

# TAAAC ACTION REPORT



*Your Professional Organization*

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Teachers Association of Anne Arundel County, An MSEA/NEA Affiliate

January 2012

## It's Time to Revisit the Revenue Cap

In November of 1992 approximately 70% of Anne Arundel County's registered voters adopted by referendum a stringent artificial cap on total property tax revenue that we have labored under since the fiscal year 1994 budget. We did so under a perception that wild and frivolous spending was standard operating procedure at the Arundel Center, a circumstance that if accurate would be troublesome to all of us. But the adoption of the cap was also done in the face of forecasts that such an artificial cap was bad public policy in that there was no reasonable way to similarly cap necessary expenses and that capping only the revenue side of the budget would eventually choke even the most essential public services.

It is clear now that the doomsayers were accurate. Police, firefighters, detention officers, and public works officers are losing a couple weeks of pay for the second year in a row, while at the same time being faced with additional risks on the job due to understaffing. Local educators' contracts have been broken for three consecutive years with a fourth on the horizon, while student loads and work from similar understaffing, and responsibilities increase for each and every student. The situation has worsened to where we know that there are public servants, who are providing these essential services, facing foreclosures and repossessions.

There is middle ground. The current cap limits total property tax revenue collections on existing property to 4.5% over the prior year or the rate of inflation as determined by the consumer price index (CPI) whichever is **lesser**. Such a stringent formula endangers public services when inflation is very low, like it was in FY2010 at 0.96%. After all, all necessary expenses are indexed to the CPI. It has even more potential for injuring essential public services in years of high inflation when current expenses are no longer affordable, a situation faced in FY2009 when the CPI used for the calculation was 6.50%.

There is wisdom in changing one word. Modify the charter provision to replace the word **lesser** with the word **greater**, and the flexibility to respond to both very high and very low inflation, while avoiding opening the door to unfettered spending. We calculated the approximate enhancements to public services that could result. A review of the county's budgets from FY2005 through FY2012 revealed a cumulative revenue increase of more than \$181 million.

This cap was not imposed on us. We, the registered voters of Anne Arundel County, adopted it by choice. It is time that we, the registered voters of Anne Arundel County, have an opportunity to look at it again.



**Bill Jones**

## Open Enroll Results Are In

Many readers are aware that the money that pays for medical claims expenses does not come from the insurer. It comes from a healthcare fund constituted by contribution from the Anne Arundel County Public Schools (the employer), active employees, and retirees. Carriers such as Aetna and CareFirst are contracted to provide physician networks and claims administration, but actual claims expenses are paid out of the healthcare fund. In that the plan is "self-funded" a year of either extraordinarily high claims expenses or badly under-projected revenue needs can leave the fund dry before all claims are paid. Such a situation would be quite injurious to those who suddenly found medical care already received, suddenly uncovered.

In this self-funded environment, there is a shared responsibility to keep the fund solvent. The changes made in healthcare options and in some of the plan design this past year were intended to accomplish just that, and to do it without simply shoveling more of the premium share onto employees. Taking advantage of physicians' discounts where they existed and avoiding

## COMMENTARY

duplicative coverages were critical components in attaining projected savings of approximately \$30 million over the next three years. And it appears to have worked.

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Participation in AACPS healthcare programs grew from 8,507 to 8,662 employees. Two thousand twenty-two employees left the PPN/PPO for either the Triple Option Plan (TOP) or the BlueChoice HMO, a reduction of over 55%. That alone accounts for a projected savings to the fund of over \$2 million. As the participants in the TOP learn that it does indeed provide strong comprehensive coverage, some of those reluctant to switch should be more comfortable in the next open enrollment.

This process was uncomfortable for the negotiators and for the people they advocate for, but it caused much less pain than otherwise may have been suffered if the fund ran dry with claims still waiting to be paid.

As a reminder, the employer/employee premium share is frozen for three years at 90/10.

## Anne Arundel County COPE Newly Certified

TAAAC is pleased to announce the involvement of some of its leadership in the first ever Anne Arundel County Committee on Political Education (COPE), recently recognized by the Baltimore Labor Council. Our local COPE was born out the recent attacks on organized workers and educators who by virtue of being fairly compensated have been all but vilified as enemies of the taxpayers. The objectives of the COPE are to; educate organization members and the public on issues important to working men and women; act as a lobbying arm in the interests of working men and women, and to support candidates with an interest in the issues facing working people and their families.

TAAAC President, Tim Mennuti, Treasurer and Government Relation Committee Chair, Ken Baughman, and Executive Director, Bill Jones, are participating along with representatives from the following public and private sector employee organizations:

- International Union of Elevator Constructors
- International Union of Painters and Allied Trades
- United Association of Plumbers and Pipefitters
- International Association of Fire Fighters
- Fraternal Order of Police

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## TAAAC Action Report

Teachers Association of Anne Arundel County  
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Annapolis, Maryland 21401

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(301) 261-8309 FAX (410) 841-5117

[www.taaaconline.org](http://www.taaaconline.org)

### Officers

Timothy Mennuti, President  
Richard Benfer, Vice President  
Ken Baughman, Secretary-Treasurer

### Board of Directors

Teri-Lynn Koch  
Colleen Benda  
Pamela Bukowski  
Kristina Korona  
Sarah Weller-Bentivegna

Tamara Thumbtzen-Johnson  
Anthony Rezendes  
Russell Leone  
Donzella Parker Bert  
Diana Peckham

### Editors

Bill Jones, Executive Director  
and Managing Editor  
Roxanne L. Beach, Editor



## NOMINATIONS OPEN

The TAAAC Nominating Committee is accepting nominations for **President, Vice President, Board of Directors, and NEA Delegates.**

Nomination forms must be received at the TAAAC office by 5:30 PM on Tuesday, January 10, 2012.

Name \_\_\_\_\_

Address \_\_\_\_\_  
 \_\_\_\_\_

School \_\_\_\_\_

Phone (H) \_\_\_\_\_ (W) \_\_\_\_\_

I would like to place my name in nomination for the following position(s):

- President**
- Vice President**
- Board of Director**
- NEA Delegate**

[Have you been a delegate before? YES or NO]

*(continued from page 2)*

- American Federation of State
- County and Municipal Employees
- International Brotherhood of Electrical Workers
- Unite HERE
- United Food and Commercial Workers
- Detention Officers
- Deputy Sheriffs

Meetings are held generally on the third Tuesday of each month. Interested TAR should contact Tim Mennuti or Bill Jones.

### TAX PREPARATION

R. J. Pellicoro & Associates is now accepting appointments for tax preparation at the TAAAC Office on the following dates:

**Monday, February 27**  
1-7 PM

**Wednesday, February 29**  
1-7 PM

**Tuesday, March 6**  
2-7 PM

**Monday, March 12**  
2-6 PM

**Thursday, March 15**  
2-6 PM

Please call the TAAAC office to schedule an appointment (410-224-3330).

## WELCOME NEW MEMBERS

- Kristin Bowser
- Christina Gunn
- Janice Jennings
- Melinda Kilgore
- Jennifer Ludlow
- Diana Middleten
- Michel Vaugeois
- Kimberly VerMorris
- Yvette Worgo



## JOB OPPORTUNITIES

### Spend Summer in the Sun

DRD Pool Service Inc. is accepting applications for summer job openings as swimming pool field supervisors and swimming pool managers. No Experience Necessary ? free training. For more information, call Noelle Navarro @ 410-761-7665, 1-888-785-7665 or send an email to: [n\\_navarro@drdpools.com](mailto:n_navarro@drdpools.com)

### **Tutorrific!**

Tutor in homes throughout Howard County (mostly in or near Columbia). You make your own schedule! Please send an email or your resume to Deborah Markowitz at: [tutorrific@comcast.net](mailto:tutorrific@comcast.net).