

Testimony Before the Montgomery County Council Regarding the FY14 Budget

by
Mark R. Adelman
4/11/13

Dear President Navarro and Members of the County Council:

My name is Mark Adelman and I am testifying before you as an individual. In the interest of brevity, I will not read all of my written testimony, but the entire text is posted to my own website

(<http://www.educationalassistance.org/SpeakingOut/Testimony/CouncilTestimony11April2013.pdf>) and I will blog a synopsis in the WheatonPatch.

My goal today is to convince you to make wiser use of taxpayer monies by addressing two specific components of the proposed FY14 County Budget.

1. Do not give any more funding to the Westfield Corporation. Hopefully you have followed the Email thread in which I attempted to obtain answers, from Mr. Silverman and Mr. Bang of the Department of Economic Development (DED), to questions about the benefits to the County of having previously provided financial incentives to Westfield. You have also perhaps seen my attempt to dialogue with Mr. Leggett about these matters. [The texts of these discussions are available on my website at <http://www.educationalassistance.org/WestfieldQuestions.pdf> and http://wheaton-md.patch.com/blog_posts/open-letter-to-county-executive-leggett-part-3.] Neither the answers, nor the non-answers, to my questions give me any reason to believe that giving so much money to one large corporation has been a wise - or productive - use of County funds.

Mr. Silverman appears to be certain that there are no funds in the current budget for Westfield. But I know how complex these budgets are and how easy it is to lose track of a few million dollars when one is worrying about several billion dollars. However, as they say, a few million here, a few million there and pretty soon you are talking about real money. So please look over the budget very carefully. Make sure you cannot find any funds for Westfield (or any of its LLCs) in the budget. If you find any, even a few dollars, please take them out.

[By the way, I urge you to pay careful attention to the recent OLO Report (#2013-2) on the County's Economic Development Incentive Programs. It is a rather thorough study of DEDs performance in this area. Your PHED committee looked at the results and prepared a worksession report (11 March 2013) summarizing the OLO report. The summary was nicely written, but perhaps a bit too softly worded - at least from my point of view. For example, I quote Section B, Recommendation #1, second bullet point, second paragraph:

"Revising the estimate at the completion of an award recipient's monitoring period will provide a more accurate assessment of the annual economic impact by using the actual data points on jobs, investment, wages, and residents instead of what was projected when the award was approved."

That seems to me to be a needlessly vague way of saying that DED should report what a funded project actually accomplished, rather than pretend to assess the accomplishments by restating what the goals were. I understand that everyone in government must work together and that harsh words can cause non-productive frictions, but I urge you to keep in mind that you all are working together to achieve the wishes of those who elected you (or "approved" your appointment) and that vaguely worded statements such as the above make it all too easy to avoid dealing with real problems in how Departments are being managed - or mismanaged.]

2. Cut the funding for MCPS by some \$9.95 million so that it meets, but does not exceed the state regulations as to Maintenance of Effort (MOE).

Exceeding the MOE level is not sound fiscal policy. I would call it unnecessary forward obligation (or encumbrance) that results, in essence, in compound debt accumulation. Your own Budget Planning Forum (<http://www6.montgomerycountymd.gov/Content/council/pdf/BudgetForum.pdf>) makes the matter quite clear. By exceeding MOE we are tying our hands and limiting our ability to deal with budgetary needs of programs other than those of MCPS.

We all understand the importance of our school system, but we cannot continue to increase the percentage of our budget that goes to MCPS while giving less and less to other county agencies. And we should recognize that MCPS is not the only means by which we prepare our children to become productive members of society. There are many educational needs that can only be achieved if children arrive at the "front door" of MCPS with adequate preparation. There are a number of programs in the budget category of Children, Youth, and Family Services (<http://www.montgomerycountymd.gov/OMB/Resources/Files/omb/pdfs/fy14/psprec/hhs-cyfs.pdf>) that could make use of some portion of the \$9.95 million to improve the likelihood that children of lower SES could make better progress once they enter the school system.

So I urge you to reduce the amount budgeted for MCPS by the \$9.95 million. If you cannot reassign the money this year, consider it a savings and work with the next County Executive so that future budgets are not presented to you with projected levels of funding for MCPS that exceed MOE and thus needlessly burden us into the future.

Thank you.

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