



OFFICE OF THE COUNTY EXECUTIVE

May 22, 2012

The Honorable William K. Boniface
Harford County Council
18 Office Street
Bel Air, Maryland 21014

Re: Withdrawal of Bills 12-21 (County Employees Special Pays), 12-22 (HCPS Employees Special Pays), and 12-23 (HCPS Teachers Special Pays)

Council President Boniface and Members of the County Council,

As you are aware, during the recent Special Session of the Maryland General Assembly, legislators passed a Budget Reconciliation and Financing Act that included a shift of teacher pension obligations previously funded by the state to county governments. This new obligation is in addition to our Maintenance of Effort obligation. For Harford County, this means an additional \$5.5 million expense for Fiscal Year 2013.

In order to pay for this new obligation, I respectfully ask that bills 12-21, 12-22, and 12-23 be withdrawn. This is not an action which I take lightly, but given the difficult position in which the Governor and the General Assembly have placed us, this is the most prudent course of action to take. By paying for teacher pensions using our fund balance, we are able to avoid furloughs, layoffs, cuts in services, or an increase in the property or income tax rates.

As I stated in October when I initially proposed a one-time bonus, all employees – whether county employees, school system employees, or employees of other county agencies – have been forced to make significant sacrifices and to do more with less in these difficult economic times. Therefore, I felt strongly that a portion of our unanticipated fund balance from Fiscal Year 2011 should go to all employees equally. I am glad that we were able to work together with our public employee unions and with the Board of Education to get the first round of bonuses into employees' hands.

Despite suggestions from some that we only withdraw the bonuses for school system employees to pay for teacher pensions and allow the bill regarding bonuses for employees of county government to remain, I stand by my position that all employees should be treated equally. Therefore I am withdrawing all three bills.

Preserving Harford's past; promoting Harford's future

I look forward to working with you and the members of the County Council to develop a long-term plan to deal with this new burden, which has been thrust upon county government and local taxpayers by a state government that would rather pass their problems to someone else than make the hard decisions to fix the problems it has created.

Cordially,

A handwritten signature in cursive script that reads "David R. Craig".

David R. Craig
Harford County Executive

DRC/bl

Cc: Members of the Harford County Council
Director of Administration Mary F. Chance
County Attorney Rob McCord
County Treasurer Kathryn Hewitt
Chief of Staff Aaron Tomarchio
Legislative Liaison Nancy Giorno
Chief of Budget & Management Research Kim Spence
Manager of Communications Robert B. Thomas