



Office of the County Executive

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## **COUNTY EXECUTIVE DELAGRAVE'S 2020 BUDGET ADDRESS**

(As prepared for delivery)

Mister Chairman, Mister Vice Chairman, members of the County Board, Youth in Governance representatives, distinguished guests, and residents of Racine County:

Four years ago, at the beginning of my first term, I stood at this very lectern and delivered my first budget address to the County Board.

I spoke about our shared vision and priorities – namely, of improving mental health services, creating a Racine County-ready workforce, and attracting new economic development. I described the teamwork that was required to ensure we serve the almost 200,000 residents of Racine County efficiently, effectively, and compassionately.

Now, as I stand here at the start of my second term and present my fifth budget address, I am so proud of all of us – our team – and what we have accomplished together.

The Racine County team is not just those of us in this room. As County Executive, I'm fortunate to work with municipal governments, educational institutions, community nonprofits, faith-based entities, and more dedicated individuals than I could ever count. All of them share a commitment to make our community a better place.

This team is the reason that Racine County has moved forward in ways we couldn't have even imagined four years ago.

To be sure, we have a lot of work to do. But it's worth revisiting those goals I laid out in my first address – mental health, workforce, and economic development – and recognize what we can achieve when we work together.

In the last four years, our community united around the critical issue of children's mental health and changed how we deliver services to youth – laying the foundation for what could be a national model. This includes a transformation of our County's Behavioral Health Division and expansion of mental health services to children by over 400 percent.

To move the needle on creating a Racine County Ready workforce, we embarked on a laser-focused initiative to connect people with family-sustaining employment. Together, we have helped hundreds of residents obtain their high school equivalency diploma or GED, complete fully-funded training, and receive work-readiness supports. This, again, has been a community effort that has united organizations in new collaborations.

As to economic development, we worked together to attract the fourth-largest technology company in the world and bring 21<sup>st</sup> Century manufacturing into our own backyard. As the walls rise on North America's first LCD manufacturing facility, the Foxconn effect is real, and we continue our efforts to maximize this unprecedented opportunity.

And those are just some of our accomplishments. Across the board -- from youth justice, to infrastructure, to parks, to quality of life -- I am so proud of what we have accomplished. I'm grateful to work with the County Board and all our partners -- from Burlington to Racine and all parts in between.

In that first address, I used the phrase "Racine County Way."

The Racine County Way is about smart and responsible financial management. It's about expanding our capabilities and forging ahead while being accountable and transparent in our stewardship of tax dollars.

Starting with a \$13.1 million deficit, the 2020 budget has been especially challenging. Like almost every public and private entity today, my team and I were forced to make difficult budgeting decisions in the face of rising health care costs.

While our employee and retiree benefits are still very competitive with comparable counties and municipalities, we recognize our employees are being asked to contribute more of their well-earned paychecks to mitigate these increased health care costs.

In the Racine County Way, our department heads and staff are finding creative ways of continuing to provide great services. Our Racine County team includes nearly 800 employees who work hard every single day on behalf of our residents, businesses, and visitors. More important than any County Executive or County Board, these front-line employees are the most valuable asset we have. I am so honored to work alongside them as we make our County the best it can be.

We're fortunate to have experienced new leaders in place to help us through this tough budget process - Finance Director Brian Nelson and Finance Manager Crystal Moore. As always, our Budget Manager Kris Tapp has dedicated countless hours and played an essential role in crafting this budget. Thank you, Kris.

While our budget is tight, under the Finance Department's sturdy leadership, the County continues to enjoy a strong balance sheet and an AA2 bond rating. The refinancing of bonds related to the Foxconn project will further strengthen our financial position as it converts the debt from short-term to long-term and reduces the outstanding balance by \$37 million.

I am also happy to report the mill rate is expected to drop again this year, just like it has in each of the past five years I've been in office. We are bonding about \$6.4 million for capital projects, and in the general fund, we have unrestricted reserves of over \$12 million and a total reserve balance of \$50.4 million.

We are making tough decisions now with the goal of ensuring Racine County is well positioned for years to come. That's important, because while the challenges are as great as they have ever been, the opportunities are even greater.

As we gather here tonight, Racine County is booming with new growth and development. With the help of our partners at the Racine County Economic Development Corporation (RCEDC), we can see the progress from the west end to the east end, with projects that are laying the groundwork for new residents and families to call Racine County home.

- The Village of Waterford will have their first multifamily development in 20 years, which broke ground in August.
- In Union Grove, village leadership worked tirelessly to remediate an abandoned brownfield into a great new residential development, which formally opened with a ribbon-cutting a few weeks ago.
- On the east end, exciting developments continue to be announced, including Wangard Partners' 278-unit apartment project in Mount Pleasant.

These new residential developments are so crucial to our region's success. Without additional housing, our current and future employers will struggle to recruit and retain talent. Thank you to the Racine County Board for supporting a comprehensive housing study that will help guide our communities' planning decisions and spur even more growth.

Commercial developers remain bullish about Racine County as well, and are expressing that optimism with new spec buildings, including HSA's facility in Mount Pleasant and Ashley Capital's building in Sturtevant.

In 2019, our local economy is expected to add more than 5,000 new jobs. In 2020, more than 6,000 new jobs are projected to arrive. On one hand, this is a great problem to have. On the other, this points to the real challenge of addressing rapid job growth.

Our focus will continue to be on making sure everyone – residents and businesses – can share in our success. I am confident that our new comprehensive strategic workforce plan -- completed in partnership with RCEDC and ManpowerGroup – is a roadmap that will lead us to the success our business community and our workers need.

Led by Kristin Latus, Deputy Director of Human Services, and Data Manager Travis Richardson, we've held listening sessions with business and workforce leaders, met one-on-one with company presidents and HR managers, and kept our businesses' needs front and center as we developed our workforce plan together.

As part of our efforts, Racine County plans to invest \$2 million in no-cost, short-term trainings as well as wraparound supports like transportation and childcare for

unemployed and underemployed residents. Under the leadership of Uplift 900 Manager Melvin Hargrove, we've also embraced a door-to-door, person-to-person approach to workforce development, as shown by our successful Job Fests.

Again, thanks to the County Board supervisors who are doing your part by meeting with businesses in your district. Fixing our growing labor demand will not be easy, but we can make the greatest impact for our businesses and residents by working together – as a team.

Developing our workforce is just one priority of the Human Services Department, which has continued to make gains under the guidance of our visionary Director, Hope Otto.

As a former Human Services Director and Juvenile Detention Superintendent, I may be biased, but when it comes to helping children reach their potential, I would take our juvenile justice program over any County in the state.

Led by Superintendent Ed Kamin, and with the help of Supervisors Demske, Miller, Maier, and others on the Youth Justice Advisory Committee, we have made significant progress toward a new youth justice facility that will lead to even better outcomes for our young adults in the juvenile justice system. Our grant application has been submitted to the state, and we anxiously await state legislative decisions so we can begin construction on a new, modern facility.

In the meantime, we are already implementing changes to our current programs. We're shifting from a traditional detention model to one that incorporates trauma-informed principles and helps youth develop vocational, life and social skills. We're also redoubling our efforts to create a great work environment for our dedicated staff who are improving the lives of children each day.

The Behavioral Health Division, meanwhile, is investing resources to battle the opioid epidemic through outreach to EMS and law enforcement, with an aim to increase access to treatment options by 100 percent or more. At the same time, under the steady leadership of Michael Lanzdorf, our Office of Corporation Counsel awaits the potential resolution of a lawsuit targeting the deceptive and fraudulent practices that contributed to the nationwide opioid crisis.

Our Human Services Department has a total operating budget of over \$53 million, yet only has about \$6 million on the tax levy. By investing our budget dollars wisely, we can nimbly tackle the problems of today, whether that's a public health emergency like the opioid epidemic, or the escalating threat of cyberattacks.

Making cybersecurity a high priority is no longer a choice – it's a requirement. Under the fantastic leadership of our new IT Director Shuchi Wadhwa, the County is increasing our cybersecurity infrastructure to protect our employees and our data. Among the measures the IT department is implementing is a County Disaster Recovery Site, to ensure that if the County ever is attacked, we can resume regular operations quickly.

The department is also instituting new security measures, such as multi-factor authentication in our day-to-day operations to protect our County systems, its data and employees. Overall, the 2020 budget includes more than \$170,000 toward increased

cybersecurity. The investment of both funds and time is imperative to maintain the safety and trust of our residents.

At Racine County, we don't ignore the daunting issues of the technological age – we welcome them.

Earlier this year, we implemented our Digital Counties initiative to embrace emerging technologies for the benefit of our community. From the start, this initiative has been guided by input from the public and our employees. That input formed our priorities: better efficiency and customer service in County government; greater access to technology for all; and attracting those who want to live in an innovative community.

This initiative continues to move forward, and tonight I want to share our next steps.

- First, we are setting up an oversight committee, which will be comprised of a mix of County stakeholders, to guide the initiative and review strategic decisions.
- Second, we are proceeding on the first use case, which is enhancements to our 911 system to ensure that our dispatchers have the best possible caller location to direct emergency personnel.
- Third, to fully understand the resources we can leverage, we plan to perform a comprehensive inventory of Racine County's assets.
- Finally, we are working closely with other efforts in the County, including the City of Racine's Smart Cities initiative, to capitalize on the great work being done locally and reduce duplication.

To further aid this effort and many other County programs, I've included in this budget a new Division of Data and Performance Analytics. This division will collect and use data to measure our programs' performance, so we can more easily discover and capitalize on what's working and identify where we need to make changes or improvements. We also want to ensure our dollars are being spent with the best possible return on investment – using objective, performance-based metrics. Working together, as a team, I'm confident we can make Racine County a leader in utilizing data and technology to make evidence-based decisions and increase accountability to our taxpayers.

Let me emphasize one more time, we don't do this work alone. Creating meaningful partnerships has been instrumental to our success these past several years.

Last year, I announced an unprecedented \$6 million partnership between the County and the Racine Unified School District to build a multipurpose turf stadium at Pritchard Park. After an extensive design, planning, and bidding process, we are ready to break ground on the stadium this month! Watch for an invite to a groundbreaking ceremony soon.

Pritchard is just one of the Racine County parks on the upswing.

After water quality and beach improvements, 2019 was the Year of Quarry Lake Park. We are thrilled to make this a popular community gathering spot once again, especially for the thousands of people who attended the beer garden festivals this past summer. The work continues next year, as we draw up plans to rebuild the visitors building.

At Einer Fischer Park in Burlington, this budget calls for spending about \$760,000 to demolish the aging and deteriorating concession stand and changing areas and construct a new building.

Reefpoint Marina continues to be recognized as providing the best overall boating experience on Lake Michigan, and this budget further solidifies one of our most treasured assets. However, with marina infrastructure reaching the end of its useful life, we are exploring how to activate our public waterfronts so that they are enjoyed not just by boaters, but the entire community – and ensure they are sustainable no matter the economic conditions. This will be an important focus in 2020.

The new Range Time year-round driving range at Ives Grove Golf Course is an amenity that was long overdue and made possible only through a public-private partnership, in which no County tax dollars were used. I am looking forward to a ribbon cutting later this month and to swinging my golf clubs during our long winter!

Our Public Works and Development Services Department, under the experienced hand of Director Julie Anderson, continues to cut costs while still delivering results. Last year, the department reconstructed two new box culverts on Highway A and Highway J in-house, which resulted in substantial savings for taxpayers. Unlike a certain other highway project that didn't go as well, these culvert projects have been a great success because we worked together.

As I stated earlier in this speech, our Racine County team is not just those of us in this room.

Two years ago, I established the County Executive's Community Impact Award as a way of recognizing one organization and one individual or individuals who are making a difference in Racine County.

This November, we will celebrate the 10<sup>th</sup> year of Dan Johnson's and Ray Stibeck's Rendering Thanks event – a free Thanksgiving Day feast at Festival Hall. What Dan and Ray thought would be a one-time event in 2009 has turned into an annual tradition that attracts thousands of people.

With hundreds of volunteers and donations of food, Rendering Thanks truly captures the caring and charitable spirit of Racine County – and reminds us all to be grateful for our blessings and generous to those who may need a helping hand.

Dan and Ray, thank you for bringing the community together in the most heart-warming way. I'm pleased to present the first Community Impact award to you tonight. Please stand and be recognized!

To say it's been a tough year for the Racine Police Department would be an understatement. Our entire County suffered a tremendous loss with the death of Officer John Hetland, whose extraordinary bravery and heroic actions will never be forgotten.

As our community grieved, the Racine Police Department's response inspired us, moved us, and united us. They reminded us that Officer Hetland was part of a police

department and law enforcement community that runs toward danger instead of away from it; that answers the call to keep the rest of us safe.

We bestow this award to Racine police officers not just for their actions this summer, but for the courage and bravery they show every single day. I'd like to recognize Sergeant Adam Malacara and Investigator Nick Groth, who are accepting the award on behalf of the officers of the Racine Police Department.

I had the immense honor last month of giving the keynote address at Gateway's Law Enforcement Academy graduation. As I told those graduates, law enforcement officers are a special group of men and women who enter a profession in which "saving lives" is part of the job description.

I believe it should be our goal – as both the executive branch and the legislative branch – to attract these great people to work at Racine County, and to give law enforcement as many resources as we can so that they can do their jobs effectively.

This will always be a work-in-progress; however, I am pleased to continue making investments into public safety.

This budget includes a two-dollar per-hour raise for our corrections officers. This will help us continue to attract and retain quality officers and keep us competitive with comparable counties.

A 911 phone upgrade of about \$205,000 will allow the Racine County Communication Center to begin accepting text messages. This will greatly help our dispatchers – the first of the first responders - gather necessary information in a faster, more efficient manner. Thank you to our cool-headed Communications Director Jackie Bratz for her lead on this upgrade and her valuable contribution to our Digital Counties use case.

I'm also happy to support new cutting-edge technology for the Racine County Sheriff's Office. Pending County Board approval, we are investing about \$85,000 in innovative Bluetooth devices, which automatically activate body cameras when a deputy removes a firearm or taser from their holster and when a deputy turns on their squad car lights.

As I said when Sheriff Schmaling and I introduced the technology to the media last week, this is an important upgrade to protect both our Sheriff's deputies as well as residents interacting with law enforcement.

I'm honored to work with Sheriff Schmaling, as well as our other Constitutional Officers: Clerk of Circuit Court Sam Christensen, County Clerk Wendy Christensen, District Attorney Tricia Hanson, and our new Register of Deeds, Connie Cobb Madsen. Thank you for your teamwork not only in this budget process, but throughout the year. I look forward to the County Board's appointment of a new Treasurer in the very near future.

I also know I could never do my job without my hard-working Cabinet – those mentioned earlier in this address, as well as Human Resources Director Karen Galbraith, Project Manager Liam Doherty, and Chief of Staff M.T. Boyle.

Finally, I want to thank Chairman Clark, Vice Chairman Cooke, and you, the County Board. I am so fortunate to have worked in partnership with you for the past four years, and together, we will continue moving our County forward.

Just as I often mention the Racine County Way, I also brag about how 71 other counties wish they were in our position. This is for all kinds of reasons, whether it's the Foxconn opportunity, our innovative service delivery, our location and amenities, or our extraordinary partnerships.

But there is one more very important reason: the Racine County Team.

Together, we will continue to work hard for our businesses and residents. I am so honored to be part of this team.

Thank you, God bless you, and God bless Racine County.

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