



OFFICE OF THE COUNTY EXECUTIVE

Milwaukee County

CHRIS ABELE • COUNTY EXECUTIVE

September 26, 2013

2014 Budget Address

(As Prepared for Delivery)

Good morning. Thank you, Chairwoman Dimitrijevic for the opportunity to address the County Board today. Thank you also members of the County Board, Elected Officers, members of the Wisconsin Legislature and Judiciary, Milwaukee County Employees and guests for attending today.

I want to thank all of the Department Heads and Elected Officers who worked with us during this budget process and I want to give a special thank you to Interim Budget Director Josh Fudge and to all his staff who worked so hard putting this budget together. They are a testament to the many great Milwaukee County employees whose hard work is key to the services we provide, but too often go unnoticed by the public.

Before looking forward to the 2014 Budget, I want to take a quick look back to 2011 when I took office. In 2011, the Public Policy Forum looked at Milwaukee County's fiscal trend and predicted that by 2014 the County would be facing an \$86 million deficit. Think about that for a minute, an \$86 million deficit: that's more than the entire budgets of the Parks Department, the Zoo and the Department on Aging combined.

There were a lot of reasons and many choices that led to that dangerous trend. But I'm happy to say that, because of the difficult budget decisions we have made the past two years, we are in much better shape today. As a direct result, we have been able to protect the County's most valued services from cuts. Instead of an \$86 million deficit, the challenge we actually confronted in putting this budget together was a \$15 million deficit. That's still too high, but it's a \$71 million dollar swing in the right direction.

I say all of this not just in the hopes that our friends in the media will focus on some good Milwaukee County news, but, more importantly, as a reminder that we need to, and will continue to need to, make tough decisions. Those decisions might not be popular to some in the short term, but they pay off in the long run. I hope Supervisors keep the increasing deficit that is still projected in mind this year as you examine the Budget and make changes. To achieve a financially stable County government, we must focus on long-term pressures and on long-term outcomes.

My proposed budget does not include a tax increase or rely heavily on fee hikes. It improves efficiency and protects services from cuts. All of that is very good news for the citizens of Milwaukee County who have had to tighten their belts at home.

My budget also includes market-based adjustment to our healthcare benefits. The increase in healthcare benefits is due to the continued rise in healthcare costs and the County's need to align our expenses to revenue for long-term sustainability.

This budget is also fair to all employees, with a two percent raise for workers and a fifty dollar monthly reduction in health care premiums for employees who take part in the County's new wellness program. The two-percent raise is twice the amount that was given to state workers. It is a significant investment that I am recommending to the Board to honor the good work you all do.

This budget continues my effort to address long-deferred maintenance across the County, with \$79 million in new capital projects, including \$18 million in projects that are cash-financed, allowing us to avoid some future interest costs.

We all know that public safety is not simply a city or suburban problem; it's a problem for all of us. The importance of public safety demands that, as a community, we leverage and coordinate as much of our manpower, our resources, and our data as possible. This budget provides a Public Safety Initiative to build these partnerships that we hope to continue.

The Sheriff's Office budget is \$72 Million, that's twenty-two percent of the entire property tax levy. The Sheriff's budget includes an increase for Deputies for Courtroom Security and for Freeway Patrols. Under this plan, the Sheriff's Office will have the largest staff dedicated to Freeway Patrols since 2004.

The budget also provides the Sheriff the flexibility to avoid any Deputy layoffs while continuing to realign the department to focus on its core mission in a fully incorporated County.

This budget provides funding for some Sheriff parks patrols while - in response to Supervisors' expressed concerns last year- allowing municipalities to choose whether their police will uniquely patrol parks in their cities. We've already heard from the three largest cities in the County who say they are willing to share critical data while continuing to patrol and respond in their parks.

To supplement this effort, I am also proposing spending one-time money next year for the Milwaukee Police Department to expand their ShotSpotter program near parks on the south and north sides. ShotSpotter is a proven system that gives police officers the ability to respond more quickly and with better information to serious crimes. In a situation where seconds matter, this investment will make a huge difference.

This budget allows House of Correction Superintendent Mike Hafemann and his staff the resources to continue to safely expand their programming, treatment and electronic monitoring of inmates. To anyone unclear on the benefits of this investment or its impact on public safety, I will point to a recent study from the RAND Corporation that adds to decades of research, showing that inmates who take part in education and training behind bars are far less likely to reoffend and end up back in custody. As a result, this saves taxpayers money and frees up the criminal justice system to focus on the most serious offenders. When we have people in custody, we can't afford not to do everything we can to reduce the likelihood they will re-offend. Lower crime, lower cost, and better reintegration is a goal I'm sure we can all agree on.

This budget adds seven investigator positions to the District Attorney's Office to partner with County organizations, including with the HOC, and to help the County collect money that is owed for child support.

EVERY single parent struggling to support children on their own who we can help collect what is owed, is a parent more likely to stay with and provide for their family. And the kids in those families are more likely to have what they need to grow up safe and healthy.

In the Behavioral Health Division, we are strengthening public safety through our expanded critical mental health resources in the community. An effective mental health system that directs more resources to avoiding a crises makes all of us safer.

This budget adds more resources to the Medical Examiner's Office, including equipment that will allow for better test results and more efficiency, both of which help police solve crimes.

Everyone in this room and across the County takes public safety seriously, and it is because safety is a priority that this budget takes a thoughtful and data-driven approach.

This approach is about more than just money and staff; it's also about using our resources effectively and transparently, and continuing to build partnerships.

Milwaukee County needs us to work together and use evidence to best target our resources to lower the crime rate. You have my commitment to continually look for more and better ways to spend tax dollars to keep our communities safe.

I am also happy to announce that this budget continues my commitment to parks across the County. As Supervisors know, parks are an important part of our communities. Last year we invested millions of dollars in long-neglected parks in the city of Milwaukee, and this budget calls for spending millions more on city Parks most in need of investment, as well as investing in important parks projects across the County.

This budget includes significant money to upgrade the lighting at parks across the County to more energy efficient systems and this budget begins the two year process to reconstruct the Menomonee River Parkway.

It's also worth noting that John Dargle is leading the Parks Department in 2014 to begin the path to accreditation. Only 106 parks agencies across the county currently hold accreditation, and with John's leadership, I know Milwaukee County will soon join that select group.

There is one specific part of my budget I want to spend a few minutes talking about, not because it is a core to my budget, but precisely because avoiding difficult topics and decisions does not serve our community or our taxpayers. As Supervisors heard last week, this budget includes pool closures. As it should, this topic will generate a lot of debate, and I hope you will have an open mind in the coming weeks as you learn more about this plan, its drivers, and the opportunities it will create.

The 2014 budget funds eleven aquatics facilities across the County, and residents have access to another twenty in the community run by other organizations.

This budget calls for replacing the Pulaski Pool with a 3,500 foot splash pad and replacing the Noyes indoor pool with a state of the art skate park, the first of its kind in the County.

Anyone who has visited a splash pad in the summer knows they will see kids, parents and grandparents splashing and relaxing. That is what the County needs to focus on, amenities and attractions that are used by many people; we don't have the financial luxury to fund amenities that are costly to the taxpayers but are only used by a relative few.

As Supervisors know, deep well pools are costly to taxpayers and both of these pools require millions of dollars of maintenance on top of hundreds of thousands of dollars a year to run – and this service is provided by others in our community.

The plan in the budget also allows us to take the tax dollars that would have been spent on these pools and put them back into the parks, specifically into catching up on the massive backlog of deferred maintenance across the system while also increasing the system's sustainability.

Last month, Supervisor Bowen joined me when we opened up a new splashpad at Lindbergh Park. I know he and I shared excitement for the community and pride that we were part of making that happen. What we can't forget is that we were only able to make that splashpad a reality for that community because we made the decision to replace Moody Pool. I know Supervisors struggled with that plan last year, but as we stand here today, I don't think there is anyone who doesn't realize that was the best move for the future.

I hope Supervisors take that to heart as you debate this plan. You will hear from people who ask you to keep the pools open, and they're not wrong for fighting for something they use, but I ask Supervisors to also consider the big picture. If we continue to fund these deteriorating pools, where will we be in three years, or five years or even ten years? Will we still be having this conversation and struggling to find the money to run and fix our parks?

I look forward to Supervisors debating this idea among yourselves and talking to your constituents about that they want: a stronger park system, or two under-utilized and expensive indoor pools.

This budget makes a significant, almost five million dollar commitment, to a community-based mental health system that prioritizes quality care for individuals in need of treatment. This plan provides better, evidence-based care that will lead to better outcomes and more dignity for people who are often ignored or forgotten.

The money and evidence-based programs in this budget allow us to safely transition patients away from institutional care and into the community where they are closer to their families.

For people who don't know why this process is so important, I want to share a brief story about why changing the way we deliver services matters. Last month, thanks to these efforts to move to a better, recovery-oriented system of care, a patient who had spent more than three decades in a facility was successfully transitioned into the community - and now lives 15 miles away from his family, instead of 140 miles away in an institution. We're told he is doing great and his family is happy to have him nearby, where they can now visit him frequently.

This was only made possible because of the partnership between BHD and Family Care, and because this County is working to do the right thing for our most vulnerable citizens.

That's just one of many stories we will see play out in the coming years, as more and more people are safely transitioned.

While some may contend that we're not doing this fast enough, I want to be clear: we're working hard to transform the system of care in a safe and responsible manner. While I, too, wish we could solve the problem with an immediate silver bullet, a multi-year deliberative transformation builds community capacity responsibly and safely.

As we transition to a more robust community system, we must continue to put a strong emphasis on providing the highest quality of care in our hospital. To illustrate this, in this budget, I am making a strong commitment to improving quality by bringing on a Physician Quality Officer. This is something that BHD has never had and I believe this person will transform the hospital's quality assurance and quality improvement processes. This Physician Officer will play a leadership role in establishing a culture of safety and best practices that will be enforced throughout the hospital, keeping patients and staff safe. In addition, we will leverage our partnership with MCW to ensure that our processes are assessed from an independent point of view.

I also want to point out that this budget includes more than twelve million additional dollars from Medicaid for our nationally-respected Wraparound program. There is no tax levy impact; instead, we are leveraging state and federal funds to help serve another 150 children. I mention this not just to remind people of the success of Wraparound, but also to point out the innovative approaches that reduce the local tax burden, and of which we can all be proud. In the past, the County hasn't always been aggressive on that front, but we are changing that culture and will continue to look for any and all opportunities for increased state and federal funding.

I'm excited to announce that our Child Support Services Department will see a significant increased budget this year.

Two years ago, the state cut funding for Child Support. I worked hard then to backfill that funding and I appreciate the Board's support in that effort. While we weren't able to fully replace all the funding we lost, we were able to keep critical staff on board - and that has made a huge difference. In 2012 and so far in 2013, with less staff, Child Support Services has been hitting record numbers and winning awards - and most importantly we're changing people's lives and that's something we should all be proud of.

I want to thank Jim Sullivan and his entire department for their amazing efforts.

I want to also say thank you to them because those record efforts made it easier to go to Madison and successfully lobby for more funding. I'm proud that in a state budget that was often politically drawn, we received unanimous, bipartisan support on the Joint Finance Committee to increase Child Support funding in Milwaukee County and across the state.

Thanks to that effort we are able to fully fund Child Support in 2014 and add some positions, including two District Attorney Investigator positions that will help the County collect money owed to children. Working with the DA, we hope to create a model of efficient and effective Child Support for others to follow across the state.

As the Public Policy Forum has rightly pointed out for a number of years, Milwaukee County does not have an appropriate rainy day fund. While the structural problem needs to be rectified at

the state level, this budget does what we can locally. It takes us in the right direction by setting aside millions of surplus money to keep in reserve, and I hope we continue to add more to it each year.

Having a significant amount of money set aside is not just prudent budgeting, it demonstrates to bond rating agencies that we are serious about sound budgeting and fiscal management. We improved our credit rating earlier this year, but it can get better - and in the long term could save us tens of millions of dollars.

The County has not always been in the position to make this commitment; our recent decisions have put us in the position to increase our resilience, and we need to responsibly take advantage of this opportunity.

As I was putting this budget together, I held listening sessions across the County. And I sincerely appreciate the input. In these sessions, I often heard about the transit and para-transit system. Once again I am proposing a budget that keeps transit fares flat while increasing bus service by 20,000 miles. At a time when our budget remains tight, I remain committed to this important service.

For paratransit, I am proposing to reduce fares by one dollar. As I heard during my listening sessions, many of the people who rely on this service are on a fixed income and this budget continues my commitment to the services that government is here to provide – to those who need it most.

This budget includes a number of initiatives to help us expand economic opportunities across the County.

I'm adding \$400,000 for workforce training to help unskilled and under skilled workers access better opportunities to increase their wages and quality of life.

This budget also realigns the Economic Development Department to better function and manage the County's primary assets. The more deals we can get done, the more jobs we create and the more sustainable our government is.

As department heads can tell you first hand, I am always urging them to look for ways to be more efficient. Anything we can do to increase our efficiency saves money, serves more people and helps the County for years to come.

That is why, for the first time, I asked the County's leaders to develop initiatives that can utilize one-time dollars to help Milwaukee County become more sustainable. As a result, my budget includes four million dollars to fund a number of efficiency projects - from LED lighting in County Parks to a software system for the DOT to track billing. These projects will position the County better in the long-term.

As the Board begins its work on this budget, I ask you to keep in mind our shared goal of strengthening Milwaukee County for the long-term.

If we make responsible decisions, this County can be even stronger, and this budget presents the Board with the beginning of a path to sustainability.

Not all the decisions in this budget are easy, but none of us were elected to do the easy thing.
With my budget, I am providing you with good options and the opportunity to do the right thing.