

**MEMORANDUM**

May 6, 2010

TO: County Council

FROM: Vivian Yao, Legislative Analyst 

SUBJECT: FY11 Operating Budget  
**Non-Departmental Account-Montgomery County Historical Society**

The Executive FY11 budget adjustment for the Historical Activities NDA is attached at (©1).

**Summary of the Health and Human Services Committee Recommendations**

**The Health and Human Services Committee (HHS) held a worksession on the Executive's FY11 funding recommendation for Montgomery County Historical Society (MCHS) on April 28. The Committee recommended (3-0) approval of the \$32,250 (50%) reduction to the organization's grant as recommended by the Executive.**

**The Committee requested exploring options for operating the Archives in the future including building a facility to house the collection using general obligation bonds and working with the Department of Correction to gain additional archival support.**

**OVERVIEW**

For FY11, the Executive has recommended a 50% reduction to the Historical Activities NDA, resulting in recommended grant funding of \$32,250 for MCHS. The adjustment, transmitted to the Council on April 22, reduces the total originally recommended for the Historical Activities NDA (©2), which includes funding for the MCHS. A letter from MCHS requesting funding of \$64,500 for FY11 is attached at ©3-5.

(in \$000's)	FY09 Actual	FY10 Approved	FY11 CE Recommended	% Change FY09-FY10
<b>Expenditures:</b>				
General Fund	64,500	64,500	32,250	0.0%
<b>TOTAL Expenditures</b>	<b>64,500</b>	<b>64,500</b>	<b>32,250</b>	<b>-50.0%</b>

The organization reports at ©7 that the reductions to funding for the Historical Preservation Commission in the Historical Activities NDA will result in an additional \$5,000 or more in reduced revenue to MCHS. The organization is also facing a reduction of \$4,500 in funding from the Arts and Humanities Council.

The MCHS Annual Report for the period January 1, 2008 through June 30, 2009 describes activities of the organization during that period and can be accessed at: <http://www.montgomeryhistory.org/files/2009AnnualReport.pdf>

### **FY11 EXPENDITURE ISSUES**

MCHS Executive Director Rankin reports at ©6 that the proposed reductions will require severe cuts to its staff, programs, and activities including the following:

- Eliminate access to the Montgomery County Archives;
- Eliminate two part time Weekend Coordinator positions responsible for staffing the Beall Dawson House (Rockville) and the Waters House (Germantown);
- Reduce library hours by 25-50% and similarly reduce the related staff position;
- Eliminate a housekeeping position;
- Eliminate a part-time Staff Assistant position; and
- Impose a 6% across the board pay reduction on an already underpaid staff.

According to Ms. Rankin, the MCHS Board will need to consider withdrawing from the arrangement with Maryland-National Capital Park and Planning Commission to maintain the Waters House History Center in Germantown. Ms. Rankin also notes that the reductions compromise the organization's ability to raise revenue through private and corporate donors, to increase membership revenue, and to leverage funding from other sources like the Maryland Historical Trust and Heritage Montgomery, which require dedicated matching funds.

#### **Montgomery County Archives**

The Executive's proposed reduction would eliminate the operations of the Montgomery County Archives, the permanent repository of County Government records of enduring value. MCHS currently operates the archives through a contract with the County and has received \$10,000 annually to support a part time archivist for about 10 hours per week to make the archives available to the public.

MCHS has previously discussed problems regarding the archives with the HHS Committee. MCHS alerted the Committee about the poor condition of the archives. They had been stored in the basement of the Red Brick Courthouse, which lacked appropriate temperature and humidity controls and was subject to flooding. MCHS also explained that because of the lack of storage space and funding for staff support, the Archives has not received records from the County since FY2000 and has a substantial backlog of unprocessed records. The contents of the unprocessed records are generally unknown, and are thus unavailable to the public.

Because the Red Brick Courthouse is currently under construction to address structural problems, the historical archives are being temporarily stored at the Broome School. The records are not generally accessible to the public during this period. After construction on the Red Brick Courthouse is completed, Council staff understands that the records will be returned to the building and recatalogued. The environmental conditions in the Red Brick Courthouse will be improved over the conditions prior to the construction, but may not meet COMAR's temperature and humidity standards for archival records.

In order to provide a functional historic archival program, Council staff suggests that the following conditions should be met:

- **Adequate Storage Facilities:** Facilities should have appropriate temperature and humidity controls, be free from flooding, and be large enough to accommodate additional County Government records of historical significance.
- **Access to Public:** Records should be accessible to the public.
- **Archival Program:** There should be defined processes for identifying records of historical value and transferring them from the County Records Center to the historical archives.
- **Adequate Staffing:** There should be enough staff time to ensure that the Archival program is carried out, backlogs are process, and records are made available to the public.

The following are different options for funding the Archives:

***Suspend Funding of the Archives Program:*** This option would result in a small cost savings for the County (\$10,000). The current collection could be temporarily housed locally or offered to the State. If housed locally, the public would not have access to collection. If returned to the State, the public may not have immediate access to these records given potential backlogs in processing records there.

***Restore Funding to MCHS at the Current Level (\$10,000):*** This option would provide minimal access to the current collection after construction on the Red Brick Courthouse is completed and the collection is relocated and recatalogued. Environmental conditions in the Red Brick Courthouse would likely be improved but may not necessarily meet COMAR standards for archival records. Under this scenario, progress in addressing the backlog of unprocessed documents or accepting new records into the collection would not be possible.

***Restore Funding to MCHS (\$10,000) and Fund Construction of an Adequate Facility at the County Records Center (\$50,000):*** This option would relocate the collection to a climate-controlled "building within a building" developed specifically for it. The public would have limited access to the current collection after it is relocated and recatalogued. Without additional staff support, there would not be significant progress in addressing the backlog of unprocessed documents, but the facility would have additional room to accept new documents into the collection. The \$50,000 increase could be a charged to all departments for archival services through the internal services fund. Council staff understands that G.O. bonds are not eligible to finance construction of this nature.

***Restore Funding to MCHS( \$10,000), Fund Construction of an Adequate Facility at the County Records Center (\$50,000), and Increase Archival Staff and Operating Support (\$64,000):*** Under this option, staffing to the archives would be increased by a full workyear. Archival staff could make progress in cataloging the existing backlog of documents and begin working with Records Center staff to develop a seamless process for identifying documents to be accepted in the historical archives when they have passed their County Government useful life. With additional staffing hours, public access may be expanded as well.

**The Committee recommended discontinuing funding for the Archives for FY11 and storing the records during that time. The Committee also recommended exploring the possibility of building an adequate facility for the Archives using of general obligation bonds and working with the Department of Correction to gain additional archiving support.**

# Detail on Recommended Budget Adjustments

Tax Supported

**DECREASE COST: SUPPLEMENT TO PROVIDERS OF DEVELOPMENTAL DISABILITIES (DD) SERVICES** -181,900

This reduction brings the total percent reduction to the DD supplement for non -Individual Support Services (ISS) and Family Support Services (FSS) from 4.7% to 7%. Funding for the supplement for ISS/FSS services was eliminated in the CE Recommended Budget because the ISS/FSS services are fully reimbursable by the State and therefore do not need a supplement. The 7% reduction is in line with the contract reductions taken department-wide.

## Human Rights

**TECHNICAL ADJ: SHIFT FUNDING FROM HUMAN RIGHTS TO COUNTY ATTORNEY FOR EEO INVESTIGATIONS AND DEFENSE OF COMPLAINTS** -44,200

Shift funding from the Office of Human Rights to the County Attorney to perform the EEO function regarding the investigation and defense of complaints filed against the County.

## NDA - Community Grants

**ELIMINATE: COMMUNITY GRANT TO CAPITAL PC USER GROUP, INC.** -2,500

Nonprofit withdrew the request.

## NDA - Desktop Modernization

**DECREASE COST: DEFER DCM SERVER REPLACEMENTS** -450,000

Suspension of Enterprise and Public Safety server replacements.

## NDA - Historical Activities

**REDUCE: HISTORICAL ACTIVITIES NDA** -177,670

The Executive recommends a reduction of 50% in the General Fund support for this Non-departmental Account.

## NDA - Inauguration & Transition

**REDUCE: INAUGURATION & TRANSITION (NDA)** -45,000

Reduce funding for fiscal considerations. In FY11, \$5,000 would remain for related expenses.

## NDA - Municipal Tax Duplication

**DECREASE COST: MUNICIPAL TAX DUPLICATION PAYMENTS AN ADDITIONAL 20%** -1,497,640

The Executive recommends an additional 20% reduction to the Municipal Tax Duplication payment. This is in addition to the 5% reduction including in the March 15 Recommended Budget.

**INCREASE COST: ALLOCATE SPEED CAMERA REVENUES TO MUNICIPALITIES** 297,110

In order to efficiently and effectively deploy speed detection cameras within municipalities, the Executive has negotiated Memorandum of Agreements (MOA) with Chevy Chase View, Kensington, and Poolesville for sharing speed camera revenues collected in the municipalities. Under recently approved amendments to State Law, municipalities are authorized to deploy their own speed cameras. However, since the County has an existing program it was more efficient and served broader public safety purposes to deploy these cameras under the auspices of the County's speed camera program provided the municipalities received the same amount of revenues (net of expenses) they would be due as if they issued these cameras on their own. The following distributions would be made pursuant to the MOA: Chevy Chase View (\$104,010); Kensington (\$144,980); and Poolesville (\$48,120)

## NDA - Rockville Parking District

**ELIMINATE: FREE PATRON PARKING AT THE ROCKVILLE LIBRARY** -143,540

The County Executive Recommends eliminating free patron parking at the Rockville Library.

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<b>FY11 Recommended Changes</b>	<b>Expenditures</b>	<b>WYs</b>
<b>FY10 Approved</b>	<b>26,039,330</b>	<b>0.0</b>
Increase Cost: Premium contributions to cover increased claims costs	5,057,400	0.0
<b>FY11 CE Recommended</b>	<b>31,096,730</b>	<b>0.0</b>

### Historical Activities

This NDA contains a General Fund (\$355,340) and a State (\$25,000) appropriation and provides funding for the following agencies and programs:

- **Historic Preservation Commission:** The Historic Preservation Commission's main responsibility is to administer the historic preservation ordinance including recommending Montgomery County sites of potential historical significance. These efforts are administered by the Maryland-National Capital Park and Planning Commission (M-NCPPC).
- **Historic Preservation Grant Fund:** The Historic Preservation Grant Fund is administered through the Historic Preservation Commission. The Historic Preservation Commission accepts proposals from County historical groups which compete for grant funding for historically significant or educational projects. Currently, historic preservation grant awards are recommended by the Historic Preservation Commission and executed by M-NCPPC.
- **Historical Society:** Funding for the Montgomery County Historical Society provides support for the Society's Education Program staff, educational and outreach programs for County residents, and to maintain the Historical Society's research library and museums.
- **Maryland Historic Grant:** The Maryland Historic Grant is a matching grant whereby the State of Maryland provides funds for historic preservation, and Montgomery County contributes matching funds totaling 25 percent of the State grant. These grant funds are passed through the County to M-NCPPC, which uses the dollars in its historic activity endeavors.

<b>FY11 Recommended Changes</b>	<b>Expenditures</b>	<b>WYs</b>
<b>FY10 Approved</b>	<b>380,340</b>	<b>0.0</b>
<b>FY11 CE Recommended</b>	<b>380,340</b>	<b>0.0</b>

### Homeowners' Association Road Maintenance Reimburse.

This NDA provides a partial reimbursement to homeowners' associations (HOAs) for their maintenance of certain privately-owned roadways. The payment is currently restricted to through roadways, accessible to the public, which are one-quarter mile or longer and which provide vehicular access to more than four dwelling units. In FY97, an Executive Regulation was enacted allowing homeowners' associations to request that their roadways be deemed "private maintenance roads." This designation qualifies the HOA for State reimbursement of their roadway maintenance costs. The County annually submits to the State its estimate of reimbursable miles, including those accepted as private maintenance roads. The State then reimburses the County and, subsequently, the County forwards the funds to HOAs.

<b>FY11 Recommended Changes</b>	<b>Expenditures</b>	<b>WYs</b>
<b>FY10 Approved</b>	<b>87,130</b>	<b>0.0</b>
<b>FY11 CE Recommended</b>	<b>87,130</b>	<b>0.0</b>

### Housing Opportunities Commission

The Housing Opportunities Commission (HOC) is a public corporation established by Maryland law to act as a builder, developer, financier, owner, and manager of housing for people of low- and moderate- (eligible) income. The Commission also provides eligible families and individuals with affordable housing and supportive services.

<b>FY11 Recommended Changes</b>	<b>Expenditures</b>	<b>WYs</b>
<b>FY10 Approved</b>	<b>6,136,340</b>	<b>0.0</b>
Increase Cost: Annualization of FY10 Personnel Costs	81,110	0.0
Reduce: School Supply Drive	-1,100	0.0
Reduce: National Night Out	-1,200	0.0
Eliminate: Saturday Karate Program	-9,360	0.0
Reduce: Supportive Housing Program Administrative Aide position to 30 hours per week	-11,000	0.0
Decrease Cost: Reduce Management Fee to HOC	-15,410	0.0
Reduce: .5 work years for Emergency Service Worker	-26,500	0.0

November 4, 2009

Mr. Frederick C. Wilcox,  
Administrative Services Coordinator  
Department of Housing and Community Development  
100 Maryland Avenue, 4<sup>th</sup> Floor  
Rockville, Maryland 20850

Dear Mr. Wilcox:

The Montgomery County Historical Society is requesting \$64,500 for FY11 support of historical services. Funding from the County helps to:

- support our many educational programs for children and adults;
- provide outreach programming throughout the county;
- provide limited access to the County Archives;
- promote our funding-raising efforts by providing a match

Efforts of the Montgomery County Historical Society remain focused on our core educational mission encompassing collecting, preserving, and interpreting the history of Montgomery County for residents and visitors. As the only organization addressing the entire scope of county history, we have an important role to play in creating a sense of place for all. Creating a sense of place is critical to building community. We *are* the county's historical society!

The Society is requesting this appropriation of \$64,500 be allocated as follows:

Education	\$10,500
Outreach	\$16,250
County Archives	\$10,000
Matching Grant	\$27,750
<b>TOTAL</b>	<b>\$64,500</b>

1. The education grant of \$10,500 partially pays the salary of the Education Manager who oversees the education and outreach programs designed to encourage all county residents - from preschool to senior citizen - to more actively appreciate County history. Programs include exhibits, lectures, workshops, tours, speakers' bureau, docent training, museum activities, history camps, school programs and more. These programs are conducted on site in Rockville and Germantown and at sites around the County.
2. The outreach portion of the grant \$16,250, will be applied to the continuing development and support of activities and resources for the Germantown site and programming throughout the county. With the multi-lingual project funded through the federal IMLS program, Montgomery Connections, creating opportunities throughout the county to display banners increasing the numerous contacts and opportunities for MCHS to expand beyond its physical space. Outreach efforts inflate beyond the limits of space and incorporate exhibits, present lectures and workshops and generate interest in the historical society. Reaching new

constituencies and building audience capacity with multi-lingual programming (currently Spanish and Chinese) engages previously underserved audiences in the work of MCHS.

Since 2002, the upcountry MCHS site in Germantown has offered the community programs and exhibits by MCHS and other local historical groups. The adjunct library has become the location for special collections, including 40 years of photos of the county school system and a collection of land plats and atlases. Office space in the building is rented to two local history-related non-profits at a subsidized rate, and to the Maryland Certified Heritage Area Authority- Heritage Montgomery . This funding also allows a subsidized rate for rental of community space for scout groups, community associations and other local groups. The Waters House is an important asset to both the local community and the county as a whole. In FY11, the Waters House History Center will serve as host for the Smithsonian Institute Traveling Exhibit (SITES) – *Between Fences*.

3. The \$10,000 request for the County Archives will be used as it was this past year for a part time archivist who opens the County Archives by appointment and works with volunteers to process the back log of materials and accept limited amounts of new material for inclusion in the Archives. We are pleased this funding provides the necessary public access to historical records of Montgomery County. However, providing appropriate stewardship to the archives becomes more challenging each year.
4. The “matching” grant of \$27,750, matched by the Historical Society through private donations from county residents and businesses, foundation grants and special events. This leverage allows us to double our money and is a critical tool in our fund raising efforts. It provides partial funding for our extensive research library on county and Maryland history, publications program including the Montgomery County Story, three museums, community programs, conservation and storage of our artifact collection on the County's heritage (from two-dimensional papers to large three-dimensional items, such as stoves, plows, etc.) and all other facets of society activities. Without these funds the Society would have to greatly curtail operation of the museums and libraries.

History provides a foundation on which we build our lives. The long and beneficial relationship between the Montgomery County Historical Society and Montgomery County demonstrates a public-private partnership that is practical in both fiscal and philosophical terms. Our outreach to the community, the operation of the libraries reflecting county history, the increasing scope of our school program, including National History Day, and the up-county history center in Germantown demonstrates our on-going interest in this partnership. As we actively collect, preserve, interpret, and promote the history of Montgomery County for all County residents, we hope that the county will continue its commitment by meeting our total funding request of \$64,500.

Sincerely,

Debbie Heibein Rankin  
Executive Director

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cc: Isiah Leggett, County Executive  
George Leventhal, Montgomery County Council, HHS Committee, Chair  
Phil Andrews, President Montgomery County Council  
Duchy Trachtenberg, Montgomery County Council  
Roger Berliner, Montgomery County Council  
Marc Elrich, Montgomery County Council  
Michael Knapp, Montgomery County Council  
Valerie Ervin, Montgomery County Council  
Nancy Floreen, Montgomery County Council  
Nancy Navarro, Montgomery County Council

**Yao, Vivian**

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**From:** Debbie Rankin [drankin@montgomeryhistory.org]  
**Sent:** Thursday, April 22, 2010 7:24 PM  
**To:** Yao, Vivian  
**Cc:** benstonestreet@yahoo.com; rebhart@comcast.net; hhubble@comcast.net; Jack@Artcfa.com; jmcgraw5@verizon.net; brittok@deenergy.com; lauran@snydercohn.com; Lorraine Minor; mary.wolfe@mci.com; mgrassick@comcast.net; mmkchevy Chase@gmail.com; mmconih@comcast.net; ritalewi@yahoo.com; sharonwashburn@verizon.net; Tad.Asbury@marriott.com; William Allman; wconway@skadden.com  
**Subject:** Implications of a 50% reduction in county support

Dear Vivian,

Per your request, I am providing details regarding the impact of the County Executive's proposed 50% cut to NDA- Historical Activity funding. This reduction will have a massive detrimental effect on the Montgomery County Historical Society. Although the recommended 50% reduction to our direct funding is \$32,250, the cuts to HPC will also affect MCHS and would likely mean an additional \$5,000 or more in reduced revenue; thereby, making the net reduction in county support more than \$38,000. In addition, we are facing a 15.5% reduction in funding from the Arts & Humanities Council, or about \$4,500. Combined, these reductions will cripple our organization.

A \$38,000+ reduction in income will require severe cuts to our programs and activities. The Montgomery County Historical Society would:

- No longer provide access to the Montgomery County Archives
- Eliminate two part time Weekend Coordinator positions responsible for staffing the Beall Dawson House (Rockville) and the Waters House (Germantown)
- Reduce library hours by 25-50% and similarly reduce the related staff position
- Eliminate a housekeeping position
- Eliminate a part-time Staff Assistant position
- Impose a 6% across the board pay reduction on an already underpaid staff

In addition, the Board of MCHS would also have to consider withdrawing from the arrangement with MNCPPC to maintain the Waters House History Center in Germantown.

I also must point out that all of the above cited reductions compromise the organizations ability to raise independent revenue and provide programs, services and educational activities to county residents. Reductions this severe reduce our ability to raise funds through private and corporate donors as well as our ability to increase our membership revenue. Importantly, many of our grants require a match of funding and all of these reductions will have a cumulative effect on our ability to leverage funding from other sources. For example, the Maryland Historical Trust, Heritage Montgomery and several private foundations currently provide MCHS with support and require the dedication of matching funds. In addition, as MCHS reduces services, the organization becomes less relevant and thus begins a downward spiral from which your county historical society may not recover.

I would ask the County Executive and the County Council to consider the possibility of a county without a historical society.