



## **State of the City Speech**

January 30, 2013

Good evening and welcome to our second annual State of the City presentation and Open House. Thank you for joining me tonight as we CELEBRATE GAHANNA. I want to celebrate where our community has been, where we are and where we have the potential to go. Gahanna has a great history of a diverse group of civically - minded citizens and business owners who have ushered this city through many years of challenges, opportunities, innovations and lots of successes. Gahanna's citizens – all of you – should be very proud of where Gahanna is today. Gahanna has grown from a small village to a thriving and well-run City of just under 35,000 residents. You have managed your City well, and we can take great pride in this community that we call home. I thank you for the opportunity to serve you by continuing those successes, and for the privilege of leading a great team of employees dedicated to not only taking care of today's needs, but equally committed to planning for a bright future.

At this time, I would like to recognize the elected officials in the audience who are critical to our success. First and foremost, the members of Gahanna City Council and City Attorney Shane Ewald.

It is simply right to celebrate Gahanna at this time in our history. We have come so far. I am so very proud of this city which my family and I call home, the community in which I have raised and educated my children. I am proud of our smart growth and innovation. We have managed to retain a small town feel, while providing the amenities of a larger city. We deeply value our exceptional school system, and all the many community organizations, civic, social, service and religious, that create the intricate fabric of an exceptional city.

When you travel around Gahanna today, you can see the fruits of your work, your investment and management over many years. You can also see more recent efforts and improvements: our new Tech Center Bridge providing new access and traffic relief, the Office, Commerce and Technology District welcoming new companies and new jobs, the South Hamilton Road median safety and beautification project, the Creekside District providing a center of activity for our community in so many ways, and the recreational and social amenities provided by the beautiful Hannah Park, just to name a few highlights. As you travel around Gahanna, you will also see the many wonderful businesses that call Gahanna home, that sustain our economy and provide value to our community. National and Regional businesses that have a large presence in our city, including Heartland Bank, Donato's Corporation, OSU Medical Center, and JP Morgan Chase to name just a few. We also celebrate our valuable small business community, who provide a very large array of products and services for our citizens

Even with all of our successes, I believe the time has come to determine nothing less than our future. What will Gahanna be like in 5 years, 10 years, 20 years? Next year? What kind of city will we become? Will we live up to our full potential as an exceptional community?

From time to time we arrive at significant milestones, critical turning points when the decisions we must make as public servants, and as citizens, are of the magnitude to affect the future to a very large degree. In my view, we have arrived at such a point today.

In last year's State of the City presentation, I made the following statement:

"We find our community to be at a critical juncture. We must have the courage to ask ourselves, "What kind of city do we want to be in the future?" That is a community dialogue that I intend to engage in this year. While we must keep in mind that we are at the mercy of an uncertain economy, we need to ensure that our services and possible future enhancements are sustainable in the long run. I recognize that there is a diversity of opinions of what is the appropriate level of services that local governments should deliver. But that should never deter us from having the conversation. We are committed to understanding what enhancements and improvements the citizens of Gahanna desire, and look for possible ways to pay for these investments. "

2012 was indeed a year of extraordinary reflection, outreach to citizens, and future planning by the administration and City Council. Together, we embarked upon a new path forward. One year ago during this presentation, I announced a capital improvements plan. As most of you know, the City of Gahanna is required by law to have a balanced budget every year. We plan our expenses to fall within the amount of money that we have. The City of Gahanna works on a cash basis. This is not any different than how you might create your household budget; we do not spend beyond our means. A capital improvement plan is no different than the planning families undertake when they choose to invest in a new home. It is imperative that a family plan for the future, too, as they celebrate their home purchase. New appliances eventually wear out and need to be replaced, and this never happens at a convenient time! Or the TV or the computer breaks or become outdated; or the furniture needs to be replaced and room usage changed as the kids grow up and eventually move out – or come back home to live! Eventually the driveway will need to be replaced, as will the furnace and air conditioner. The responsible property owner will expect and plan for these occurrences, and will also plan to have the resources to keep up maintenance on their home so that the driveway stays sealed and the furnace gets regular checks, to make them last longer. Families protect their largest asset with regular investments in maintenance and home improvement. A responsible city must make the same investments into maintenance and capital improvements to protect the investments generations of taxpayers have made in the city we call home.

But sometimes, families face circumstances outside of their control, that can sidetrack the best laid financial plans. A job is lost. The economy falters. Return on investments shrinks savings for the future. Expenses rise faster than income. Local governments also face these same challenges.

Like our families, to accomplish a balanced budget in the face of higher costs and lower revenues, we had been making cuts in our operations and especially in capital improvements since the start of the great recession of 2008. Needed maintenance was deferred. Capital improvements were cancelled or delayed. As a city we had been in a state of 'just getting by' for several years. Much of the country was in the same mode. But, as a

result of careful resource management, we had been fortunate to begin 2012 with a small surplus, instead of having to dip into our savings as we had planned to do.

Last year, we worked with Council to create and fund a two year Community Investment Plan; allocating money for a small program of capital improvements – a first step at a post-recession resumption of the type of capital improvement and infrastructure maintenance programs our citizens have come to expect from their local government over the years. This two year plan included additional multi-purpose trails, funding for the widening of Hamilton Road, fiber optic expansion, a street maintenance program, the rebuilding of an aging street and matching funds for the acceptance of grants. Even though we were pleased to be able to fund this small community investment program, we also were once again reminded that the real, ongoing, sustainable maintenance and capital needs of the city were greater than the projected available funds.

We know that one of our primary responsibilities as your local government is to make capital investments into our community, but we must always remember that there is a cost AND a commitment to any capital project. As reflected in the previous analogy of the family home, that cost and commitment is the immediate and upfront expenses as well as the long term cost of maintaining those investments.

One of many examples of this idea on the city level is our most-requested amenity, new segments of our multi-use trail plan.. This long- term construction project is being phased in over time. However, every time we construct a length of trail, we must then increase our maintenance budget to include the costs associated with this new infrastructure. The same is true with every stretch of road that we have built over time, or acre of sports fields we have provided for our youth leagues.

In short, the City of Gahanna finds itself at the same place many families find themselves in after living in their new home for 35 years or so; it is time to invest in increased maintenance and capital improvements. The city, like our families, have a critical choice to make – whether or not the timing is right, or whether or not it is convenient - do we reinvest in our largest investment – our homes or our city, or do we just do the bare minimum, and continue to just “get by”? What is the short, medium, and long term affects on our families or our city of either of these paths? What happens to the place we call home? And, what will our future be like? What will our quality of life be like? Will we regret it in the future if we choose not to make these key investments today, and we watch the value of our investment fall into decline? Or will we stand back with pride and the sense of accomplishment in the future, when we watch the value of our investment rise, and find that others wish to emulate our success, and follow in our footsteps? Will we make our children proud?

All this must be on our minds as we contemplate our future, and has been on my mind as we have worked through the budgeting and planning processes of 2012, and as we have prepared for 2013 and beyond.

2012 marked a year of unprecedented planning and transparency between Council, the Administration and our residents. We started with a joint planning session whereby Council, Department heads and myself outlined a strategic framework for the next two years. As a result of the session, Gahanna's Vision and Mission were affirmed by City Council.

I want to take a moment to read these statements as they are the words that guide our daily work and service.

Gahanna's Vision is to be an innovative model community that values its rich heritage, pursues high standards, and promotes respect among its citizens.

Gahanna's Mission is to ensure an exceptional quality of life by providing comprehensive services, financial stability, and well-planned development which preserves the natural environment, in order that city government will continue to be responsive, accessible, and accountable to our diverse and growing community of citizens.

We then identified five CRITICAL SUCCESS FACTORS. These five factors are the things that must go right in order for us to achieve our Vision and Mission. These five factors were adopted by City Council and drive our annual goals and budget. You can see the five factors on the screen now: citizen centricity, smart growth, innovation, effective communication and economic success.

In addition, 2012 was our first year as members of the International City and County Management Association's Center for Performance Measurement. Being a member of this nationally known and respected organization will allow us to comprehensively compare our efficiency measurements to other similar communities in the region, state and country. We will use this information to set goals, adjust budget numbers, learn best practices and communicate to our residents the value received for their tax dollars.

We conducted our third biennial Resident Satisfaction Survey in 2012. We started the best practice of surveying our customers in 2008, as a way to accurately measure our service levels and understand the priorities of our citizens. I am proud that the satisfaction results in our survey continue to be high. We have summary sheets available for you at the open house tables.

The survey is very interesting reading, but out of all of the information gathered, one image in particular really stands out. We asked, "What two or three amenities have you seen in other communities that you would like to see in Gahanna?". This slide depicts a "word cloud". The size of every word correlates with how many times it was given as an answer in the survey. The slide really does speak for itself. Bike Path. Community Center. Pool. Look which neighboring city stands out large! What this tells me is that our residents want amenities similar to those found in Westerville. Not Dublin, not New Albany, not Reynoldsburg, not Whitehall. I find that fascinating, and a very good insight into what our citizens want and expect. Another key process that we began in 2012 was the update of our Parks and Recreation Master Plan. The original, very-well-received plan was completed in

2005 and has guided the work of the Parks and Recreation Department since. The original plan identified multi-use trails as the number one recreational priority of our residents. The plan update will be completed early this year and will guide our next five to ten years in Parks and Recreation planning.

One of the most valuable parts of our comprehensive 2012 planning and forecasting exercise was to completely reinvent our budgeting process and document. Our 2013 budget has gone from a spreadsheet format showing account names and numbers, to a complete story that explains the goals of the City, the goals and functions of each department, and what they plan to complete over the next year. I am quite proud of council leadership and our team for this innovative and citizen –friendly budget that you can now find on our website, [gahanna.gov](http://gahanna.gov). This budget truly tells the current story of your City, and I encourage you to take the time to page through, and fill in the details of the picture I am attempting to paint tonight of the “State of our City.”

In 2012, we also created our first ever five-year capital needs assessment. I consider this the centerpiece work of last year’s essential forecasting efforts. This assessment is a five-year outlook of the capital needs of our community based on wants, needs and priorities of our citizens. Creating a five year capital plan is a best practice, and a critical tool for the effective planning of Gahanna’s future.

Our five-year capital plan is a realistic picture of our capital needs over the next five years and I want to highlight a few of them. The plan includes operational capital including items we need in order to maintain our current services such as a sustainable annual street maintenance program, to police vehicles and police radios. The plan also includes major capital improvements such as the widening of central Hamilton Road, expanding our fiber optic system in the Office, Technology and Commerce district, rebuilding aging streets, multi-purpose trail construction, rebuilding the Gahanna Swimming Pool, upgrading our street signs and replacing failing facilities. The full five year Capital Needs assessment is available on our website and includes an in-depth description of each project. The five year needs assessment allowed us to estimate the City’s five year funding requirements and then to begin to develop a financial strategy for investing in the City’s future.

As we talk about the five year forecast, it is important to review our sources of revenue. We have just updated a financial information guide first developed in 2010 which explains in a simple format where we receive our funds and how we spend them. This piece highlights the importance cities in Ohio must place on local income tax revenues, especially in light of state budget cuts. As you can see, more than 60% of the City’s revenue comes from Income tax, most of which comes from people that work here, and a much smaller percentage from those who live here and work elsewhere. This is the primary reason why creating jobs within the city limits is so crucial.

It also highlights a common misconception that the city receives a lot of support from property taxes. As you can see, we receive less than 3% of the property taxes a Gahanna homeowner pays to the county.

The five-year revenue forecast also takes into account many changes in our revenue sources that have been impacted by forces outside of our control. We are estimating that beginning in 2013, annual general fund revenue will be \$3 million a year less than the pre-recession years due to a combination of unfortunate state funding cuts to local governmental entities, and the weak economy.

Based on our current revenue sources, the cost to fund our current service-levels and the projects identified in the capital needs assessment, the city's five-year financial forecast shows that we simply won't have the money we need to continue on our current path. The graph you see now illustrates our planned revenue with the bars, and planned expenditures using the lines – including the projects identified in our capital needs assessment. This chart assumes we take advantage of low interest rates and bond appropriate capital improvements.

As you can see, our forecast predicts an average deficit of \$8 million per year. We closed that gap for 2013 using our excess revenue, basically, our savings account. However, this is not a long-term and sustainable approach.

So, how DID we finish 2012 financially? We are still preparing our year-end report for city council and the public, but I have some early facts to share tonight. Our year-end 2012 numbers for the general fund show that the conservative financial approach we have been taking to manage these changing economic times, is working well for us. We continued to plan conservatively for revenue. This is important because we don't want to spend money that we aren't likely to receive. For 2012, we exceeded our conservative revenue estimate in the general fund by 8% due to a modest increase in our income tax revenue, and the receipt of one time payments such as grants and settlements. Our spending was also under plan by approximately 2 million dollars primarily because of one time savings including several staff vacancies, short-term expenditure reductions, and higher than anticipated revenue from other sources, including some of our Tax Increment Financing districts.

Despite that strong performance, however, it is important to note that we spent a little over \$2 million more than we received in revenue in 2012. This is due to a \$2.8 million transfer we made to the capital improvement fund last March to jump-start our Community Investment Plan.

Even though we dipped into our reserves to make that investment in capital, we ended the year with a positive fund balance. We are mandated to keep an emergency reserve of 25% of the year's planned revenue. We have never dipped into those funds and our reserves have always exceeded that amount. At year-end, we had just over \$7 million in excess reserves on top of the \$5.6 million emergency reserve.

In spite of this strong performance, it is important to keep in mind two important factors – one, that we achieved lower spending by continuing to operate in a “just getting by” mode. We continued to operate by deferring much needed maintenance and deferring many

needed capital improvements. This is not a wise way to operate long-term– it is necessary in a short-term economic downturn,– but not one that creates a sustainable community. Secondly, we also must recognize that our available revenues do not match the income needed to fund our five-year forecast.

Last fall, we shared with Council and the public our five-year revenue and expense forecast for 2013 through 2017. This forecast was based on revenue estimates and projections developed by the Finance department, and expense estimates and projections based on departmental appropriations conversations and the five-year capital needs assessment. At that time, we provided a detailed look at many of our General Fund revenue sources that have been driven down by external forces in the past few years. This chart provides a quick summary of the sources that have declined significantly due largely to forces outside of our control—either at the state house or because of the recession. The revenue component of the five-year forecast assumes that revenues for the General fund would be in line with the “new normal”, that is, the level of funding we anticipate receiving now that the full impact of cuts. As appropriate, we have added conservative growth factors to the revenue for the out-years, 1-2% per year depending on the source.

Once again, we must recognize that estimated General Fund revenues are not enough to meet the expenditure requirements outlined in the five-year needs assessment. For 2013, the deficit has been addressed using excess reserves of \$3M and placing \$3.5 Million in the Capital Improvement Fund. This plan uses up half of the projected excess reserves. In 2014 and beyond, the remaining excess reserves and other funding sources will not be enough to meet the City’s needs. Once we account for the savings associated with bonding a portion of our eligible capital projects, we estimate that our annual deficit in the 2014 to 2017 time period will be approximately \$8 Million per year. We also need to keep in mind that it is always possible that new issues or projects may arise in the future that will require funding as the City’s infrastructure continues to age, and as economic development and grant funding opportunities are explored.

Currently, our property and income tax estimates only include the businesses and facilities that are presently operating here in the City. While we know that future growth may be in the pipeline, we cannot plan to use those funds until we know for sure that the revenues will be received---either because a facility is built or a business has actually begun operating.

Including the Buckles Tract, Central Park, and a few other remaining undeveloped areas in the City, Gahanna has just 470 acres of developable space remaining for future growth to our employment base. Based upon the Development department’s current estimates, this could accommodate up to approximately 5,800 additional jobs over the next two decades. At an average salary of \$50,000 this could potentially lead to an additional \$4.4M in annual withholding. The timeline for achieving this additional revenue is quite long, however, with Mid Ohio Regional Planning Commission reports estimating that this level of job growth wouldn’t take place until 2030 or beyond.

I'm going to take some time now to discuss the mechanics of the local income tax. The local income tax is the largest source of revenue in the City's General Fund. In the 2013-2017 forecast period, income tax is expected to make up approximately 66% of total General Fund collections each year.

The local income tax is levied on wages and business earnings. What a person pays each year is primarily based on where they work—which is why it is helpful to think of the income tax as the “where you work” tax. This is in contrast to the property tax, which is based on “where you live”.

When we talk about the local income tax, the key components are the RATE and the CREDIT. The RATE is a percentage of earned income that is due to the city. Tax rates vary by municipality, and per Ohio law, any rate over 1% must be approved by a vote of the people. Gahanna's rate is 1.5% and has not increased since 1977.

Cities may opt to provide their residents with CREDIT for the taxes they pay to their work city. In Central Ohio, most cities provide 100% or “full credit” for the taxes residents pay to their work city. When a city provides “full credit,” those residents who work in a city with a tax rate the same or greater than the rate of the city they live in will pay nothing to their city of residence.

Since 1986, Gahanna has provided residents with a reduced credit of 83.3% up to 1.5% of the taxes residents pay to their work city. This means that all working residents pay at least a portion of their earned income to Gahanna. It also means that residents who work in a city with a tax rate greater than Gahanna's pay a larger portion of their income for local tax than most in the region.

This map shows the local tax rates across Franklin County. In this map, the dark blue represents cities with a 2.5% tax rate. This includes Columbus, Bexley, Whitehall and Worthington. The light blue represents those with a 2.0% or 2.25% rate, including Dublin, Westerville, Hilliard and New Albany. The cities in red have rates of 1.5% or less. These include Gahanna, Reynoldsburg and the sliver of Pickerington that is inside Franklin County. This map is really an eye-opener for many. It begins to explain why many of the surrounding communities have more services and facilities than Gahanna – their available resources have been greater, and for many, greater for a long time. This lack of higher investment is causing Gahanna, in my view, to fall behind.

The goals of the administration in identifying a potential reform scenario were fourfold.

1. Gahanna is a location of choice for many employers, and our strong employment base leads to a large portion of our tax receipts coming from withholdings. The administration looked for a scenario that would appropriately balance the cost of City services with the end-users—including those who work here.
2. A fairly obvious goal—but an important one—was to identify a solution that provides the right amount of revenue each year. We worked to develop a robust model to predict the revenue capabilities of a variety of rate and credit scenarios

and identify which scenarios create the revenue needed to sustain our ongoing operational and capital needs.

3. The reduced credit scenarios highlight the need the administration sees to simplify the City's tax code. The complexity of the reduced credit calculation is a common complaint that we hear from taxpayers, and our credit is unique in the region.
4. Normalizing tax distributions refers to Gahanna's current position of having one of the lowest tax rates in the region. Employees who work in Gahanna and live elsewhere are typically paying a 2 to 2.75% total effective tax rate, with the additional amount going to their residence city—reforming our tax rate could keep a larger share of that money in Gahanna.

We worked through a number of different tax reform scenarios, the details of which are contained on our website. The chart on your screen shows the primary four that we closely considered, and the practical effect of each scenario on the majority of our residents. The fourth scenario shown, of a tax rate of 2.5% with 100% credit, is our administrative recommendation to City Council and our voters. By instituting a 2.5% rate, people who work in Gahanna and live in cities like Columbus would be sending their full 2.5% of local income tax to Gahanna, rather than a portion of it leaving our City. The full 100% credit gives the largest segment of Gahanna residents, those who work in a 2.5% City, a break by effectively reducing the total amount they pay in local income taxes each year.

This scenario also produces just the right amount of additional annual revenue. We project that this scenario would bring in approximately \$8 million per year—the same as our projected deficit during the forecast period. I want to point out that this is NOT the scenario that brings in the most revenue. However, it is the one that meets our revenue needs.

What I have intended to point out tonight, is that your administration and city council have undertaken a year-long planning and forecasting process, which has led us to this recommendation. A recommendation to increase total tax revenues is never taken lightly by any mayor, or any city official. But after this careful and well-thought out process, we are led to the conclusion that this is the proper and right step forward, to assure our vision and mission, to keep Gahanna well maintained and properly improved to secure our status as an exceptional city for years to come.

Two weeks ago, I asked city council to allow the citizens of Gahanna to decide the future of our city. Our charter is clear – the voters must decide whether or not this is the time to reform our tax code. Council must vote to allow this issue to appear on the ballot, but the decision to approve or deny such a change belongs directly to our citizens. This, in my view, exemplifies the ideal of local control of government working just as our founders determined that it should. I believe that it is appropriate and right for city council to allow this discussion to go forward, directly to our voters to decide as our charter demands. Timing of such a ballot issue is our decision as elected leaders. It is my recommendation to ask the voters to decide this spring, on May 7th. To meet the Franklin County Board of Elections deadline for May 2013 ballot issues, council must pass a resolution allowing this issue to go to voters by February 6th. Then, I propose that we engage our citizens in frank

and open discussion about this choice over the course of the next 4 months until Election Day. I have a lot of faith in the wisdom of our electorate, and I truly believe that our voters will find 4 months the necessary amount of time to learn the facts, study the issues, and make such a decision.

Why now? Unlike our federal government, to be frank, I am simply unwilling to “kick the can down the road.” To have a balanced budget for our city in the future, as we are required to have by law, we need to do one of two things – either increase our revenue, or make many additional and serious cuts in operations and services provided to residents. There are no other choices.

The City’s budgeting process begins in April of each year and includes many opportunities for input and analysis before the appropriations are finalized in late November. The May 2013 ballot will allow the City to follow its standard and legally-mandated budget development process. This will also allow City officials to plan the 2014 budget based upon the election outcome.

In order for your leaders to responsibly plan for 2014 and beyond, the income tax reform decisions should be made before November. Whether it passes or fails, we will need time to implement the changes. We will either be instituting service reductions or planning for sustainability. In either case, we will need adequate time to make these important decisions effectively.

After spending many years making serious operational cuts, deferring critical maintenance and spending practically zero local funds on capital improvements, and using our savings to balance our budget, I personally believe the time has come for us to increase our income tax rate and also to increase the tax credit allowed our citizens. Gahanna is one of only two cities our size still trying to make ends meet at a 1 ½ percent rate. It is my sincere belief, and the belief of this administration, that we cannot expect to create a competitive, excellent, sustainable and healthy city, as demanded by our mission and vision, with an outdated and insufficient revenue formula. The time has come for the people who work here to invest in our city at the same rate at which the people who live here and work almost anywhere else invest. This is why I say we need to reform our tax code. The formula we will be recommending actually will result in local tax savings for the majority of our taxpayers.

My team and I are committed to sharing as much information with our citizens as possible over the next four months. If Council votes to place this issue on the ballot, we have an extensive communication and engagement plan that will help communicate the details of the proposal and answer voter’s questions. We will have a webpage on [gahanna.gov](http://gahanna.gov) dedicated to this reform proposal that includes all related documents, a Frequently Asked Questions sheet and a tax calculator so you can enter in your personal information and see how the proposal will impact you. We will be sharing relevant information in every possible medium and forum – including through our many civic association groups, social media, newspaper, water bills, the Gateway publication and our e newsletter. Please – if you are a member of a local group or organization, contact my office. A member of my

leadership team, members of city council, and I personally would truly appreciate the opportunity to discuss this proposal with you. Also, please visit our website to sign up for our weekly e-newsletter. This newsletter is a very helpful way to directly communicate to you, and I very much want to increase our readership and add many more citizen email addresses to our mailing list. You can help this effort -please encourage your neighbors, employees and friends to sign up.

Tonight, I have talked about funding and sustainability of a number of services our citizens expect from us, your public servants. None of this happens, none of this work is accomplished, none of these services are provided, without the dedicated public servants that work day in and day out in the service of their community. It is important to recognize that local government is, first and foremost, a service organization. Employees on the front lines of customer service, the people you see most often, include our professional staff in departments including Public Service and Engineering; Parks and Recreation, and Economic Development. There are also valuable people behind the scenes, whom you might not often see, that provide essential services that keep this city going. These folks provide services ranging from , finance, information technology, our municipal mayor's court, human resources, and in the city council office, to building, zoning, emergency management and the helpful people that greet you and serve you when you walk into city hall, call us, or visit me in my office. No, I didn't forget public safety – I have saved them for last.

I consider preserving the health, safety and welfare of our citizens our most sacred task as your local government. Every single employee of your city contributes to your health and safety, but none more personally and critically than our police dispatchers and members of our police department. Recent events in our nation remind us of the critical importance to staff, equip, and financially support the people who put their lives on the line every day to protect us. Yes, in these tough economic times, we have had to implement cuts in our police department as well as in every other department that serves you. An important part of our five-year financial forecast includes funds to sustain our excellent police department at current levels. As you consider whether or not to support the effort to increase our revenues, please keep in mind the needs of our first responders, and the all-important role they play in attracting new and keeping current residents and businesses. We must never take for granted our valuable city employees, and the vital roles they play in making Gahanna a community to celebrate, and a community of choice for so many. I am grateful for the service they offer us every hour of the day and night, every day of the year, to keep us safe and cared-for in our community, at our jobs, in our schools, and in our homes.

As I wrap up tonight's State of the City presentation, it is traditional to offer a look ahead into 2013. While I have primarily focused on Gahanna's future tonight, it is important to celebrate where we are today, too. Even while navigating these tough financial waters, we are providing services and investments in our community each and every day.

I am certainly looking forward to cutting the ribbons for two major new businesses – Central Ohio Urology Group, and Niagara Bottling Company.

Strathmore Development Company, the new owners of Creekside, have been working hard to stabilize and improve upon Creekside's successes, by filling their office and retail space and building out the condos and apartments for new residents, all of which will add new vitality to our downtown. I think 2013 truly will be the year for Creekside's rebirth and we are planning a re-grand opening for this summer.

We are expanding our fiber optic network in the Office, Commerce and Technology District. We know this key investment will aid in attracting and retaining the businesses and jobs that are so important to our sustainability.

We are able to invest a half of a million dollars in our annual street maintenance program, will rebuild another aging street, and will continue our work in completing another segment of the Big Walnut Trail.

And, one of everyone's favorite community enhancements – the upgraded street signs are being funded at a higher level and the entire project will be finished within three years. .

In closing, let me state that I believe the message I have delivered tonight, about the importance of sustaining and improving our community, may be one of the most important messages I have ever delivered to our citizens as your mayor. I am well aware that it is not the most popular message. I made a personal commitment back in 1991, when I was first elected to public office in Gahanna, to strive to always do the right thing for our citizens, and not the most politically correct thing. To always be honest with my constituents, realizing that the truth is not always what people wish to hear. Tonight's message certainly falls into this category, and I am not naïve to that fact. I have a duty as your mayor to not only deal with the needs of today, but to provide for the needs of the future. To have not only a vision, but a realistic plan to make that vision a reality. To not just hope and wish for a bright future, but to make it happen, to the best of our ability and available resources. It is now up to City Council, and next to our citizens, to decide our future. Will we continue to "just get by" and provide the very basics of local government, or is the will of the citizens to provide sustainable services, and reasonable investment and enhancements to continue to make Gahanna a city of choice? I look forward to talking with you and your neighbors personally over the next four months about our future.

Thank you for joining me tonight in celebrating Gahanna's memorable past, our strong today, and our exciting and prosperous future as the exceptional place which we all call home. I remain today and always, in your service. Goodnight.