



**Office of the County Executive
Steuart Pittman**

Prepared remarks for the Fiscal Year 2022 Budget Address, April 30, 2021

Thank you Chairwoman Lacey, Vice Chairwoman Rodvien, and Councilmembers Pickard, Pruski, Volke, Fiedler, and Haire for inviting me to present our proposed Fiscal Year 2022 Budget.

Last year, I described our budget proposal as a path forward through uncertain times. We reduced revenue projections in the face of a global pandemic and we tightened our belt. That allowed us to end the year with a healthy fund balance. This year will be better.

When I took office, we changed the budget process to hear more voices and be more transparent. We held seven budget town halls and then built a budget to meet the needs that people identified. Then, we set tax rates at the level needed to fund that progress.

Those rates remain some of the lowest in the state, and THE lowest in our region. We intend to keep it that way, not just this year, but into the future. Income tax rates in this budget remain at 2.81% (compared to 3.2% for neighboring counties) and we are reducing property tax rates slightly to 93.3 cents.

That first budget included our new Permanent Public Improvements fund for schools, roads, and public safety infrastructure. It reduced class sizes in our schools while gradually bringing teacher pay to the levels they were promised when we hired them, and it brought police and firefighter pay to the average levels for our region.

In our first budget, we made a course correction. In our second budget, we tightened our belt. With the budget I submit to you today - we put ourselves Back On Track.

This budget helps us achieve four basic goals: restore trust in government, create economic opportunity for all, implement smart growth policies, and promote health and wellness. These are the principles that guide us, not only as we budget, but also as we govern.

RESTORE TRUST IN GOVERNMENT

As County Executive, I work with my staff and all of our agencies to make sure that we engage residents, share information, monitor performance metrics, and deliver on promises. That's how we save our residents money, while providing the services we need to put us Back On Track.

Thankfully, our interest rates reflect our sound fiscal management. By refinancing bonds just last month, we saved taxpayers \$37 million. Our reserves are strong enough that we believe we can improve our next bond rating, and we are able to pay up front for \$65 million of capital improvements this year, thanks to our healthy fund balance.

When I took office, the capital budget exceeded a very important thing called debt affordability by \$76 million. I was unwilling to continue down that unsustainable path, so we made a plan to get us to zero. This chart shows the path we took to get there.

But that's not the only thing we did in this budget to put our county in a stronger financial position. We also added to our pension fund contributions by way of a conservative budgeting maneuver that bond rating agencies love. We lowered our estimate of what those pension funds will earn in the future, from 7.45% to 7.0%, meaning that even if the economy slows down, support will be there for our employees and retirees when they need it.

My final comment on the capital budget is a congratulations and thank you to our teams at information technology and public works for creating this new mapping tool that residents can use to learn about the projects in their neighborhoods. We want you to watch what we are doing, so take a look.

No aspect of government relies on public trust more than public safety, the most fundamental obligation of government, and therefore, an essential public investment.

While state lawmakers debated the policies and processes to address the moments in policing when things go wrong, our own Police Chief, Amal Awad, moved forward with her leadership team to make sure things go right, and as is so often the case, moved a step or two ahead of the rest of Maryland.

The body-worn camera program was last year's budget news, but this year's work. Go to our web page at aacounty.org/body-worn-cameras for all the news about how it works and the new policies that accompany it. Transparency, trust, and respect are the foundation of our work, and this program enhances all three.

Crisis Intervention Team International recognized our Crisis Intervention Teams as the best in the world last year, demonstrating the impact of investing in and training world-class personnel. Demand for those services increased this year, so we are proposing in this budget a major

investment to grow the program: 4 new CIT officers, plus 6.5 crisis intervention counselors in the Mental Health Agency budget.

The most significant change in the Police Department is the creation of a Community Services Bureau. Today, we have Administrative Services, Operations & Investigations, and Patrol Services, but the addition of a Major position in this budget allows us to elevate Community Services to the status it deserves.

If you've not yet visited our magnificent new Police Training Academy, please do. It was a long-overdue investment in the future of policing in our county that we should all be very proud of. The same goes for the Central Processing building at Jennifer Road.

But we have more to do in our Police capital budget. Both the Evidence and Forensics Facility and the Special Operations Facility will be built in FY22, and we hope to bring forward a new Police and Fire Joint 911 Call Center in next year's capital program.

Our firefighters are second to none, and delivering a pay package that was worthy of their sacrifice and professionalism last year was the right thing to do. This year, our decision to move forward with our federal SAFER grant helped us increase our staffing by fifty, but we were warned that many of our trucks were beyond their useful life and we needed replacements. This year, we are increasing funding by \$3.8 million for a total of \$5.4 million - a major boost to the replacement program.

Our fire stations also need upgrades and expansions. We opened the brand new Galesville Station during the pandemic, and have Cape St. Clair, Herald Harbor, Jessup, Waugh Chapel, and Arundel, all in the pipeline in that order. But the big project is the long-awaited and sorely needed Fire Training Academy. This budget includes funding for land acquisition in FY22, and design funding in the future years.

We are all aware that most of the calls to our fire stations are not for fires. It's the emergency medical calls that keep them so busy. That's why this budget increases funding to train 42 new paramedics, triple the number in an average year.

For many years the county has known that we should have a deputy in every courtroom. We added 2 in FY20, and after tightening our belt in FY21, we are back on track this year, adding two more deputies in the FY22 budget. We also continued the signing bonus program piloted last year, and added funds for officer training.

Coronavirus made for a stressful year in our jails, and I want to thank every officer who did the hard work of protecting the health of inmates and co-workers. All of this was done while integrating the new Central Booking Facility into the Jennifer Road operation. This budget provides additional security cameras, upgraded equipment, and a study to assess the feasibility of consolidating the system at a single facility.

And then there is the Office of Emergency Management. Preeti Emrick stepped up to the director position in the midst of the pandemic and is coordinating our recovery work. Under her leadership, we are enhancing our preparedness for modern-day disaster scenarios with two new emergency planner positions in this budget.

CREATE ECONOMIC OPPORTUNITY FOR ALL

The pandemic has laid bare the weaknesses in the foundation of our economy, and showed us clearly that families at the low end of our economic scale are vulnerable. This budget will help us rebuild our economy from the bottom up while putting us Back on Track to meet the goals we set at the start of our administration.

Economic Development Corporation and Workforce Development. I mention them together because they are two halves of a solution, and during the pandemic they together delivered direct assistance - more than 7,000 debit cards to impacted workers and 1,932 grants to struggling businesses.

This year workforce development will expand its summer jobs program, and EDC will continue its new Inclusive Ventures Program for minority businesses. Both organizations will be using federal funds to build back better from this pandemic.

While on the topic of federal grants, I should note that our community grants program to small community-based nonprofits will expand from \$700,000 to a projected distribution of \$1.9 million in FY22.

More than half of what you pay in taxes is spent educating young people. Top quality education is the greatest driver of economic growth, enhancer of property values, reducer of poverty, and guarantor of our future. It matters a lot.

We took the politics out of school construction decisions by pledging to follow the recommendations of the MGT study in our capital program. Thanks to the \$125 million commitment from the new Permanent Public Improvements fund we are back on track. Construction started this month at Old Mill West High and Quarterfield Elementary, and will begin very soon at Hillsmere Elementary and Rippling Woods Elementary, and design will be underway for West County Elementary very soon. After decades of neglect, our school buildings are getting the attention they need and our kids deserve.

This year's operating budget presented challenges. The school board budget request was for \$83 million over last year's funding, but we had a drop in unrestricted state funds from \$15.6 million to less than one million dollars due to the pandemic-related enrollment decrease.

Both teacher pay and new positions are recurring expenses in future years, so it would be irresponsible to pay for them using one-time funds.

We had to prioritize.

A school is only as good as the people who work in it, and if we want to bring out the best in the good people who work in our schools, we must do for them what we have done recently for our police and firefighters. We must provide compensation that is competitive with their peers in nearby counties.

That is why this budget funds a full step increase and a 1% COLA for all four units of AACPS employees.

But, there's more.

We made history in our first budget by paying back steps. It was an effort to acknowledge the value of experience and to make progress on a promise. This year we are Back On Track toward making everyone whole, with an \$8 million investment in back steps.

That amount is about half of the total remaining.

I never make promises about future budgets, but my hope is that with a similar investment next year, we can make all of our educators whole in the final budget of my first term.

What we are not able to do was to fund all of the new positions that the school board requested. We are able to deliver on the highest priorities.

This budget funds 53 essential new positions, including 26 for Crofton High School, 7.5 for behavioral health, 7.5 for special education, 6 for English Language Acquisition, 2 to support all-day Pre-K, and 2.5 positions to implement the Enhancing Elementary Excellence, or Triple-E, program in the Glen Burnie cluster.

The total package is \$34.5 million over FY21 funding and \$15.7 million over state-required maintenance of effort, a major step forward on our commitment to deliver economic opportunity - for all.

Anybody following education in America today understands that as the cost of private colleges and universities have skyrocketed out of the range of most families, community colleges have become the key to opportunity for millions.

This year Anne Arundel Community College got the recognition we knew it deserved, being deemed the very best community college in the United States of America by Forbes magazine.

Thanks to an important decision by the Maryland General Assembly to fully fund community colleges this year and an extra million dollars in county support, the community college's FY22 budget will be fully funded. That means that our community will continue to benefit from an

outstanding curriculum and top-quality teaching for everyone in our county of any age who seeks new skills and new knowledge.

IMPLEMENT SMART GROWTH POLICIES

Implementing smart growth policies is hard work, but the investments that we propose in this budget will put us Back on Track to protect our natural environment, promote good development where infrastructure exists, and improve the quality of our residents' lives.

Anne Arundel County residents understand how land use impacts our environment, our health, and our economic opportunity. That's why Plan2040, Move Anne Arundel, the Land Preservation, Parks, and Recreation Plan, the Green Infrastructure Master Plan, the Odenton Town Center Plan, the Parole Town Center Plan, and the forthcoming Region Plans are so important.

But plans mean nothing without implementation.

Filling the positions that we need at the Office of Planning and Zoning and Inspections and Permits has been slow, and that will change. If we want good development to happen, we must fund the staff positions to review applications and process documents efficiently.

Good news on that front is the Land Use Navigator. It will finally move the review and permitting processes online, making them faster and more accessible to the public. The original contractor's poor performance delayed the project, but we are Back on Track and ready for phase one deployment in the fall.

Inspections and Permits are filling vacancies and also building out a new Stormwater Strike Team to inspect not only the development sites, but also the nearby land where flooding and erosion actually take place.

OPZ will fill vacancies and add three new planners, moving us closer to the pre-recession staffing levels and ensuring that Plan2040 does not sit on a shelf collecting dust.

We will rebuild the county's reforestation fund and are creating a new forest conservation mitigation fund so that public projects can meet the standards of our forest conservation law.

We have legislation before the council to create the state's first full-service Resilience Authority to manage financing and construction of projects that protect our infrastructure from the impacts of climate change, and this budget provides the seed money to implement that legislation.

And to slow down that climate change, we are funding the planning of electric vehicle charging stations for our EV-driving residents and our future EV-county fleet.

Anne Arundel County must continue to lead the state and the country in building a greener, smarter, more equitable future.

The Department of Public Works continues Working For You to provide clean water, to responsibly manage our waste, to protect our waterways, and to build and maintain multimodal transportation infrastructure with guidance from our Office of Transportation.

We all know about the failing intersections on the Route 2 and Route 3 corridors. Through our own financial commitment and hard work, we are now in the process of executing a memorandum of agreement with Maryland State Highways to move forward on long-awaited solutions.

Secretary Slater and his team have been outstanding to work with at the state level, and we are perfectly poised to benefit from any forthcoming federal infrastructure investments. Our good friend Congressman Anthony Brown sits on the House Committee on Transportation and Infrastructure, and our Senators support our efforts.

PROMOTE HEALTH AND WELLNESS FOR ALL

I have always said that government should be judged by the health and wellness of its residents, and that means all residents. This budget invests in programs to do just that.

COVID infections and income loss during the last year were most prevalent by far among the lowest income residents of our county. The departments that I am about to discuss have done extraordinary work this last year with the help of federal funding, but we must step up as a county to address these needs in the future.

Libraries serve our people at every stage of life, and we are making them better. We opened the magnificent Michael E Busch Annapolis branch during the pandemic, and broke ground at Riviera Beach just a few weeks ago, still in our masks. In the pipeline are Glen Burnie in two years and Millersville just a year after that.

Our beloved Senior Activity Centers will soon reopen and continue to improve. We got the work done on the Brooklyn Park Center before the pandemic hit, and expansion is well underway at the South County center in Edgewater. Next in line are improvements and expansion at Arnold and the brand new Severn Center, which I'll discuss in a moment.

With 47 active capital projects in our six year plan, Recreation and Parks continues to create the public spaces that enhance our health and connect us to nature. We got a much-appreciated \$9 million boost in funding this year thanks to support from House Speaker Adrienne Jones and our hard-working delegation at the Maryland General Assembly.

We are creating better park access for people with disabilities, a new Odenton Library Park, a Jug Bay Environmental Education Center, and an extensive facelift to facilities at Quiet Waters.

With completion of the Broadneck Trail and major progress on both the South Shore and WB&A Trails, we are transforming the idea of a county-wide trail network from a concept to reality. My goal is to complete the system by 2026, and be fit enough to ride the whole thing with Jon Korin and Bike Advocates of Anne Arundel.

Also in the Rec and Parks budget we have additional funding for water access projects, completing phase one of the Brooklyn Park Athletic Complex, moving up construction of the new Deale Community Park, and drumroll please...

The long awaited and much needed West County Swim Center will be designed in the FY22 budget.

We've also increased the size of our annual maintenance grants to park user groups, and added two seasonal trail staff and a ranger at Lake Waterford.

I have one last area of Capital Investment that was sorely missing from this county's agenda for far too long: Community Centers. Particularly community centers in neighborhoods where poverty is highest and young people need stuff to do.

We have four Communities of Hope designated by our Partnership for Children, Youth, and Families. They are Brooklyn Park, West County, Annapolis, and South County, and my goal is to have a community center in each.

The Severn Center adjacent to Van Bokkelen Elementary will serve West County. After thirty years of community advocacy to get this done, we will break ground this fall, thanks to a mix of funding sources that was completed with a phone call near the end of session with Senate President Bill Ferguson. That call and the hard work of our delegation produced the final \$2.8 million for this \$16 million project.

Annapolis received \$600,000 from the state this year to improve the Stanton Center, and we added the Brooklyn Park Teen Center to our Capital Budget for design this year. We have some irons in the fire for a South County center as well that I hope to announce at next year's budget address, rounding out the program and serving generations to come.

On the child care front, I want to thank the Rec and Parks team. They moved operations this past year from schools to senior centers and swim centers, back to schools, and now are stepping up to operate ten Open Door centers that were going out of business. This budget includes a significant new investment to fairly compensate the professional staff who operate these essential and outstanding Rec and Parks child care centers.

We have an extraordinary organization in our county called the Partnership for Children, Youth, and Families. They connect private foundations, government, community groups, and residents

to help families in need. As state priorities shifted over the years, their funding dwindled, and the county never stepped up to secure their future. In this budget, we are stepping up.

Another hero of COVID is the Arundel Community Development Services team. From water bill and foreclosure assistance to administering grants for the county's non-profits, ACDS performed flawlessly. Their eviction prevention work became a model for all Maryland counties.

The Department of Social Services delivered this year for our most vulnerable residents, particularly the ones who due to COVID could not find space in shelters or the church-based Winter Relief Program. They worked with Arundel House of Hope and our other agencies to provide an alternative hotel-based shelter that is now year-round and must continue.

This budget funds continuation of that shelter and provides the compensation that we need to keep our homeless outreach workers on the job.

Our Department of Aging and Disabilities offered programming to reach its clients when they could not gather at our senior centers. Staff made more than 105,000 check in calls, distributed more than half a million meals, and provided online programming to keep our older adults connected and safe. This budget funds a position in the Family Caregiver program, freeing up grant funds for direct services.

The sign outside our Department of Health headquarters says Heroes Work Here, and it's true.

They delivered - with universal contact tracing and case management from day one, a community-based equity task force at the outset, testing, enforcement, and a vaccination program that combines efficiency, customer service, and deep reach into underserved communities.

All of this took place while standing up the programs we funded last year: the revival of Healthy Anne Arundel, the Office of Health Equity and Racial Justice, and staffing for the interagency task forces on opioids and gun violence.

New federal funding provides us with resources for COVID testing, tracing, and vaccination programs, so that we can end the pandemic and get back to life as we knew it.

Another investment that I want to note is \$200,000 to move forward on the Limited English Proficiency plan that pays for translation services. Our commitment to governing For All means that information must be accessible to all.

The final investment that I must highlight in this budget has a value that is not about helping people, and not about the environment. It supports the work that we do on behalf of animals in need.

Thanks to the passionate advocacy by volunteers at Animal Care and Control, we have proposed funding for a new position, new cat cages, and veterinary services. These animals have a way of bringing out the best in humans, and we humans should do our best for the animals.

I will end by noting that trust in government is earned, and our public servants know that. But the harsh winds of politics often blow straight in their faces as they serve and protect us.

That was especially true in this politically divided year. But across county government our people set politics aside and delivered to every resident, not only on the services they were hired for, but also whatever we asked of them as soldiers in the war against COVID-19.

I particularly want to thank the Core Service agencies without whom none of government services would exist: Central Services, Law, Finance, Personnel, and of course the team at Budget who guide (s) all of us through this process. They ask for very little, and they give every single day.

I also want to note that the team in the County Executive's office has become one of the strongest in the state. Community Engagement and Constituent Services never wavers in its commitment to engagement of all residents, whether they agree with their perspectives or not, and our small but mighty Arundel Stat delivers Open Arundel, the portal through which all of us can monitor performance metrics across all government agencies.

My Chief Administrative Officer Matt Power and Chief of Staff Kai Boggess de-Bruin rarely sleep but never complain, and our government affairs team led by Pete Baron has found allies for the county at every level of government, particularly, I hope, with the body that determines the fate of this budget!

Finally, I must highlight the thoughtful and deliberate path we took in creating this budget. We listened carefully - to residents, department directors, and financial experts - and we made tough choices. Throughout the process, we stayed focussed on our four basic goals: restore trust in government, create economic opportunity for all, implement smart growth policies, and promote health and wellness.

I look forward to working with all seven of you in the coming weeks as you execute your duty to carefully review this proposal and adopt a budget so that we can enter the new fiscal year with optimism and confidence.

This budget is fiscally responsible and fair. It puts us Back On Track after a challenging year, and will make Anne Arundel County The Best Place For All - far into the future.