

Minutes
Worman's Mill Civic Association
Dinner Meeting at Homewood
May 15, 2013

President Allan Carlson welcomed members and guests at 6:45 pm.

Carol Goldstein summarized the proposed options for routing traffic from route 26 into the to-be-built Monocacy Blvd. Super Wal-Mart that were discussed at a recent NAC meeting. She informed members of a planning meeting to be held at 140 E. Patrick St. in the first floor conference room on Tuesday May 28 regarding these options. She alerted members that an email would be forwarded to them with addresses for contacting our government officials with concerns about the impact of Wal-Mart traffic on Worman's Mill residents.

Treasurer Allan Joseph provided a one sentence finance report by stating that the account has \$2,000.00. He then introduced each of the evening's presenters in turn and explained how the time would be used. Each presenter would be given ten minutes to state their accomplishments, identify future issues confronting Frederick County and particularly Worman's Mill, and explain how they will address these concerns. Members would be able to direct questions to the Young of choice once the presentations ended. Allan J. then introduced Senator Ron Young.

Senator Young provided his political background. He was Frederick's Mayor in the 80's and worked with Bob Wormald in planning for the Worman's Mill development. He voiced his doubts about whether the father's original vision will continue. Although he left politics for twenty years, he came back to run for the state senate and plans to stay a total of eight years. The senator gave examples of the issues he sees facing Maryland, including the two billion dollar structural deficit that his government inherited and the continuing problems with funding employment and retirement benefits. He stated that he is an optimist with good reason: 50,000 people move into Maryland each year totaling 3.7-5.8 million over the last 20 years. Jobs are 95% back. There is a possibility of cutting taxes this year. Maryland is #1 in education in the country, #1 in entrepreneurship, and always #1 or #2 in college graduates. With the upturn in the economy, more of the people moving here have more money. However, Senator Young stressed that not everything is rosy. Maryland has big social issues to deal with and more room for economic growth. He stated that he feels he has been successful in bringing funding back to Frederick such as \$185,000.00 for the cultural arts, including the Weinberg and Color on the Creek, \$12 million has been budgeted for the route 15 and Monocacy Blvd. exchange. The higher education center bill was passed this year along with funds for the Bio-ed center. There are currently 76 biotech firms in Frederick, and more attracts more, so the Bio-ed center will help prepare residents for the jobs that are coming. Senator Young concluded with needs for the future. He will continue to push for passage of a "blight bill" so that property owners will be forced to fix up or sell run down property or be severely fined. This bill passed the senate but not the house this year. He also wants to eliminate taxes on the first \$70,000.00 in income after age 70 to encourage older Marylanders to stay in

state rather than move to Delaware. He will push to move legal notices to the internet rather than have these expensive announcements appear in the newspapers, and he will continue to propose a Zero energy bill, which he believes is the wave of the future, even though the votes in the senate were disappointing this year. Six to seven European nations currently have similar laws already in place to lower energy needs, and Ron Young believes that we ought to be doing the same.

Karen Young, president pro tem of the Board of Aldermen, was introduced next. Allan Joseph noted that Karen's background is in finance, and she is a candidate for mayor. Karen elaborated on four issues facing Frederick. First was the financial health of the county. The increasing debt from unfunded pensions and benefits for city employees is unsustainable. She noted that 77% of current salaries go to fund pensions. She believes that this imbalance in asset allocations means that either benefits need to be taken away or taxes need to be increased.

The second issue identified was economic development. Frederick will continue to grow, but there is a disconnect between the 23% population increase and the 17% job increase. Karen champions a more business friendly environment for Frederick.

Karen's third focus was citizen engagement. She implemented a citizen satisfaction survey and wants to encourage citizen participation in local government. She believes that Neighborhood Advisory Committees have helped create more transparency in the workings of local government.

The forth and final area identified by Karen Young was maintaining and improving infrastructure, including roads. She believes that being married to a state senator links the needs of Frederick to Annapolis, particularly since Frederick did not initially get its fair share of highway allocations. The county tries to spend \$3 million per year on renovations and infrastructure. Serving on the National Council of Governments has put Karen in a position to access best practices. For the future, Karen believes that Frederick needs a paradigm change by setting up infrastructure banks as well as private and public partnerships so that within the next decade, Frederick's economic house will be in order.

Blaine Young, president of the County Commissioners, was the third presenter. His first comments were direct: "I am the last county commissioner in Frederick, and I don't like taxes or regulations." Blaine stated several statistics: 18% of government jobs are gone equaling a loss of 500 jobs, yet services are still effective. We've eliminated 263 fees, taxes and regulations. Another 200 have been tweaked. He is working to make schools wireless, completed the \$30 million Lincoln Elementary School and will complete a \$90 million Frederick High School renovation. He is waiting for the permits for the waste to energy facility before completing impact studies. If Carroll County does not want to partner with Frederick, other entities will step up. He stated that the Citizens Senior residence facility at Montevue is not the business that Frederick should be in. Frederick County is the only county other than Wicomico still in the nursing home business. Fifty-two million dollars has been lost already on this facility. The county stands to lose

another \$5 million this year. Glade Valley and Buckingham's Choice are privately run. We are in the process of getting private proposals for Citizens.

Brad Young, Frederick County Board of Education member, was the final speaker to be introduced. He summarized his background. He has fifteen years experience in the banking industry and with Frederick Community College, twelve years as a financial advisor. He ran for the Board of Education to help solve long term budget issues. Eighty percent of the \$500 million education budget goes to salary and pensions for the 6,000 current employees as well as retirees. Not enough is left over to improve the education of our 40,000 students. Other issues surfaced, such as the zero amount budgeted for technology. No funds were budgeted for health care, a promised benefit. Currently, the BOE has been allocating \$14 million per year for these benefits so future budgets won't have to absorb this deficit. Brad noted that due to the way the new BOE building was funded, it costs \$1 million per year from the operational budget to pay for the construction. A final budget concern mentioned was that no funds have been allocated for summer school programs. Brad is working to restructure the budget to reflect the actual and future expenses of the school system. On a positive note, Brad described the completion of the Space Science Center, an addition to Oakdale elementary, and the completion of Urbana High School. He ended by saying the Frederick County has the lowest drop-out rate.

Allan Joseph then asked the members for their questions and limited the answers to 3 minutes.

Carol Goldstein asked Ron Young about the rain tax. The senator explained that this tax is to clean up the Chesapeake Bay. He estimated that for Frederick County, the taxes are the highest of any county. There are many problems with the bill, and he wants to meet with agencies, such as the EPA, to identify ways to make the impact more fair. States are estimating that the total cost to clean up the Bay will be \$1.8 billion. As it is written, Ron believes that it would bankrupt many Frederick businesses.

Blaine Young added that residents of Frederick city already pay a storm water tax. The current legislation does not exempt churches and other non-profits from the tax. He believes that Conowingo Dam does more damage to the Bay, but neither New York nor Pennsylvania have passed this tax legislation.

Senator Ron Young concluded by saying that the solution needs to be effective and affordable.

Joe Pinto asked the next question, "If pensions can't be funded, why offer them?"

Blaine Young cited an example of a firefighter, who after 28 years of service, was forced into retirement by Blaine because the salary and pensions were unsustainable. The firefighter was angry, but Blaine maintained that this was necessary.

Karen Young explained the distinction between “defined benefit” and “defined contribution.” There is a complication in the closing down of one and the opening of another. Also, lawsuits have been filed when benefits have been taken away, and these lawsuits are being won by employees. The solution is to figure out how to reduce the financial obligation without generating lawsuits. With new employees, the age of retirement can be raised and the benefits lowered, but with those employees already in the systems, it’s a balancing act. Karen gave an example of Frederick County police, who can retire after 23 years, come in at age 21 and retire at age 43 making \$100,000.00 per year. It is the same with firemen. These details need to be planned from the beginning to avoid bankrupting pension systems.

Catherine Monsour asked about how salary step increases for teachers are computed if teachers receive 3 ½ % for half of last year and another 3 ½% on July 1. Catherine believes that Frederick County is losing the best teachers to higher paid counties.

Brad Young acknowledged that Frederick’s teacher pay is 22nd out of 24 Maryland counties. Average salary is \$44,000. for 10 months including health benefits. A \$3,000.00 raise would put Frederick back in the top 5 paying counties. Brad stated that he is not convinced that Frederick is losing teachers in large numbers for more money.

Another brief question involved road construction of the Route 15 and Monocacy Blvd interchange.

Ron Young stated that this construction is budgeted for and slated to begin in 2016. He could not make promises given the elusive nature of budgets, but stated that this is the current projection.

Carol Goldstein asked about the expansion of route 26 from 15 to Monocacy Blvd.

Ron Young stated that East Frederick Rising should be mixed use. The growth of Frederick is going to be there, near the airport. Developers are being asked to complete the infrastructure, including the roads, for this area.

Allan Carlson thanked the speakers and informed the members that in September, the Civic Association will host a mayoral forum that will include the winner of the Democratic and Republican primaries and independent, Jennifer Dougherty.

Karen Young drew the winning raffle ticket for the Tasting Room gift certificate. Marlin Levin held the winning ticket.

The dinner meeting concluded at 8:10 pm.

Minutes by Dedra Salitrik, secretary