



RACINE COUNTY
Office of the County Executive
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COUNTY EXECUTIVE DELAGRAVE PRESENTS 2016 BUDGET (As Prepared for Delivery)

Mister Chairman, Madam Vice Chairman, members of the County Board, Youth in Governance Representatives, distinguished guests, and residents of Racine County.

It is my privilege to stand before you to submit the 2016 budget. This is my first budget as County Executive, and I am both proud and humbled by the effort and the teamwork that it represents.

With the help of many, we started this budget back in May. The overall goal was to be representative of our citizens, while at the same time, to reflect my vision for Racine County in the year 2016 and beyond.

Please indulge me as I step back a moment from a traditional budget speech and talk about vision. I know a budget speech emphasizes numbers, efficiencies and savings – and I will have plenty of those in just a moment. The budget I will present to you is smart and sustainable.

Vision is the drive and purpose behind these numbers. When I stood before you last May and gave my State of the County address, I emphasized my vision and goals for Racine County around three priorities. First and foremost, I pledged to focus on a Racine County Ready Workforce. This budget does that. I pledged to prioritize mental health services, especially for children. This budget does that. I pledged to continue to find partnerships to attract new economic growth and expand current businesses. This budget does that in a big way. Finally, I introduced a Servant Leadership philosophy that guides my team to become even better leaders. This budget is the reflection of that vision.

Now to the numbers...

This is the sixth consecutive Racine County budget that does not increase the countywide tax levy. The sixth in a row. The 2016 bonding budget is the lowest since 2010. The County is only borrowing roughly \$4.2 million this year. We also have \$14

million in unrestricted reserves, with a total reserve balance of nearly \$33 million. In addition, we will continue to earn a strong AA bond rating.

Quite frankly, the combination of a 0% increase in the countywide levy, the lowest borrowing in 6 years, a healthy reserve, and a robust bond rating is a huge accomplishment. I am extremely proud of this budget. I also realize that I didn't create this budget alone. This involves the executive and legislative branch working together. That teamwork is something that I don't take for granted, so on behalf of myself and former county executives; I thank you, the County Board, for being an active and valued partner in our vision.

I like to use the phrase the "Racine County Way". This means we ask our department heads and staff to do more with less and find creative ways to deliver great services to our residents. To maintain excellent service, with the same number of tax dollars as 2011, is a challenge. I am so proud to tell you that the challenge was met head-on by all of our departments. With this level of dedication and a shared goal, I believe we can be the envy of seventy-one other counties in Wisconsin.

Speaking of teamwork, we now have a full cabinet. After four months, I have assembled a strong team that has the experience, credentials, and dedication to serve the almost 200,000 residents of Racine County effectively. Together, we have already accomplished great strides with this budget. I know we will lead Racine County in the right direction in the future.

As I stated earlier, this budget has a strong focus on three priorities: the first and foremost is a Racine County Ready Workforce. Our Human Services Department, led by Director Hope Otto, dedicates more talent, time, and resources than ever before to accomplish meaningful progress toward this goal. In the last year and a half, our community has received several large grants including Ford Foundation - Next Generation Learning and the Accelerator Grant from Annie E. Casey Foundation. This has allowed us the means to accelerate systems change and achieve alignment with other community agencies. A shared vision and commitment from our community leaders helps us avoid redundancy and create greater impact in achieving a fully capable and employed workforce. We have been looking at successful models of Career Academies in school districts around the county to ensure that all high school graduates have a sustainable career path with a "tool box" full of relevant job skills. Through Racine County's Higher Expectations initiative, we are also focusing on key indicators including kindergarten readiness, 3rd grade Reading and 5th grade Math, 9th grade credit attainment, and post-secondary completion so we can assure more academic success among our county school students.

Another strong priority within this budget is our effort to expand mental health services. The county has increased capacity and stability within the Behavioral Health Clinic in 2015. This stability has resulted in over 1200 individuals receiving mental health services since the first of the year. The Clinic is in the process of recruiting additional psychologists and Advanced Practice Nurse Prescribers, in order to address unmet community needs. The implementation of the Comprehensive Community Services (CCS) Program, a regional effort with Kenosha County, has been one of the larger undertakings of this past year. There are currently 49 individuals, 6 of whom are children, receiving intensive psycho-rehabilitative services through the CCS Program.

These services support residents of Racine County in acquiring skills and assistance to achieve recovery.

Behavioral Health Services has also continued to expand Alcohol and Substance Use services as well. I anticipate these efforts will improve access for the residents of our county and that all areas of service will continue to grow in 2016.

Racine County continues to be an active partner in the community effort to support Racine Unified School District in the development of the pilot school-based mental health services. This initiative will embed an outpatient mental health clinic in two of Racine's elementary schools. If this pilot is successful, we will expand this model into other school districts in the county.

The Human Services Department has operating expenses of \$32.6 million, with only \$5.6 million on the tax levy. I am also proud that the HSD budget will have \$4 million in reserves. This well-managed budget is quite an accomplishment and will keep the department sustainable for the next several years.

Another very important part of the Human Services Department is Ridgewood Care Center. I am happy to report plenty of good news; however, I will also address some challenges that may happen in the future. First, the good news: Ridgewood has continued its 5 Star rating from the Center of Medicare and Medicaid Services. This recognition attests to the strong and effective leadership of Liam Doherty, Administrator of Ridgewood, and the quality and hard work of his team. Second, once again Ridgewood will be budgeted for 2016 with no county levy. This is in stark contrast to the other county nursing homes in the area that do use considerable county levy. Ridgewood provides what I consider superior quality care to the residents of Racine County at an affordable cost, and I'm proud of that.

Now for the challenges: the State of Wisconsin is moving toward a "home care model" for our seniors and individuals with disabilities in need of intensive services, and every year Medicare and Medicaid reimbursements are reduced. Ridgewood will be challenged in the near future to stay off the levy. Therefore, in 2016, I will create a County Executive Task Force to work with the Ridgewood team to maximize resources while still delivering the superior care to our Racine County residents. I know if we work together we can produce great results, and I believe Ridgewood's best days are ahead.

As I mentioned previously, we have a full cabinet, and the newest member of our team is the Finance Director, Alexandra Tillmann. As you know, her department is responsible for putting together this \$145 million puzzle called the budget. I am really excited about our 2016 plans for this department. This plan is three-fold: First, we are going to restructure the finance department to make it more efficient, nimble and flexible. It will no longer be "siloeed" but under one umbrella that will serve departments and the legislative branch much more effectively. Coupled with this restructure, we are purchasing a new financial software system. This system will put us into "real time" with our budget projections, and give our employees a simple and smooth platform for their budget input. Lastly, for the first time, Racine County is creating and implementing a sound investment policy. This policy will not only seek to maximize our returns, but also to establish a clear investment direction that will be responsive to community needs and remain consistent through political transition. In the end, my hope is that we look back

at the 2016 budget and know this was the defining moment in our creation of the finest County Finance Department in Wisconsin.

I am going to pause a moment and acknowledge our Courthouse elected officials. Sheriff Chris Schmaling, County Clerk Wendy Christensen, Register of Deeds Tyson Fettes, Treasurer Jane Nikolai, District Attorney Rich Chiapete, and our new Clerk of Courts Sam Christensen have all impressed me with their teamwork and more importantly, with their service delivery to our Racine County residents. This budget once again shows the “Racine County Way” is in full effect as they continue to do more with less. To all our constitutional officers, thank you for your partnership and your continued excellent service to our nearly 200,000 residents.

In early September, we celebrated the many successes of our Racine Lakefront. I am so proud of our Reef Point Marina. I said in my remarks at the dedication that I think our lakefront is the best on Lake Michigan, and our marina is a big factor in what makes the Racine lakefront great. To back up my opinion, Reef Point Marina was voted Best Marina on WISN A-List and received First Choice Marina Ranking by Active Captain Consumer Rating Service earlier this summer. This good news is supported by a few facts: We have increased occupancy by 13% since the 2013 boating season and are currently at 55% slip occupancy. This translates to approximately \$300,000 in a net revenue increase since 2013. As we have previously agreed, the marina should be self-sustaining and independent of the County tax levy. Therefore, the profit will be reinvested back into the marina infrastructure. My 2016 budget will reinvest these funds to continue to modernize and update our marina. Our strong partnership with Siegel-Gallagher Marina has been key to our success. Simply stated, we expect to have the best marina on the Great Lakes, right here in Racine County.

In conjunction with the marina, I am going to commend our Public Works and Development Services Department, led by Julie Anderson. This department is a great example of doing things the “Racine County Way”. For example, in 2016, Julie is spearheading a grant application to fund a comprehensive study of our harbor. This study will help to determine the next best steps to maintain the harbor’s structures, such as the North Breakwater, and to check the sediment buildup on the bottom of the waterways. This could lead to another dredging project in the future.

This budget will give Julie the tools to continue to do great things in 2016 with our roads. We are going to fix the drainage issues on Highway V. The road will be resurfaced from County Highway G to North County Line Road at a cost of \$1.6 million. We will acquire the real estate to rework County Highway MM from State Highway 31 to State Highway 38, another much-needed county road improvement. We are also going to start the design phase of a roundabout at the intersection of County Highway V and K. I am excited about this move as it will not only make this intersection safer, it will enhance and encourage business development along Highway K. You will see great improvements along that corridor in the next two years.

We are going to replace the Waterford Dam tainter gates at a cost of \$300,000. Regarding snow removal and summer work at our parks and trails, we will continue to use seasonal workers who provide great service and value to our county taxpayers. Finally, I am very proud of our continued partnership and contract with the Village of Caledonia for Planning and Zoning services.

A challenge for our Parks Department is the devastating effect of the Emerald Ash Borer on trees in our parks, and in particular, the Ives Grove and Browns Lake Golf Courses. This budget allows for as much proactive treatment as possible and a reforestation plan for the trees that will be lost.

I mentioned our courthouse elected officials and how impressed I am by their teamwork. Another great example is the collaboration between the County Register of Deeds Tyson Fettes and Development Services Director Julie Anderson to modernize Geographic Information Systems (GIS) technology. This upgrade will allow for easier permit tracking and archiving. I'm thankful to Julie and her staff for their services and dedication to creating a beautiful, safe, and thriving Racine County.

Economic development is clearly a high priority not only for this budget but for my tenure as your County Executive. I am again supporting the Racine County Economic Development Corporation (RCEDC) and its Revolving Loan Fund (RLF) with a \$1 million investment. My focus for that support is to develop the I-94 corridor. The "I" runs straight through our county from Milwaukee to Chicago. The time is perfect to be a catalyst for sound development and to make real progress toward our long-held goal of a booming Racine County along I-94. The Highway K and Highway 20 interchanges will be developed in the next couple of years, and I hope that Highway 11 will not be far behind. There has been enough talk about development along the "I". Now it is time for action.

Speaking of action, our Human Resources Department, led by another great leader, Karen Galbraith, also personifies the "Racine County Way". Human Resources is responsible for making recommendations to control costs in pay and benefits while remaining competitive with the market. It is very important to me that the County is enabled to attract and retain quality employees. Based on recommendations by Karen and her staff, I am proposing a slight reduction in the short-term and long-term disability benefit program. This change will continue to provide a benefit to someone who is temporarily unable to work, and encourage others to return to work. This small adjustment will save the County approximately \$150,000 per year.

Our Information Technology department, under interim director John Barrett, has also made some significant changes. By the end of 2015, fiber connectivity between the Racine County Courthouse, Ives Grove and the Taylor locations will be complete, which allows the County to share infrastructure and to communicate more effectively between locations. In 2016, a completely new web site for Racine County will provide an attractive and user-friendly pathway for citizens, tourists, and county employees to communicate and access information throughout the county.

Our Sheriff's Office, led by Sheriff Chris Schmaling, is traditionally the budget area that comes under the most fire, no pun intended. With a budget of over \$20.3 million, this budget alone accounts for 42% of the county levy. I appreciate that Sheriff Schmaling and his staff understand the need to balance the uncompromising safety and well-being of all our residents with the realities of our countywide tax levy. I am proud to work closely with the sheriff to support his office and the jail to ensure our county has the best and most effective law enforcement in the state. In that vein, I have continued in 2016

to budget for the yearly replacement of squad cars, new technologies, improvements to the jail, and much-needed equipment upgrades and purchases.

The sheriff and I are also working closely on the law-enforcement body camera project. Body cameras are an important new resource that could help illustrate and explain to some degree the day-to-day challenges encountered by today's law-enforcement professionals. I am confident that the sheriff and I can establish a feasible, cost-effective plan to obtain body cameras for our patrol deputies and correctional officers in 2016.

I am also supportive of the Sheriff's Office with respect to the heroin opiate epidemic in our County. The sheriff and I have both participated in heroin and opiate listening summits. I understand how dangerous this poison is to our families, our loved ones, and our community. I applaud the Sheriff and his entire office for their efforts to fight this epidemic, and I thank them.

We continue to identify uses for the Sheriff's community service workers. Whether it's shoveling snow, cutting grass, picking up trash along our beautiful roadways, painting fences or working on special projects such as repainting the juvenile detention center in 2016, we will save the taxpayers tens of thousands of dollars in labor costs. This project is also beneficial to inmates who are part of this program. It encourages a solid work ethic and gives them something to add to their resume when they are released from custody.

The Communications Department, led by new cabinet member Jacqueline Bratz, continues to provide prompt and efficient dispatch services to our citizens and our service agencies, which include all of Racine County Law Enforcement, and Fire and Emergency Medical Services (EMS), excluding the City of Burlington. In 2016, our IT department will be upgrading the servers at the Communications Department to better serve the community.

Other Communication Department projects include: The development of a Community Education Team, which will educate the public in schools, service club meetings, and within the community to better understand the questions that are asked on a 9-1-1 call. These questions help equip the first responders to act quickly and efficiently. The department is also forming a tactical dispatch team, which is a core group of dispatchers who will assist in the field response with radio communications and logistical details for larger scale incidents. The 911 dispatchers are truly the "first" of the first responders and are the critical link between the people of Racine County and all emergency and non-emergency agencies.

Ultimately, Racine County is made up of people. My budget includes financial support for quality of life activities that make Racine County an attractive place to live and work. Places and programs supported include the Heritage Museum, the Racine Ag Society, the Racine Zoo, the Wind Point Lighthouse, and new this year, Focus on Fathers, a program that mentors young fathers on improving the lives of their children.

Although I believe financial support is important, I also believe in another kind of support, which is the embodiment of the principle of Servant Leadership. As I stated in my State of the County speech last May, I believe leaders create other leaders. We do

this by focusing on the growth and well-being of people, and by extension, on the communities in which they live and work.

I am very proud and inspired by the leaders that I have chosen to be part of my new cabinet. Julie Anderson, Hope Otto, Karen Galbraith, Liam Doherty, Jon Lehman, John Barrett, Alex Tillmann, Jackie Bratz, and M.T. Boyle are all strong team members and dedicated to the improvement of not only their own departments, but of Racine County as a whole. This team and I will be working hard to move Racine County forward.

In conclusion, this 2016 budget is aggressive yet practical. It offers big goals, but also the means to achieve them. It highlights the three main objectives in my vision: a Racine Ready Workforce, improved mental health services, and real, sustainable economic development. This budget once again keeps the county-wide tax levy flat. This budget continues our outstanding service delivery to our residents of Racine County.

As always, I want to express gratitude to each of you on the County Board, for being great listeners, great partners, and great team members. I know that I am fortunate to be your County Executive. I appreciate working with all of you to ensure a better Racine County. I welcome your thoughts as we work together to adopt this 2016 budget.

Thank you.

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