

"Federation Corner" column
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More on teacher pension costs

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The focus of last week's Federation Corner column was my prolonged internet search for the amount of the bill Montgomery County would face in the next fiscal year, if the General Assembly approves Governor Martin O'Malley's plan to shift half the cost of teacher and other pensions from the state to the counties ("A lack of transparency in the teacher pension fund case," Montgomery Sentinel, February 23, 2012).

Since then detailed information on the proposal to shift teacher pension costs has been spread all over the news. What a difference a week makes.

This past Thursday, the day the newspapers containing last week's column hit the stands, the County Council issued a press release on the issue. It reads, in part, "For Montgomery County, the proposed pension shift would cost \$47 million in Fiscal Year 2013 and \$315 million over the next five years. The measures proposed to help counties pay the costs are inadequate and may not be enacted in any event."

The Governor's proposed FY13 budget was released on January 18. So it took over five weeks for Council members to issue their press release commenting on the troubling pension shift proposal contained in that budget. But when they did issue the release, they didn't pull any of their punches.

The Council reported on the grim fiscal situation facing the county. "The recessionary County budgets of the past three years required painful cuts that have seriously affected our residents and employees alike. For the coming year we face a further budget gap of \$135 million and more hard decisions. If we now have to absorb another large burden from the state, there will be real damage to all our vital services--our schools, college, police, fire and rescue, safety net, libraries, parks, housing, transportation, recreation, and many others."

The release goes on to take a couple of jabs at the state. "We understand that the state too must balance its budget and faces hard choices. But it is the state that sets the basic structure of pension benefits. In 2006 the state raised pension benefits by 29 percent, retroactive to 1998, but failed to provide sufficient funding. In fact, the state's financial support for the pension fund has fallen short for many years. Counties should not be asked to assume financial responsibility for costs not of their making. We have cut services to the bone, and we have reached our limit on taxes."

Who knows? Maybe the Council members were hard at work in the five weeks since the Governor released his budget, crafting their carefully worded response. (Trust me...I know how difficult it is to write an insightful and persuasive commentary.) In their defense, it also appears that during that time our elected officials were hard at work helping create a coalition, composed of elected officials from other counties and concerned organizations throughout the state, to oppose the Governor's proposal.

The coalition opposing the Governor's proposal has created a website---www.stoptheshiftmd.com--which I urge all county residents to visit to learn more about the issue. The website contains comments from elected officials throughout the state, as well as a chart detailing the exact cost to each county if the proposed pension shift is approved. Residents can also find out how to get involved in this critical

quality of life issue for our county, including electronically signing a petition which will be presented to the Governor and General Assembly.

Members of the County Council were also busy coordinating a briefing for their February 28 session on the impact to the county if the General Assembly approves the Governor's pension shift proposal, and planning a press conference that immediately followed the briefing, both of which were streamed live on county cable television.

Representatives from Montgomery College, the Board of Education, county employee unions, the Library Board and Friends of the Library, Health and Children's Services, the Arts and Humanities Council, Montgomery Parks Foundation, Commission on People with Disabilities, and the Primary Care Coalition participated in the press conference. They pledged that their organizations are aligned in urging the General Assembly to stop the pension shift.

The Council's briefing and the press conference that followed will be rebroadcast on County Cable Montgomery (Cable Channel 6 on Comcast and RCN, Channel 30 on Verizon) on Friday, March 2, starting at 9 p.m.

The General Assembly will make its decision on the pension shift soon, probably by mid-March. The stakes for all county residents are very high.

The views expressed in this column do not necessarily reflect formal positions adopted by the Federation. To submit an 800-1000 word column for consideration, send as an email attachment to theelms518@earthlink.net