

## MAYOR'S BUDGET SPEECH 2016-17

### Building a brighter future

As many of you know since 2009 we have been budgeting for the long term. Our decisions and our budgets were designed with the future in mind. We have made many difficult decisions and had to absorb some incredible hardships but we worked toward a bigger goal – a healthier budget and a brighter future. We are now in that future, and our budget is starting to reflect the outcomes of that careful and disciplined planning.

This budget retains our fiscal strength, while providing our staff with the recognition and our residents with the services they deserve. Our operations budget will increase 0.3% and our total budget with capital expense will increase 1.4%.

I am proud to say for the second straight year the difficult decisions that we made together since 2009 have allowed us to present to you a strong budget.

First, we are giving back to those employees who have hung on through thick and thin times. In this budget they will receive a well-deserved raise.

Second, I have advised all of our departments to increase their training budgets. Good training is vital for our employees to remain effective, while continuing to be cross-trained and more productive.

Healthcare continues to impact our budget though we've managed to minimize the increases. We have worked hard over the last year to analyze our operations and contracts to limit the increased cost of healthcare. We continue to see, however, growth in the cost of prescriptions drugs which will likely impact on future budgets.

The City of Racine is starring at a bright future; it reminds me of the 3<sup>rd</sup> ward in Milwaukee a couple of decades ago. Both located on the lake and a river with historic buildings perfectly situated. Milwaukee had a bold vision and they implemented that vision with unwavering commitment. We need to make that same commitment in our community if we are going to see progress.

One of the most important investments will be in our aging infrastructure. I am proud to say that we have created one of the most sophisticated systems in the country, incorporating water/sewer, utilities, bike paths, LED lighting and environmental assessments into every major road project. The model is designed for efficiency.

With road repairs and improvements making up the largest portion of our capital budget at \$10 million, inconsistent funding sources from the state can and will continue to impact our city. But if our goal is to build a city that's more attractive to new employees and businesses, it is essential to work together to build an effective transportation system for our workers, businesses, and our young people.

A disturbing trend that needs our immediate attention is the shift in taxes to the residential taxpayers by large stores and companies unwilling to pay their fair share. This year alone almost three-quarters of a million dollars was shifted from commercial to residential after companies sued the city to reduce their property tax amount. Litigation has cost the city roughly \$400,000 over the last 5 years. These companies seem to prefer to enhance their bottom line on the backs of our taxpayers. That is not right and we will be addressing it, again, in Madison.

We will be introducing legislation at the state level to stop this shift of taxes to our residents again this year. We are urging Legislators to put an end to this tax burden shift on to the backs of our residents, who have had to bear so much these past years already.

I want to take a moment to thank the citizens who worked with us to design the new garbage collection system. Your input was appreciated and we responded with a new system that saves money and time. This more efficient system will allow us to put more workers back to work on our road repairs. But we are not done; we continually look to find systems and operations that can save taxpayers money, make residents lives easier, and help save this precious planet.

I also want to thank all the citizens who have expressed strong opinions about parking downtown. We heard you and are responding with a mobile App for our parking meters, starting in the downtown area. With this new App a driver or store owner will be able to add time to the meter from their phone while eating or shopping and avoid running back to their vehicle.

Finally, in an effort to provide a more scenic entry way into our historic downtown we will be installing new signage program for wayfinding. Between the decluttering of the current signage in town and this new system, tourists, residents and friends will be able to easily find their way to our beautiful downtown and lake front.

The improvements I've just highlighted help us improve our infrastructure and at the same time enhance the quality of life here, making Racine more attractive whether for a long time resident or a first time visitor.

And just as our disciplined approach to budgeting has provided a solid platform for the long term, these shorter term improvements will help support the next phase of our development.

As we build toward that future our need to improve and care for our investments never really ends. For that reason, our department heads and I will work together to prepare a long range plan for our buildings and assets. As many of you are already aware our Police/Fire Station across from City Hall is out of date, and the capital budget calls for over \$2 million in patchwork over the next couple of years. This is not an effective use of tax dollars.

Instead, we will study the needs of the Police & Fire building as well as every building the city owns to determine the best and most effective course of action for our buildings and for our city. Additionally, we will finalize and implement the long range plans for the city wide bike plan, the North Beach Master plan, and our rail extension study to determine the cost and feasibility of extending the Metra line from Chicago into our State Street station.

We have come a long way since 2009, and I thank you for your part in taking us far down that path, but we still have major challenges ahead of us; aging facilities that need to be updated or replaced, overtime budgets that need to be brought under control, and increasing staffing in major areas that have declined due to decreased state funding - all of which continue to hold Racine back.

With all that has been holding us back financially, there is one opportunity we have to provide more services and tax relief to our residents. And that is to grow!

While we cannot grow out, we can grow up! So we must develop and redevelop from within to increase our overall ability to raise revenue. Net new growth provides the city with needed funds to provide the services that you desire, while allowing the city to reduce your tax rate. That is why we look to continue to work on the Hotel, Arena Convention Center plan.

Since I began as Mayor 7 years ago I have had one consistent request by residents and businesses alike.....to bring a new hotel into the downtown and provide more entertainment for residents and tourists to enjoy. Well, this council and this administration are working to make that a reality and for those looking for a job or waiting for those visitors to attend an event or hold a convention for the first time in our history, I say to you: we will keep fighting.

Whether we have partners or not, we will find a way to move the Hotel/Arena project forward because we need to invest in Racine. 823 jobs matter, \$400 million in residual investment in our community matter, and nearly 400,000 people visiting our downtown every year matter. That brings money, jobs and people into downtown. We need to invest in Racine.

When we invested in our beach it paid off, when we invested in our marina it paid off to the tune of \$52 million in additional investment. When we work together, we are better! If we are going to re-energize our downtown we have to invest in it!

We have the opportunity to build a brighter future in Racine, for our children, our residents, and our taxpayers, and I for one, think that is worth the fight.

Thank You and God Bless you.