

# **STATE OF GEORGETOWN ADDRESS**

## **Introductions and Thank You**

- **Senator Thayer**
- **Representative Quarles**
- **Judge/Executive George Lusby**
- **City Council Members**
- **Fiscal Court Members**
- **My Executive Staff and City Employees**
- **My Family**

Those of you who know me well know I hate long speeches, but today I'm going to have to take some extra time to talk about the city we all love.

I wish I could stand up here and tell you everything in our city is great - that our facilities and equipment are in great shape, our employees are well paid and happy - but in all honesty, I can't.

The current state of this city can best be described as CHALLENGING. So I'm not going to stand up here and sugar coat the situation we are in. In the weeks and months ahead our community faces some really difficult choices.

So, while I can't honestly stand up here and tell you everything is great, I can tell you that I AM EXTREMELY HOPEFUL.

And the reason that I am hopeful is that I honestly feel the city council and I have a SHARED VISION FOR OUR COMMUNITY, and I think we are all willing to work towards shared goals.

We all know the recession has hurt our community – it has hurt families and it has hurt the ability of our city to serve our citizens.

In the past 3 years the city has been forced to cut its budget from \$21 million to \$15 million – a \$6 million reduction. And these cuts have severely hurt the city's ability to provide the services our citizens have the right to expect.

A reduction of \$6 million in the General Fund has dramatic impacts on community services.

These cuts have affected Police, Fire, the Business Park and virtually every agency of city government.

The most obvious victim of the city's financial situation is our Capital Expenditures – which are the most basic investment a city must make in its future.

In the Fiscal Year 2007 budget, the last year I served as mayor, our city provided funding for storm water projects, the aquatic center, a fire station, and vehicles and equipment for police and other agencies.

Now, compare that to the Fiscal Year 2011 budget we operate under today. As a result of dramatic cuts in budgeted Capital Expenditures, the 2011 Budget includes only modest appropriations for storm water, a few sidewalks, and the completion of the site clean-up at the corner of Bourbon and Chambers.

In 2007, the city spent \$1.3 million on capital projects. By 2011, that investment has declined to \$221,000. It must be obvious to everyone that we must reverse this trend, and the only way we can reverse this trend is by providing adequate funding for the city's needs.

## NOW - HOW DO WE PROVIDE THESE FUNDS?

First, let's discuss where we have come from. Contrary to what you have been told for the past 4 years, in 2006 when I left the mayor's office, the city had \$10 million in reserves. So I left the city in pretty darn good shape.

Today, our reserve funds are down to just over \$6 million. If you consider both the cuts in the budget and the declines in reserves, the City has lost \$10 million since 2006 and we cannot recover this loss overnight. So, while the city is not broke, when you consider the dramatic reduction in annual

revenues, and this lower reserve, we must be prudent in how we spend our money.

A lot of politicians will tell you running a government is like running a business. Well, this is not entirely true.

If I'm in the business of making widgets, and suddenly people don't want as many widgets, I cut my production and maybe some of my staff.

However, if I'm in the business of putting out fires, responding to robberies, providing emergency medical services, or providing water, and sewer and roads, I have to continue providing those services no matter how difficult it might be. These needs don't stop!

Obviously, the first step in a situation like this is to find ways to provide the services more cost effectively. This is nothing more than due diligence, and I think it's fair to say the city has done its due diligence. The city's budget has been cut

30% - there is no fat left to cut. In fact, when you look at the impact of these budget cuts, we have gone beyond the fat and begun to cut into the bone.

WE CAN'T CONTINUE TO KICK NEEDED CAPITAL IMPROVEMENTS DOWN THE ROAD WITHOUT COMPROMISING THE SAFETY AND WELFARE OF THIS COMMUNITY.

For example: The Clean Water Act requires cities to fix their storm water systems. The total cost to Georgetown of eventually complying with this requirement will be several million dollars. However, a couple of years ago the city rejected a federal grant to help meet these requirements BECAUSE WE COULDN'T AFFORD TO PAY THE REQUIRED MATCH!

Now, here's the kicker. This past year the Kentucky Division of Water informed the city that while there are no current violations, "impending violation trends were observed."

What does that mean? Well, if we violate our Clean Water Permit the EPA has the authority to impose fines equaling \$10,000 PER DAY! We cannot allow this to happen!

So, if we have to increase revenues to meet the needs of the city, how do we go about raising these revenues?

Basically, there are two ways the city can increase its revenues:

- Increase the jobs in our community by working with existing businesses or bringing in new businesses; or
- Increase the rates we charge for our services, through tax or fee increases.

**MY PREFERENCE FOR RAISING REVENUES IS TO CREATE MORE JOBS.**

During my campaign I always told people that I did not want to increase taxes – however, I also told people I would not stand by and watch the community's safety and quality of life be compromised without trying to do something about it. And, ladies and gentlemen, I honestly feel that our inability to

invest adequate resources in our services for the past 4 years has endangered our citizens, and our quality of life.

**So, we must face the reality of our current financial situation.**

Fortunately, our community has always been resourceful and innovative. In the past we have worked hard to take advantage of cooperation by our governments Toyota, Georgetown College, Scott County Schools, the Chamber of Commerce, Scott United, Historic Georgetown, and a host of churches and other outreach organizations to meet the needs of our community, and IT IS MY INTENTION TO LEAD THESE COOPERATIVE EFFORTS ONCE AGAIN.

A recent example of how these cooperative efforts benefit our community was the announcement of a \$500,000 federal grant to provide a home for the Salvation Army. This grant



will allow the Salvation Army to help meet the needs of many people in our community, and we welcome that. This is a great example of a public, private partnership that provides great benefits for our community.

These collaborative efforts have allowed us to achieve great things in the past, and this approach **MUST** be used as we move forward.

**SO, AS WE STAND HERE TODAY, WE FIND OUR COMMUNITY AT A CROSSROADS:**

- We can choose to invest in our future and once again become the envy of every community in Kentucky; or
- We can continue to accept mediocrity and hope that fate will deal us a better hand in the future.

This is not really a choice. We must take steps to invest in our future.

This realization is why this past January I organized a Leadership Retreat which brought together members of the city council, city directors and department heads, and members of my Executive Staff for a day-long brainstorming session.

The discussions that were held that day provided the city with the outline for a strategic plan that will provide guidance not only in the development of the 2012 budget, but it will also provide guidance for our program initiatives for the next several years.

It is my intention to make this Leadership Retreat an annual event, thereby allowing the city council and city agencies to update and innovate on a regular basis.

Now, let me spend just a few minutes telling you what the Leadership Retreat identified as our priorities in this meeting.

The **NUMBER ONE PRIORITY** was job development. Everyone in this room knows what a blessing Toyota has been for our community. A great corporate neighbor.

However, there is no doubt that a more diversified economy would give us a more solid economic foundation. There are examples all over the United States of communities that have failed due to having too large a dependence on a single industry. We do not want that to happen here.

The main goal when we developed the Lane's Run Business Park was to attract high-tech corporations, and I still believe this is possible. Toyota saw this need also. As a community we need to increase our efforts to recruit these types of businesses to Georgetown. But, we cannot do this alone.

It is my intention to actively partner with the Kentucky Economic Development Cabinet to outline plans for these recruiting efforts. I will activate our Business Park Board and

initiate regular planning sessions with that group. And I will ask this Board to take aggressive action to complete our Lane's Run Business Park.

This focus on recruitment of new business and industry to our community must be a top priority – BUT, we cannot forget that the majority of all jobs created in this country are created by existing businesses.

To that end I PERSONALLY intend to become involved in finding ways to stimulate job growth in local businesses. I will be initiating meetings with individual business owners, the Chamber of Commerce, and Scott United in the near future to begin discussions on how the city can play a positive role in job development.

**THE NUMBER TWO** priority identified in the Leadership Retreat was the need to build a new police station. I would also point out that this was one of my top campaign goal when I was running for mayor.

In 2006, I moved the Police Department because of health concerns in their building. This was intended to be a **temporary** move. Four years later, they are still in temporary quarters and are actually split into two locations. If asked, how many of you sitting here today could give directions to a **visitor** on how to find our Police Department? As a citizen, you expect the best from our officers. How can they **deliver** the best without the facilities needed to operate a professional Police Department?

Another priority identified in the Leadership Retreat and one of my top priorities is the need to provide restroom facilities at our public parks. There is no better way to spend our dollars than on our youth. This is an investment in our future.

Upgrading these facilities will improve tourism by attracting regional, state, and national athletic tournaments. These events bring hundreds of visitors to our community. While they are here, they stay in our hotels, eat at our restaurants and patronize our businesses. This is a relatively inexpensive investment that has great potential to benefit our economy. I am sick of Port-a-Potties. **WE ARE BETTER THAN THAT!**

My family and I have traveled all over this region and state, and we by far have the poorest facilities we've seen anywhere. Have you heard of Germantown??

Maintaining our strong emergency services will always be an important priority, and these services were identified in the Leadership Retreat. Our police, firefighters, EMS staff, telecommunications, EMA provide critical support to this community. Capital expenditures have to be made in order

to support our public safety operations and I want YOU to know that you can always depend on these vital government services WHEN you need them.

Roads, sidewalks, and storm water projects are of the utmost importance to our community. This infrastructure supports your daily activities, and all you have to do is look around and you can see these facilities have not been maintained as they should have been. Simply put, additional funding must be provided for maintenance of this infrastructure. We need to make sure that we have not only an attractive image, but above all a safe environment.

Now, let me take a minute to discuss what I think is the most important asset of our city – OUR CITY EMPLOYEES.

We can talk about police and fire protection, EMS services, water, sewer and roads. But none of these services can be provided without having top notch employees.

In recent budgets it seems as though the welfare of our city employees has been treated as a secondary priority. I am here to tell you today that I will do everything I can do to change those priorities.

While I will devote myself to addressing all of the needs that have been identified in the Leadership Retreat, providing adequate training, equipment, facilities and benefits for our dedicated workers will always be one of my top considerations.

Recently I think I have taken an extremely important step towards improving the work environment for our employees by creating an Employee Relations Task Force, consisting of employees from every city agency, to gather their ideas for



improvements. They have already had a meeting, elected officers, and I look forward to working with these employees to address their needs.

Folks, I could go on and on about the challenges and opportunities facing our community, but I've kept you here too long already.

However, before I close, let me tell you that while the city council and my staff and I will do everything we can do to restore necessary services to our city, we all need your help.

We need your support as we try to meet the service needs for our community. We can all talk about how important our services are to having a great community, but we can't forget that none of these services are free.

We can all talk about how important it is to create jobs in our community, but this can't be done unless we make a commitment to support our local businesses.

So, the city council and I hope we can count on your help as we move forward. If the people in this room will make a commitment to help us improve our community, then we will all make a commitment to you to spend our resources wisely, deliver services efficiently, and keep the public trust.

**We will be transparent.**

I issue a challenge to all of you as I introduce my BOLD motto—B-O-L-D “Beyond Ordinary Local Development”. It will take BOLD ideas to grow jobs, finance capital improvements, finish the Lane’s Run Business Park, enhance our Park facilities, support emergency services, and improve our roads, sidewalks, and storm water projects. All the things I have talked about. **BOLD** *ain’t easy, folks.*

BOLD is what took for our founding fathers to declare for independence. BOLD is what took for Daniel Boone to cross the Cumberland Gap into Kaintuck. BOLD is what it took for Martin Luther King to lead the Civil Rights movement. Since this is March.... BOLD is what took my 1983 Team to the State Tournament for the first time in Scott County history.

You'll find a card on your tables with this motto and our Top Ten List. Please take those cards with you to remember my challenge.

Remember our community slogan, "Where tradition meets progress." Our community continues to grow and diversify. We must not hesitate to change with it. Our global environment is changing and we **MUST** continue to work together as a community during these changes. We owe our children and our grandchildren the best possible future we can provide.

Spring is here, tulips are almost in bloom, green shoots are showing in the landscape, *I can't wait to get on my mower*, and the economy is showing signs of recovery. I issue the B.O.L.D. challenge to all of you: dust off your vision for Georgetown, put on your best smile, renew your dedication to your community, roll up your sleeves, and get to work.

Thank you so much for coming today and I look forward to talking with all of you about your ideas. Just remember, my door is always open and I encourage you to stop in and see me.

Take care and may God Bless you all.