



NEWS

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JOSEPH C. GALE, *Commissioner*



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Norristown, PA (February 4, 2016) – The Montgomery County Commissioners today at their bi-weekly meeting delivered their 2016 report on the State of the County.

State of the County Report ***February 4, 2016***

Commissioner Shapiro

It took four years; four commissioners; nearly 100 commissioners' meetings; twenty-four town hall meetings; and, sixteen quarterly reports to fix a \$10 million budget deficit, a \$47 million structural deficit, zero payments to the pension fund, zero raises for employees, and \$80 million drained from the county's reserve fund among other challenges. Those were the numbers we faced four years ago, and those are the numbers that threatened to drown any effort to turn Montgomery County around.

There were times when it seemed all we talked about were numbers. At first they were bad numbers, but eventually those ugly numbers, those red numbers, those anemic numbers became positive, they turned from red to gray to, eventually, black.

Now, as we enter a new four-year term with another commissioner, our new colleague, Commissioner Joe Gale, we, today, deliver our annual State of the County report. We will still be talking numbers, but these numbers are positive numbers. These numbers are not just about the bottom line. These numbers are allowing us to change the lives of Montgomery County residents. These numbers are going to make people happier, healthier, more secure, and safer. These numbers have put Montgomery County on a path to greater stability and growth. These numbers will make one of the most livable counties in the United States even better.

The numbers have changed, but so has the face of Montgomery County government. Four years ago, Montgomery County's government was mired in mid-20th Century bureaucracy, stodginess, and grayness. Few people knew what county government did or what services it provided.

Bureaucratic walls loomed and seemed insurmountable, and even when one was able to get inside those walls, they found a series of governmental silos that hampered and constrained those working in those silos from cooperating with colleagues in other agencies to maximize services to those most in need. Businesses looking for help to expand, or to find or train employees were presented with a confusing array of doors that inevitably led to delay, frustration, and opportunities lost.

Today, while there is still a ways to go, Montgomery County's government is more welcoming, more nimble, more proactive, more responsive, more transparent, and more accessible.

Allow me to explain some of these new numbers that will form the foundation of the future I have just described. Four years ago, we inherited a paltry fund balance of \$24 million – a number that forced us to borrow millions to make payroll that first year. In 2016 the proposed fund balance is projected to be \$40.6 million, more than the recommended 10 percent of revenues. That balance last fall allowed Montgomery County to fund for four months all of the social services that would have been denied our most vulnerable residents because of the protracted budget impasse in Harrisburg. In addition, the days of having to borrow to make payroll are over.

Four years ago, the previous commissioners had gone five years without making a contribution to our employee pension fund. Since then, our annual contributions have been \$3.2 million, \$3.5 million, \$3.5 million, and this year \$8 million. That commitment to our employees' futures together with raises for the first time in years, and a continuing recognition of the importance of our workforce has increased the morale of our county family immensely and by extension helped improve our constituents' experiences when they seek county services.

At the same time we were making these investments, we were able to reduce operating expenses by nine percent and reduce county debt from \$417 million to a projected \$386 million in 2016 despite borrowing critically-needed funds to invest in our infrastructure.

Speaking of infrastructure, when we took office in 2012 county assets were literally crumbling under our feet, and only 53 percent of the capital budget was actually being spent on county assets. Today, that figure is over 90 percent. The 2016 Capital Budget is \$72.2 million, and the five year Capital Plan includes over \$437 million. Those figures assume receiving matching funds for many of the projects.

As a result, the net spending is expected to be \$49.3 million in 2016 and \$202 million over the next five years.

And now, I'd like to turn it over to Commissioner Gale...

Commissioner Gale

Thank you, Mr. Chairman.

Our primary objective as Commissioners is to make Montgomery County a great place for people to live, work, and raise a family. By investing in road and bridge repair projects, the Commissioners have made upgrading our aging infrastructure a priority.

In 2012, nearly half of the 131 county-owned bridges were classified as structurally deficient. Think about that. Nearly half – HALF- of the county-owned bridges were structurally deficient. At the time, only seven were in design or construction to either be replaced or repaired. Today, that figure is up to 35. The total investment in the county for road and bridge repair projects has increased by 465 percent. We look forward to the completion of the Lafayette Street extension here in Norristown, and the coming interchange with the Pennsylvania Turnpike.

For those who enjoy our great parks and trails system across the county, we are proud that an additional eight miles of trails are under design or construction and will soon be added to the county's 91-mile trail system.

As some of you may know, the prior administration implemented a vision of marrying workforce development and economic development in Montgomery County to facilitate communication from our business communities and government. With the creation of the Commerce Department, we are able to provide a variety of services to constituents ranging from real estate site location assistance to workforce training to business development and financial assistance. In addition, Commerce is able to provide demographic information and works hand in hand with our Planning Commission.

Working in cooperation with the Department of Commerce, the Montgomery County Development Corporation, the Industrial Development Authority, and the Redevelopment Authority, together with MontcoWorks, we have packaged numerous economic development projects that have both preserved and created jobs throughout the County.

By working with our partners, Montgomery County was proud to award over \$1 million in low interest loans or grants to our local businesses and non-profits in 2015. In 2016 we have allocated \$2 million for economic development projects. My goal is to continue this trend of furthering economic development across our county.

And now, here is Commissioner Arkoosh with a look at the changing face of our human service delivery.

Commissioner Arkoosh

Earlier, we talked about how we are changing the face of Montgomery County government. That is most evident in the delivery of social services to our most vulnerable populations. Our Community Connections program has been a game changer. Previously, someone needing help almost always had to come to Norristown to access those services. Now offices in Pottstown, Norristown, Lansdale, Willow Grove with expansion sites in Pennsburg, East Greenville, Souderton, Ambler, and Lower Merion are or will be staffed by navigators who help those in need navigate the system and advocate for both the county and other non-governmental services.

In 2015 alone, our navigators handled over 5,300 cases, an average of 255 new clients a month. The silos have been dismantled, and our various social service agencies now work as a team dedicated to helping those in need without the added stress of unnecessary bureaucracy.

Working with various county and federal agencies, our Veterans' Affairs Office has worked diligently and effectively to fulfill the Commissioners' pledge to eliminate veteran homelessness in Montgomery County by the end of 2015. Mission accomplished, and the system is in place to prevent additional veteran homelessness going forward. In addition, the Veterans' Affairs Office also has begun to provide critically-needed rides to veterans to VA Medical Centers and services throughout the region.

Earlier we also mentioned how Montgomery County government has become pro-active after decades of being reactive. With a wave of heroin and opioid use and overdoses washing over the county, we created an Overdose Task Force that has taken a series of actions to combat this scourge. One of the most important of those was to coordinate the introduction of Naloxone for use by, so far, 19 municipal police agencies and the county's Adult Probation staff. This action alone prevented 26 deaths in 2015.

In addition, serving as the Interim Medical Director of the Montgomery County Health Department, I signed a Naloxone standing order allowing licensed pharmacies to dispense Naloxone without a prescription to individuals at risk of a heroin or opioid-related overdose.

And, as exciting as the changes and advances have been in the area of human services, we are well into a plan to completely restructure our health and human service departments that will seamlessly integrate all of these services that will enhance the safety, health, and well-being of county constituents.

I will now turn it back to Josh to wrap up...

Commissioner Shapiro

That is quite a list of accomplishments and goals. Let me add a couple more. The funding is in place and the plans are proceeding for the completion of the new county emergency radio system this year that will make first responder help even more immediate. We are maintaining our investment initiative in the campus of Montgomery County Community College, and continuing our investment in the county's information technology and fleet of trucks, cars, and emergency vehicles.

Finally, as we announced recently, we have undertaken a decade-long project to completely remake the Montgomery County government campus that will result in a new Justice Center, improved security, and a greatly expanded Hancock Park that will become a focal point of downtown Norristown. With this project and the completion of the Lafayette Street extension and the new interchange with the Pennsylvania Turnpike, we are beginning to see a true Renaissance in Norristown.

In conclusion, the State of the County is excellent. We are on solid financial footing. There is a vision for the future. In place is a proactive, responsive, transparent government that promises Montgomery County's residents a county that will provide a fantastic quality of life with greatly expanded economic opportunities. Thank you for your attention.