoruba, Esu and Igbo, among others.

Correction health nurse Lydia Boahene was paid \$14,738 over five years for knowing Akan, a language spoken in parts of Ghana and Ivory Coast. She said she doesn't know how many times she has used it. "I wouldn't be able to tell you if it's two or three times or if it's five times," Boahene said.

Corrections chief Art Wallenstein said he pushed for the more-generous language bonus a decade ago after reading a Brookings Institution study that found immigrants from 135 countries living in a single county Zip code. He saw the bonus as a tool to attract a workforce with "cultural competence." He said "diversity recruitment was the goal, not interpretation and translation."

Some employees, such as child welfare caseworker Soledad Calvo, routinely rely on their language skills at work. Her job is licensing foster homes, and she speaks Spanish about half the time. "The families are more comfortable when we are speaking the same language," Calvo said.

Montgomery officials are trying to stay on the right side of voters who have proved ornery in other Democratic strongholds, such as Massachusetts.

A county survey found that 6 percent of residents would be willing to pay more taxes for more services. "I think you're going to see a more fiscally conservative county," said council President Nancy Floreen (D-At Large).

But when that means cutting things people care deeply about, dissent can build quickly.

"We're just getting the stuffing knocked out of us," said Art Brodsky, head of the volunteer library board. Library funding is being cut by nearly a quarter.

"We in the county realize we pay a lot of taxes. . . . We got first-class schools, first-class libraries, first-class parks," Brodsky said. "Now, the question is, do you go from all these first-class institutions down to third- or fourth-class institutions?"