



**NEW CASTLE COUNTY
EXECUTIVE
BUDGET ADDRESS**

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NEW CASTLE COUNTY EXECUTIVE**

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Mr. President, Members of County Council, Recorder of Deeds Mike Kozikowski, Register of Wills Ciro Poppiti, Clerk of the Peace Ken Boulden, Sheriff Trinidad Navarro, Mayor Dennise Williams, Council President Theo Gregory, other elected officials, my fellow County employees and our residents of New Castle County, good evening. I also want to recognize Chief Administrative Officer David Grimaldi and Chief of Staff Jim McDonald, who are among my top staff, and others too numerous to mention.

Thank you, President Bullock and members of our fine New Castle County Council, for this privilege of delivering our 2015 budget in this Annual Address.

While preparing to address this esteemed Council, we were struck with the curious sense of history and destiny unfolding before us in many ways. It seems only a short time ago that a friend of mine, a bright, articulate University of Delaware graduate, took his seat on County Council in 1970. Fast forward to today, and that young man, Joe Biden, continues to serve us as the Vice President of the United States of America. I am sure we all agree that it was the hard learned lessons on County Council that enabled then-Councilman Biden to grow into a national leader.

And then, if we harken back to seventeen years ago, on March 25, 1997, I stood for the first time in these chambers, just two months into my very first administration, to address a then-seven member County Council. We were all brimming with optimism and enthusiasm as we set forth together to reinvent our county government to make it more streamlined, economical, and efficient. I know that we can all agree that our hard learned lessons while facing a looming \$100 million deficit back then enabled all of us to reaffirm our duty to govern prudently.

With enthusiasm re-doubled, and experience balancing optimism, I look forward to working with all the potential-Vice-Presidents who have been elected to these esteemed seats on County Council. We will continue to work hard, and certainly, to engage in lively debates, which are the hallmark of a vibrant democracy. And while we may at times disagree, my feelings are echoed in the words of Thomas Jefferson, _I never considered a difference of opinion in politics, in religion or in philosophy as cause for withdrawing from a friend.

Members of Council, when I stood before you last year for the 2014 budget address, we presented a plan to draw modestly from the County reserves to balance the budget. We were not happy with that financial approach, and so we committed to balancing the budget by running a lean government.

Tonight I am happy to report to County Council that as we enter the final quarter of the 2014 fiscal year, we have erased a projected \$2 million deficit and, in fact, are in a position to close the books with an \$8 million surplus, a financial turnaround representing a \$10 million swing. While we are proud of our surplus, we must not over commit these funds until we see long term recovery. The prudent thing is to repair our balance sheet so if the economy should stall again, we can maintain our staff and service levels. We will proceed with cautious optimism, but with responsible money management principles.

We are pleased to announce that tonight we are making history. This will be my 10th year in office, and my 10th budget presentation to the taxpayers of New Castle County, and my 10th proposal for no tax increase.

The 2015 Fiscal Year Operating Budget will have a modest increase of 2.34 % for a total Operating Budget of \$254.6 million. Overall, the operating budget includes a 3.18 percent increase for the General Fund Budget and a 0.07 percent increase for the Sewer Fund Budget.

Both County Council and the Executive branch have worked hard to accomplish these outstanding financial figures. All of the hours that council members spend scrutinizing and debating budget items guide and assist the execution of our efficient operations. But these accomplishments are directly attributable to the men and women who provide the services to our citizens: our employees.

This year, we were able to restore some of the salary cutbacks they had endured. Let us not forget that it takes people to run County Government, and 76% of our operating budget is dedicated to salaries and benefits.

We have developed a great working relationship with our employees. They understand the bleak financial situation. We have negotiated with our unions and with their assistance, we held the line on salary increases. Negotiations were done all in house without either side having to pay for outside attorneys.

There are no cost of living increases in this budget, with the understanding that when New Castle County recovers financially we shall share in that recovery with our employees.

We are proud to announce that both grievances and workers comp claims are down. And throughout it all, the Risk Management Office has treated our employees with respect and dignity. A proud workforce is a productive workforce.

As always, making sustainable investments in public safety remains one of my top priorities. As a former Chief of Police for New Castle County, I know firsthand just how crucial it is to support the dedicated Public Safety employees who work to keep our communities safe every day. Make no mistake, this administration and this Council have made an unwavering commitment to Public Safety.

This is the first in a decade that will have

- full authorized strength in our Police Department
- full authorized strength of Paramedics,
- and full authorized strength of Emergency Communications.

Despite this pledge to keep Public Safety fully staffed, we face the same dilemma that local governments often learn the hard way. We simply cannot generate enough tax dollars to adequately police our streets and communities at all times to render them crime free. The costs to hire, train, equip, and pay salary, benefits and pensions are just prohibitive to even remotely consider doubling our numbers. So we must get smarter with our existing resources. To that end, we are committed to ensuring that our public safety forces have access to the best cutting-edge technology. We have invested in state-of-the-art predictive analytics software. Using this technology, we can predict and prevent crimes before they occur. This means that our police force can be proactive rather than reactive, maximizing the value of our limited resources by focusing on identified hotspots for criminal activity. Keeping our streets safe is a difficult and demanding job. With this modern technology, we can assist our officers in being more efficient.

Let me take just a moment to digress briefly, and explain this exciting program based on predictive policing:

Predictive policing, with roots in business analytics, relies on using advanced technological tools and data analysis to take proactive measures to pre-empt crime. With new technology, new business processes, and new algorithms, predictive policing is based upon:

- information-based patrol;
- rapid response supported by fact-based prepositioning of assets;
- and proactive, intelligence-based tactics, strategy, and policy.

It essentially applies the Total Information Awareness approach to policing:

Predictive policing allows command staff and police managers to leverage advanced analytics in support of meaningful, information-based tactics, strategy, and policy decisions in the applied public safety environment. _

The results speak for themselves:

- Overall crime down 10 percent
- Robberies down 27 percent
- Burglaries down 27 percent
- Assaults down 27 percent
- Gun violations/shots fired down 18 percent

We can't speak of the successes of Police without mentioning our paramedics and emergency communications. We all know that the City of Wilmington had a record number of shootings last year, but I am confident that with the leadership of the Mayor and the Wilmington Police Department these record numbers will be a thing of the past. But I would be remiss if I did not mention the unsung heroes, namely the County Emergency Communications and Paramedics divisions, which responded to the 150 shootings. Most of the lives were saved because of the efficiency of our Communications and Paramedics. This is yet another example of how we work hand-in-hand with the fine Wilmington Police Department.

We cannot, however, rely on new technology alone to maintain our safe communities. Tragically, we are experiencing an alarming national trend. As many of you know, the heroin crisis in our County has reached epidemic proportions. The streets are flooded daily with highly concentrated heroin. Unfortunately, this influx of supply has deflated pricing _ heroin is now as cheap and accessible as it was in the 1980s. If we do not act, this issue will continue to consume a lost generation. To me, no price can be put on saving children from this destructive drug.

That is why tonight my administration is requesting \$500,000 in one time expenditures to enhance the Heroin Alert program and to fund a full public service campaign targeted at young people. Looking into the future, we will continue to work with public safety to develop the focused interventions needed to counteract this crisis, and to request decisive council support of those needed interventions.

We who live in New Castle County care very deeply that we have a safe community, but we must remember that our Charter from the State established New Castle County government primarily as a Land Use government. In 1967, the State's General Assembly enacted laws to ensure that New Castle County government regulated growth responsibly and protected natural resources. This County Council had the wisdom to reallocate \$300,000 within the 2014 budget to the Department of Land Use to procure a top notch consultant to help overhaul and reform a Department that had been lagging behind the rest of the country. To that end, my 2015 fiscal year budget calls for an additional \$400,000 needed to enhance the Unified Development Code and the Land Use process. The UDC is now 17 years old and needs to be revised.

Recently, we conducted the first ever time and motion study that revealed that our Land Use process could take up to four to six years to complete. No project could survive a multiple year process to remain viable. Clearly there are some deficiencies we can address. We have set our sights on ending the bi-for-cated process where developers have to go to the Land Use Department as well as the offices of DelDOT in order to move their applications along. In partnership with County Council, we have proposed locating a DelDOT office within the New Castle County Government Center to create an efficient and cooperative approach to the regulatory process. In addition, we can allow for virtual plan submissions along with the ability to conduct virtual meetings with their planners.

One of the most important barometers of an economy's health is the building and construction trades. Our land use process can support ways to encourage responsible growth that also create well-paying jobs into the hands of our citizens. Homebuilding and other construction is one of the only industries that corporations cannot send overseas. Therefore, it is imperative that our Land Use Planners be able to efficiently evaluate land use applications and

quickly respond to assist those who participate in the land use regulatory process.

A proactive, rather than reactive, planning model is what is necessary to bring livability and vitality to our communities. Our Land Use Department is only as good as the technology it has at its disposal. As such, I am requesting \$360,000 for a one time capital expense to upgrade and enhance our plan submission process, which will allow for electronic plan review and virtual one stop shopping. We'll be able to integrate the County and State process while saving time and money for our customers and us.

In tandem with the land use responsibilities, our County Government provides the essential service to our citizens of all sanitary and storm water sewers. Turning our attention to the important Capital Budget, our 2015 Capital Budget includes \$19 million for further Sewer Rehabilitation and \$126.6 million in Sewer Rehabilitation over the next six years. Our proactive management and preventative sewer upgrades have protected the County's drinking water and our environment. In addition, the ongoing construction of a \$2.3 million, 18-inch sewer line in Southern New Castle County will save this County \$100 million over the next 20 years. This will go a long way toward stabilizing our rates and avoiding future increases.

The 2015 Capital Budget also includes \$12.8 million for the Route 9 Community Library and Innovation Center which is anticipated to cost \$22.4 million overall. Our vision is that this library will spark the economic development of the Route 9 Corridor.

In the words of Benjamin Franklin, "An investment in knowledge pays the best interest." We envision the library being the anchor of the economic development area which we have proposed for the Route 9 Corridor, complete with the support of an increased Law Enforcement presence.

As for funding the Neighborhood Stabilization Program, we were pleased to receive a \$500,000 grant from the Federal Home Loan Bank of Pittsburgh this fiscal year, to help us in our mission to rebuild the Route 9 Corridor into a vibrant community once again. Through these smart and targeted investments, the economic development zone will serve as a focal point for the economic revitalization of the entire Route 9 area, creating new jobs and supporting businesses along the way.

When it comes to economic development as a whole, I am pleased to announce that there are some other exciting projects on the horizon. We are working in partnership with the state to bring growth back to Delaware. We are pleased to have assisted Governor Markell in attracting high-growth Fortune 500 companies, including FedEx and JP Morgan. We congratulate Governor Markell for these two success stories.

Our commitment to job creation led us to conduct the first ever Comprehensive Economic Development Plan for New Castle County. In the coming months, we will work together with Our County Council, the State and the City of Wilmington to identify our County's competitive strengths and weaknesses. We will strategically target and nurture the growth industries that will drive the economy of the future. We will capitalize upon the economic recovery, creating incentives to draw emerging businesses and job-creating entrepreneurs to New Castle County. We will invest in our economy now and create new opportunities, new jobs, and new partnerships for tomorrow.

In addition to being responsible for a safe community, a fair and predictable land use process, we have the additional responsibility of creating value in our beautiful parks.

One of the highlights within our County Government is our wonderful park system. To ensure that our parks provide quality recreation and entertainment for the community, this budget proposes ongoing investment of precious tax dollars:

- \$2 million in renovations at the historic Rockwood Park in FY 2015, and \$5.1 million overall
- \$1.5 million in capital work at Carousel Park in 2015, \$4.1 million overall in the next three years
- \$4.8 million in capital work at Glasgow Park Hermitage in 2015, and \$8.5 million overall in the next three years

Equally important, safety and dependability also require investment. We must always be vigilant in replacing the aging automobile fleet used by our employees to deliver services to our citizens. Doing so will not just improve safety but also reduce our annual operating costs related to vehicle maintenance.

Included in the capital budget are upgrades needed in buildings, parking lots and park amenities. This includes:

- \$2.6 million in fleet upgrades for police cars, paramedic vehicles, and construction equipment
- \$1 million in sewer fleet upgrades for heavy sewer type equipment
- \$4 million in County Buildings and Parking Lot Renovations
- \$500,000 in playground and game court improvements

As we note our place in history, tonight, we find we live in a world quite different from Councilman Biden in 1970, and even my world in 1997. To the dismay of some, the frustration of others, and the sheer delight of a few, we find ourselves living today in the Age of Information and Technology. In today's world, you are only as good as the data you have. The old adage, Knowledge is Power, rings truer than ever before in the context of today's ultra-sophisticated technology.

Our vision is clear: we must leverage cutting edge technology to make government operations more efficient, more productive and more transparent.

In Public Safety, Predictive Policing is an example of providing management with innovative analytics tools to maximize the use of our limited resources to be more effective and efficient. In the private sector this is known as Big Data analytics. This is an emerging field that takes data from a variety of sources, analyzing that data to create operational efficiencies. In analyzing data we see the ability to view large volumes of diverse information as an important new tool for reducing costs, improving efficiency, and delivering more effective services to constituents.

(The Executive describes the police car he drove, a Plymouth in 1975, to the high tech police interceptors used by patrolmen today.)

Here in County Government we want to empower our citizens. To that end, we have unveiled a state-of-the-art Website that is more user friendly and provides incredible GIS mapping software that allows citizens to easily see maps of current and proposed development activity as well as all variances issued dating back to the 1950. In addition and, for the first time in history, our website is an open checkbook that lists every contract and vendor that we do business with. Our philosophy on open government is that public

documents should be more readily available to the public, and that people should not have to file Freedom of Information requests to know what their government is doing.

Soon, we are going to use predictive analytics in every department, expand the data portal for the public, oversee County wide Data Projects, and propose Open Government Legislation to codify the open data platform.

As we have outlined, our County Government provides many essential services to our citizens. We have noted the departmental highlights in Land Use, Public Safety, Sanitary Sewers, Parks, and Economic Development. We believe that a strong arts community contributes to the overall quality of life for New Castle County residents. A vibrant art and cultural core also attracts business and commerce to us. Last year, we were faced with a crisis. The long history of the Delaware Symphony Orchestra was coming to an end. Mayor Dennis Williams and my administration assisted in negotiations and financial aid to the Symphony, which resulted in the continuation of this prestigious institution.

We also supported Opera Delaware and the Grand Opera House because this administration recognizes that economic development entails a variety of facets, not the least of which, the arts.

We continue to support other vital services provided within our largest city, Wilmington. Monday March 24th we began joint police operations with the County, City, and State. Together we are utilizing a multi-pronged approach to curtail crime around the city. Over the coming months, you _ll be hearing more from the Department of Public Safety of the successes of this joint task force.

Crime has many elements. One of them is poverty. Too many people in this country have been left behind in this economic expansion.

It is an unfortunate reality, however, for too many families across the nation that the American Dream is an unfulfilled promise. While corporate profits and the Stock Market are at all time highs, wages have stagnated and fallen far behind growth in worker productivity. Income inequality has intensified and has reached record levels unseen since the period preceding the Great Depression of 1929.

Hence, we have done our part. Like many others, we recognize that in order to compete in a global economy, we must offer fair opportunities and living wages to all of our workers. To that end, with the support of this Council, my administration signed an Executive Order this month to raise the minimum wage for our County employees to \$10.10 an hour. President Obama recognized that \$10.10 was where minimum wage would have been had employers kept up with inflation. We have acted and sent a clear message that no one with a job should have to live in poverty.

A favorite quote from Thomas Jefferson, another dead president, may just be the fitting conclusion for tonight. We all here tonight, elected officials, service providers and citizens alike, have a vested interest in Good Government. Mr. Jefferson, too, was devoted to a nation founded upon principles of good government. He defined that elusive concept succinctly when he said:

“A wise and frugal Government, which shall restrain men from injuring one another, which shall leave them otherwise free to regulate their own pursuits of industry and improvement, and shall not take from the mouth of labor the bread it has earned. This is the sum of good government.”

Let us all be students of good government in New Castle County.

And, as a guiding principle for all of us as we enter into the Great Budgetary Debate for 2015, let us all remember the words of John Adams who said,

“From this principle it will follow, that the form of government which communicates ease, comfort, security, or, in one word, happiness, to the greatest number of persons, and in the greatest degree, is the best.”

We hope this budget communicates the necessary ingredients to support our goal to be the best local government for our citizens. We also hope that we our budget process with Council will be one of cooperation. We know it shall be spirited.

I want to thank each and every one of you again for being here with me tonight as a guest in Council Chambers. Thank you, President Bullock and members of Council, for your time and attention. May God bless each of you

and grant to you the patience and wisdom needed to now proceed with your work .

Thank you, and good night.