

State of the County Address – January 9, 2018

Back to Higher Ground ...

Thank you Gavin. Gavin is a 3rd grader at Ring Factory Elementary School and has an affinity for public service. He's a perfect example of why we work so hard for Harford's future generations.

Council President Slutzky, Gavin and I thank you for letting us take a little break from tradition. It is a fitting tribute to you as well, as you leave us with a distinguished career in education and public service. I thank you for your selfless service to generations of veterans, students and Harford citizens whom you have touched during 55 years of service. I will try and make your final year as President as smooth and uneventful as possible. Debi and I wish you and Linda many years of rest and relaxation.

Council members, special guests and my fellow Harford County citizens, tonight is my last State of the County address of this term. So I don't keep you here all night, my staff has put together our accomplishments and 2017 progress report for your review.

Our new path forward of fiscal responsibility and balance, efficiency through customer service, and innovation with accountability and transparency has led us back to higher ground. Now for you Star Wars fans, and since it was the holiday's biggest movie, you will recognize that line from Star Wars Episode 3 Revenge of the Sith, based on Obi-Wan Kenobi's line, "I have the high ground."

The difficult decisions I made when coming into office have helped get us back uphill. I have heard that, "Sometimes you have to walk through a little mud on your path, if you ever want to get to higher ground." Indeed, the County's fiscal position continues to improve - in many areas to levels not seen before the Great Recession. Revenue continues to increase at modest levels.



General Fund Percentage Growth Over Prior Fiscal Year



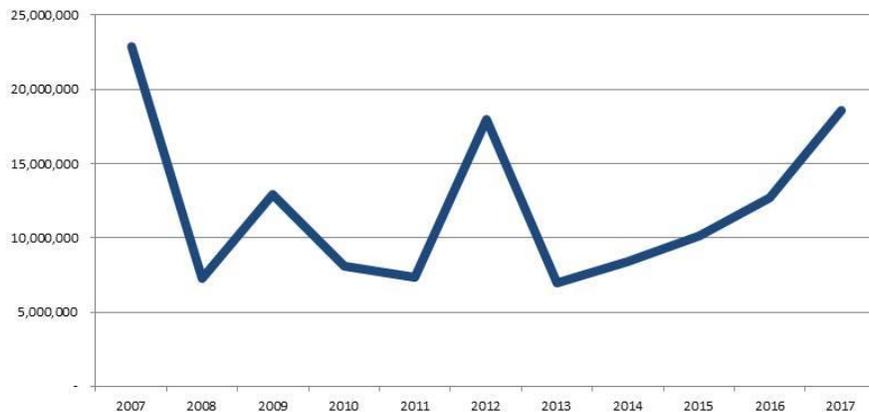
I continue to stress containing our expenditures – both during the budget process and throughout the year. It reminds me of an old farmers’ saying I share with our high school graduates each year: “When you find yourself in a hole the first thing you need to do is stop digging.”

Our fund balance, after nearly being depleted when I came into office, is restored. These were all points made to the credit rating agencies last week, and I am confident that when Harford County’s ratings are announced next week we will maintain our triple-A bond rating, something that only 3% of counties nationwide can claim.

For the third straight year, our revenue growth outpaced expenditure growth. Last year revenues were up 2.3% while our expenditures grew by only 1.5%, and because we have lived below our means, our available surplus has more than doubled over the past three years. With so much uncertainty in the world today, it is imperative that we have adequate reserves.



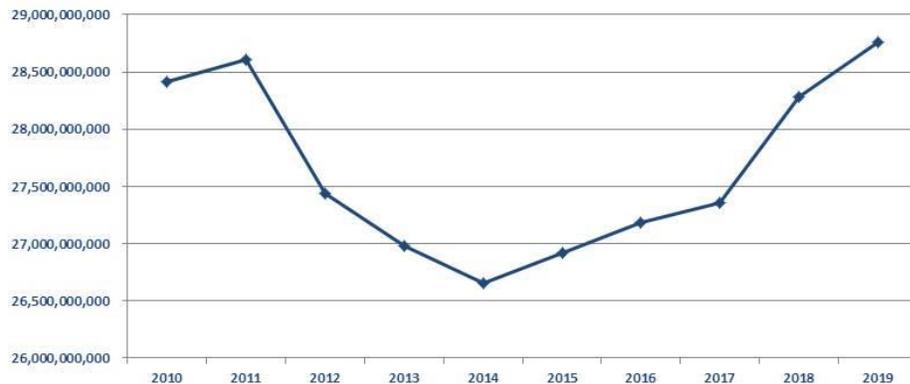
General Fund - Unassigned Fund Balance



Another positive sign is the growth in the number and the value of residential and commercial properties in the County. Through economic development and recovering assessments, we are up 8% since bottoming out in 2014.



Total Assessable Base

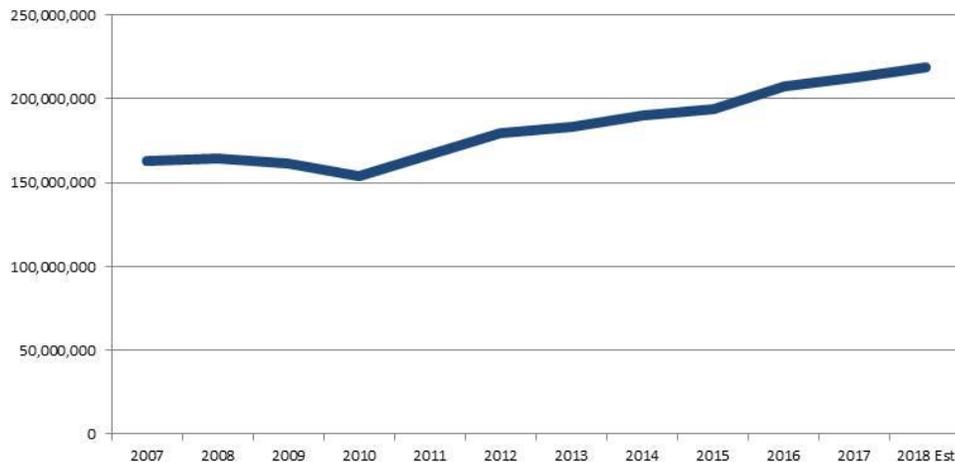


I can remember during my election night party, a local leader telling me “good luck,” the County was just about broke and I would have to be the first executive to raise the property tax since 1984. I am proud to say this turn around has been done without touching the tax rate. In fact, we have adopted the first 20% credit for eligible property owners who are 65+ and have lived in their home for 40 years or have retired from the military. We estimate this new credit could benefit more than 3,500 senior-led households with an average benefit of \$550.

I also plan to keep the local income tax frozen. I have my treasurer and budget director closely monitoring the economy, and, in particular, how changes at the federal level could be felt locally.



Income Tax

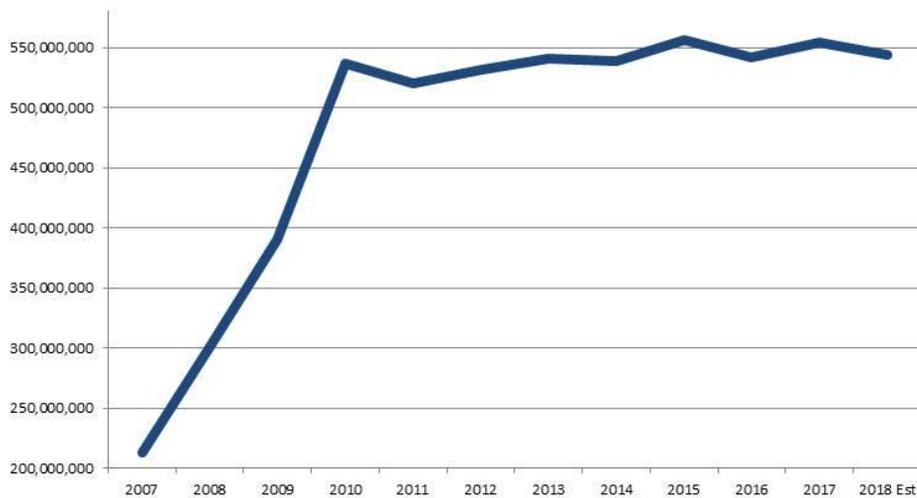


On the expenditure side, I promised 3 years ago to restore pay increases for our teachers, deputies, correctional officers and my own dedicated county employees. And in fact I have directed \$24 million dollars, nearly all of the County's increased spending, to education and public safety.

Our fiscally responsible and realistic Capital Improvement Plan is funding our key infrastructure renewal projects, from roadway resurfacing to roofs. Resources and State approvals are in place to meet our storm-water remediation obligations, and like the others, without an increase in taxes.



Total Government Debt – Taxpayer Supported



And finally, ground will break in a few months for the new Havre de Grace Middle/High School, hopefully to be opened by the 40th reunion of my “Warrior” Class of 1980 ...

Gavin, I know you only saw pictures of presidents Lincoln and Reagan in my office. But one of my favorite quotes from President Lyndon Johnson that follows my theme

tonight is this, “We can stand on no higher ground than the school ground.” And in my role as 2nd vice president of the Maryland Association of Counties, I will push for State funding formula revisions that for far too long have shortchanged Maryland suburban counties like Harford. For the past three years, we have increased funding by \$15 million for schools while the State has only contributed \$1 million more. At the same time, the State is increasing the duties of our teachers and administrators.

I will also continue to push for the return of our fair share of revenue from the State gas tax meant to maintain our local roads. We have been funding this ourselves at \$22, 711,269 to keep our roads safe and local contractors working.

The greatest threat to local government is the same that faces most of our families, the uncontrolled cost of healthcare and prescriptions. It continues to outpace and threaten future wages and benefits of our employees and partnering agencies. We will work with our national county association in Washington, as a solution is critical.

Locally, on the heels of completing Harford Next and last year’s comprehensive rezoning, I will be signing an agreement with the University of Maryland National Center for Smart Growth Research and Education. This partnership of research and education has been used in Howard and Anne Arundel counties and will assist our departments with multiple innovative projects including our new Churchville/Creswell study area.

As I announced last year, I have implemented the first-ever County medical director and EMS Standards Board. They are laying the groundwork to launch the first County-owned ambulances to strengthen and support our Volunteer and Foundation units. The first group of County paramedics will begin training next Tuesday. I would like any members of the EMS Board to stand, and I thank Director Hopkins, John Richter, Tammi Higgins, Warren Patrick, Mike Brunicke, Dr. Tim Chizmar, Rick Ayres and Linda Dousa for their tireless efforts to get our units built and staffed this past year. I am so proud of our

Emergency Services and their internationally accredited Dispatch Center. I plan to continue our record financial commitment to our local volunteer fire companies with the second installment of \$350K to Whiteford Vol. Fire Company and another \$540K to the busy Joppa-Magnolia Vol. Fire Company for their Hanson Road substation. This brings the County's total to \$1.2 million dollars for the Joppa project.

We have implemented 12 new apps and modernized permitting for our citizens. It's not flashy but we have also modernized budgeting and County employee training, with performance management implemented across all County departments. And smarter procurement methods have saved \$5.7 million so far. This is the foundation of the financial success I talked about earlier ... Let me take a break and assure you that it will not be all work this year as the County will also be home to the national Bassmaster Elite Tournament, and one of my favorite things - running. I am excited that the Al Cesky Scholarship Fund and other partners will be bringing a half marathon back to Harford County and we will be running across the Susquehanna River in September. I do owe special thanks to Gov. Hogan and Kevin Reigrut, the executive director of the Maryland Transportation Authority, for their cooperation in allowing us to use the Hatem Bridge.

I am proud of all our successes but most of you know our work with youth, families and those at risk gives me the most reward. It has given me the confidence to try and beat back the opioid epidemic, homelessness, and to help those who have not found the economic recovery and need navigation for healthcare or mental health services ... You see, if you want to lift someone up you've got to be on higher ground. Our Community Services folks have won national awards for our opioid prevention and treatment programs, which have reached 12 million impressions. I am also proud of

- Our Project Homeless Connect with the United Way**
- Youth and Family Resource Fair (1,000 attendees)**
- Housing Fair (for 200 first-time buyers)**

- **Collecting hundreds of coats, socks and shaving supplies for veterans, children and folks of all ages**
- **The iCanBike Camp for citizens with disabilities. If you can, imagine the joy of your first bike ride ...**

I am proud to build on this work by announcing our partnership with Harford's Miracle League to provide land at our Schucks Road location for a custom-designed field for youth with disabilities to play baseball, because every child should get a chance to ride a bike, and they should get a chance to play ball.

It also brings me great pleasure to announce that in the next year Harford County will also move forward with its first 24-Hour Crisis Center for those in their ultimate moment of need, working together with University of Maryland Upper Chesapeake Health, the Harford County Health Department, and Healthy Harford. I will submit a \$250,000 funding request in the upcoming budget, in addition to the \$250,000 we dedicate to treatment and prevention locally and that we have leveraged to \$1.3 million dollars. The national health crisis of addiction and mental illness has not skipped over us and we must step up to provide basic access to crisis treatment and care. To recoup the financial costs on our County, I will be directing the County Law Department to prepare an RFP as we will be joining other Maryland counties in suing the opioid manufacturers and distributors.

I also quote Maya Angelou to young people: "I've learned that people will forget what you said, people will forget what you did, but people will never forget how you made them feel."

This note from a Ms. Jones who contacted me when she and her twin 2-year-old boys found themselves homeless, sums up and answers the question why I stick with the most challenging office I've ever held: "I wanted to take time to thank you. I reached out to you about getting housing. I was successful at doing so and have been in my new

home for 30 days now. I know that sometimes you may question if you are making a difference and is it worth all the daily stress, I just want you to know you did help my family. To us you are our hero, the modern day superman!” But you see, I am not the superman, the real hero here is Lenora Robinson, sort of my Lois Lane. County employees like her are making a difference every day! Ms. Jones goes on to say that, “When you lose everything and fall flat on your face you pray for people who will not judge you. She encouraged me to just try and for that I am so grateful.” Lenora, thank you, and thank you to my Cabinet, staff and county employees who have made the past three years such a success and carried my message forward.

As President Lincoln said, “I have simply tried to do what seemed best each day, as each day came.” So just like on day one, in year four I will work hard every day for the County I love, for the next generation of Gavins, the Jones family, struggling to survive, and for each of us—to reach the blessings and prosperity found on higher ground.

God Bless you and God Bless Harford County. Thank you.