



COUNTY OF KENOSHA

OFFICE OF THE COUNTY EXECUTIVE

Jim Kreuser, County Executive

1010 – 56th Street, Third Floor

Kenosha, Wisconsin 53140

(262) 653-2600

Fax: (262) 653-2817

June 16, 2020

Text of Kenosha County Executive Jim Kreuser's 2020 State of the County address:

Good evening, Chairman O'Day, Vice Chair Yuhas, ladies and gentlemen of the County Board, elected officials, county employees and citizens of Kenosha County.

The state of Kenosha County is Amazing.

Amazing front line professionals of nurses, doctors, protective services personnel, dispatchers, jailers. It is truly amazing in as many ways as there are people. From teachers instructing from home, to sewers... oh my gosh the masks that are being sewed without knowing who they will go to but just because, the need is here, now and very possibly in the future.

The goodness in our community in our community is simply... Amazing.

But we all knew it, but now we see it every day — or hear about it from the Webex & Zoom meetings, the many conference calls we become aware of the internal champions in our community that are assisting others to get through this — and get through it we will.

Many amazing people work for Kenosha County as their choice because we want to make a difference, making this community better every day even when challenges lie before us.

The state of Kenosha County is also resilient and strong.

This isn't the first time our resilience, perseverance and grit has been tested. It's why we — the County Board and the Administration — work together to make decisions that will make our local economy robust and sustainable for the long haul.

I know there is fear, frustration and sadness during this pandemic.

People are concerned about job losses, about businesses closing permanently and there is anxiety about their health and that of those they love with the spread of COVID-19.

Kenosha County residents have done an outstanding job of flattening the curve. Our hospital systems have been able to keep up.

Our county reacted quickly and our residents took this pandemic seriously.

Groups like Kenosha Cares, which Supervisor Andy Berg participates in, have come together to create and supply much-needed masks for our front-line emergency workers, first responders, law enforcement and health care workers.

People have stepped up when emergency supplies at food pantries have been in need.

Kenosha County is the biggest small town in the Midwest. We care about each other and take care of each other. Thank you to all of those who have helped others during this pandemic.

Yes, our mettle is being tested again, and, again, we are rising to the occasion.

In what is still recent memory for most of us here, the Chrysler assembly plant shut down in 1988. I was working in the County Executive's Office then with County Executive Collins when we came together as a community to rebuild after the loss of automaking.

When I came into office in June 2008, we were just entering the Great Recession. It was followed by the fatal blow to Kenosha's auto industry with the closing of the Engine Plant in 2010.

We've shown our ability to come together as a community to overcome economic crisis and we will do that again. I am confident we will succeed.

Because of the things we put into place, because of the investments we've made in our county, we are going to be in a stronger position coming out of this crisis.

In 2008, the Kenosha Area Business Alliance put together a list of the county's major employers. That list had 23 names on it. The 2019 version has 48 names on it.

It is the County's investment in infrastructure — Highway 165, County Highway N, the state's completion of I-94, and now widening County Highway S, State Highway 50 — and the fact that we worked with KABA to develop the High Impact Fund and we have assisted in the creation of making a lot of shovel-ready, developable land available — that will buoy our rebound.

Kenosha County's Economic Kickstart is being facilitated by a group of local government and business leaders from across Kenosha County that I, along with Mayor Antaramian, and the Kenosha Area Business Alliance brought together.

Thank you to Supervisor Amy Maurer for participating with KABA in the Kenosha County Kickstart oversight committee.

With guidance from Dr. Jen Freiheit, and state and federal health standards, business standards from groups such as MMAC and WEDC, the Kenosha County Kickstart plan is a framework, a living document, and a process that's workable and reasonable so that businesses, schools and government can reopen safely.

I urge you to read the living document on the Kenosha County COVID-19 Dashboard, located on our website.

I want to take a moment to recognize the great work being done by our Kenosha County Division of Health under the leadership of Dr. Jennifer Freiheit. Health has been the epicenter of this community health emergency.

We were lucky that Dr. Freiheit came to us when she did. With her many years of Public Health experience, particularly in the area of pandemics and public health crises, her guidance has been extremely valuable.

I commend the hard work of the health department employees, who are putting in long hours, working nights and weekends, to help the public and stay on top of the progression of COVID-19 in our county. Thank you!

All of our County employees really stepped up to the plate when we had to quickly close our buildings and transition as many employees to work from home.

First, we drew upon the strong planning by departments and divisions to make sure we had plans in place for Continuity of Operations/Continuity of Governance.

Information Technology, under the guidance of Martin Lacock, who is retiring in July, quickly deployed dozens of computers, and made the necessary changes to systems, so that more than 25% of our workforce could do so from their homes. Thank you, Marty, for all you have done to dramatically raise the professionalism and safety of our system since joining the county from the private sector in 2009.

Many thanks to all the County employees who either made quick transitions to working at home or had to augment their typical daily protocols to do their jobs more safely.

Thank you to the social workers still keeping children and families safe; And those social workers who are still going to homes when needed.

Thank you to the Aging and Disability Resource Center for finding ways to continue to help seniors, including at home grocery delivery.

Thank you to the Sheriff's Department-from department of corrections to patrol officers to supervisors for keeping our community safe in so many ways.

Thank you to our parks employees for keeping the parks open through this so that people could get fresh air and exercise.

During this record-setting time of our park utilization, it has never been so important to have quality outdoor space for our citizens to be able to walk, run, ride, walker and wheelchair through our park system;

And we have drawn down millions of dollars from outside sources to widen roads, pave or create multiuse paths which are embraced by most segments of our community.

The vision by our multijurisdictional trail committee has taken visible shape with the trail going from downtown to Carthage College to UW Parkside and Gateway Technical College to Petrifying Springs and over a majestic bridge to County Trunk Highway KR and soon will traverse all the way to the western frontage road of I-94.

And going south, Pleasant Prairie is planning on connecting the 30th Avenue trail to County Trunk Highway H, where bike lanes already exist from Highway 50 south and legs off through Lake Andrea, then to Bain Station Road and to Highway C — and NOW we are able to ride over the Des Plaines river on C all the way to the West Frontage road of I-94, or bike to Lake Andrea via the Hackbarth Trail.

In a rapidly growing area like Kenosha County, this is a Big Deal on the North and South sides of our County. I thank the most of you for your vision and support.

Thank you to the highway workers, who changed how they work so that they remain safe and their colleagues remain safe, while still doing the needed road work.

Thank you to the Child Support workers, who are still doing what they can to get support to families.

Thank you to Brookside Care Center and Willowbrook Assisted Living Center for giving that extra care while families cannot come to the facilities to visit.

We have spectacular employees and they shine even more when faced with adversity. We applaud you all.

As for County Government's financial position, you had learned from Finance Director Patricia Merrill that we will likely see an overall reduction sales tax and other revenues as a result of the COVID-19 impact.

We learned recently from Gov. Evers that Kenosha County will receive \$2.7 million in CARES Act funding to help us absorb those virus-related costs, from protective equipment to overtime to cleaning supplies. Thank you, Gov. Evers.

We went from a record-breaking high in monthly collections of sales taxes in January and February, to our lowest collection since March 2017 in March 2020.

We've experienced cost increases as a result of the need to buy specific cleaning supplies along with new long-term unfunded mandates by the state and obviously to fund necessary overtime in health and law enforcement, just to name a few examples.

We are still in the thick of it, doing continuous analysis of the full impact of COVID-19 on our expenses and we continue to monitor it very closely.

All that being said, we continue to be well-positioned as a county because of our fiscally sound decisions over the years.

But, let's not kid ourselves — the 2021 budget will be tight. But I will deliver a budget to you in October again not exceeding 3%.

You will all recall that our recent taxable refunding bond issues came in at near historic lows, resulting in a savings of approximately \$522,000.

In its rating of this latest bond reissuance, S&P maintained our AA+ rating and stable outlook, while noting its recognition of the impact of COVID-19 in Kenosha County.

It also reflected its view of the county's:

- Strong economy
- Strong management, with good financial policies and
- Very strong budgetary flexibility, with an available fund balance of 29% of operating expenditures, and
- Very strong liquidity.

Fitch also maintained its AA+ rating of Kenosha County, and said our operating performance is AAA:

“The county's operating performance was strong during the decade-long expansion leading up to the coronavirus outbreak in March 2020.

“Kenosha County's ample financial resilience is derived from its broad revenue-raising flexibility, solid control over employee salary and benefit costs and substantial fund balances.

“The county steadily built up its general fund reserves during the economic recovery lasting from mid-2009 through Q1 of 2020.”

Again, those are affirmations of how important it’s been for the Administration and the County Board to work together on sound, fiscal policies that serve our taxpayers for the long term.

The County has been proactive in positioning itself to be prepared for unforeseen circumstances since the great recession of 2008.

- Going into the 2008 recession, the County’s unassigned general fund reserves totaled \$8.2 million (14.4% of the general fund expenditures).
 - This was \$1.5 million (2.6%) *below* our policy minimum of 17%
- Going into this economic downturn, the County is closing 2019 with unassigned general fund reserves totaling \$19.8 million (28.7% of general fund expenditures).
 - This is \$8.1 million (11.7%) *above* the policy minimum of 17%.

Our Long-Term Obligations, which includes GO Debt, OPEB for health and life insurance and vacation/casual accrual is \$39 million dollars less today in 2020 than it was in 2008 (2008 – total was \$216.8 million and 2019 – total is \$177.4 million)

Both rating agencies like that.

Due to our solid AA+ credit rating, the County has secured very low interest rates on its bond/note issues over the past several years.

- 2020 refunding issues: Tax exempt issue 1.46% (near record lows)
- 2019 debt issues: Bonds 2.02%, Notes 1.46% (record low)
- 2018 debt issues: Notes 2.569%
- 2017 debt issues: Bonds 2.793%, Notes 1.807%
- The County has worked to build cash reserves and is well positioned to absorb additional expenses, cushion revenue declines, absorb tax delinquencies and ensure all expenditures are paid on time.
- In addition, our tax delinquencies were at record lows coming into this economic downturn.
 - At the close of 2007, our tax delinquencies were rising.
 - At the close of 2019, our tax delinquencies had been declining for three years to a record low.
 - In addition, we now have tools in place to manage an influx of tax delinquencies and better control the collection process moving forward.

We will come back economically:

- We have tremendous infrastructure in place and we're continuing to build it out further to attract and retain businesses and to keep our protective services and citizens safe on the roads;
- We have and will continue to make available developable land ready to keep our economy moving forward and to create lots of rooftops for people to work under, and give our young people an opportunity to work right here in Kenosha County.

And tonight, I also want to address the recent events occurring around the globe.

I love Kenosha County. I believe this is a great place to live, work, play and raise a family, and that this is a place where we help and support our neighbors.

We must face the truth that we need to do better, however, because not everyone in our community is supported, feeling welcome, or safe.

As Adelene Greene, the county's retired Workforce Development Director, so succinctly put it in a recent Kenosha News editorial, we must face the Pandemic of Racism in our county, our country and our world.

The murder of George Floyd in Minneapolis has, understandably, ignited protests as a result of frustration and anger because so little has changed for so long for people of color.

In our own county, my heart breaks at hearing the story of Gus Harris, a black man, who no longer feels safe exercising at Petrifying Springs Park. A woman called 9-1-1 after seeing Mr. Harris, a downtown Kenosha business owner, in the park because of the color of his skin.

Adelene Greene has been part of a number of organizations that have been bringing people together for years — the Coalition for Dismantling Racism and the Courageous Community Conversations. It has to be exhausting to have these conversations and feel like no one is listening.

Although society has made progress, we, as a community, still have a lot more work to do. Together, we need to work on better benchmarks, outcomes and with an ongoing annual review.

It is well past time that we not only listen, but that we actually hear, empathize, ask questions, understand and take action.

While recognizing there are many things that need to be done, Kenosha County can immediately take the action of recognizing Racism as a Public Health Crisis.

The Wisconsin Population Health Institute started this initiative about a year ago. The Kenosha County Division of Health has signed on to this effort.

I have signed on as an individual and encourage others to do the same. I will email the link to the County Board and it will be available on the county's homepage at kenoshacounty.org.

This action acknowledges, among other things, that our “responsibilities to address racism include reshaping our discourse and agenda so that we all actively engage in racial justice work.”

I also join Supervisor Laura Belsky, chairwoman of the Human Services Committee, in calling for the full County Board to approve a Racism as a Public Health Crisis resolution, which will commit us to take actions toward addressing and remediating the health impacts of systemic racism.

The resolution is being developed and should be available for full review soon. Thank you to Supervisor Belsky and the Health Division for taking the lead on this resolution.

I pledge my personal commitment to listen, empathize, ask questions, understand, and take action to address the Pandemic of Racism in our community and world.

Our residents of this County expect us to pull together — which we will do.

And my view of Kenosha County, is that the best is yet come — for all of us.

These pandemics are not over, but we will overcome this and get through it together.

May God bless America and may God bless Kenosha County.

###