

FEBRUARY 21, 2017 STATE OF THE CITY ADDRESS

It is once again my privilege to be here for the State of the City address.

This past year we have had a number of changes in our City Administration. Our Police Chief Jerry Hughes has been a great addition to our community. He has brought his significant knowledge from dealing with the most serious cases during his many years at the Akron Police Department, while having the perfect demeanor for our city. I can honestly say I have not heard one complaint about Chief Hughes.

Karen Reynolds is our City's Finance Director, having started in May of 2016. An auditor for the State of Ohio for many years, our citizens should take comfort that a person with her integrity addresses our fiscal matters.

Jim Bowery is our working Service Director who performs the administrative functions of his position and will also be part of the snow plowing crew, or be involved with fixing a broken waterline. Jim does so much for the city that I get nervous anytime he sneezes.

Ann Dicola is our Community and Economic Development Director. Ann recently obtained a grant from the State that will allow us to illuminate the much

used basketball courts and she coordinates community projects such as the Armed Forces Banner Program.

Our Fire Chief Lee Chafin is the most popular person in our city. When I went door to door the past two years campaigning for mayor and supporting the levy, every day someone would praise Lee and his work as Fire Chief. He works unbelievable hours and the city is very fortunate that he is here.

Last year I gave my inaugural State of the City address and after a little over one month in office I was required to inform our residents that the City of Munroe Falls finances were not on a solid foundation. It was my obligation to inform citizens of the financial facts of the city after I saw the final numbers from 2015 fiscal year, which showed over a half million dollar operational deficit. In other words, the city spent more than \$500,000 than it received in revenues. It is these financial problems that necessitated the placing of three levies on the November 2016 ballot and why the two that did not pass will once again be on the ballot in May of this year.

While myself and numerous others canvassed the Munroe Falls neighborhoods, many residents were surprised by the information that we were providing them regarding the financial condition of the city. Since 2010 the City of Munroe Falls had lost nearly \$630,000 in

annual revenue, resulting from the State's elimination of the Inheritance Tax and the reduction in Sales Tax, along with non-renewal of the 4.25 mil property levy in 2014. When the votes were cast and only one of the three much needed levies passed, it was apparent that a majority of the residents did not believe the levies were necessary.

In January of this year, after auditing the 2015 financial records, the Auditor of the State of Ohio issued 4 Cautionary Outlooks and 2 Critical Outlooks regarding Munroe Falls' financial condition. The Auditor's Financial Health Indicators resulted from the simple fact that the cost of providing basic city services exceed the revenues.

Our citizens who questioned the need for these levies no longer have to believe me or anyone associated with the City, the State Auditor had verified what myself and others stated last year. Additional revenue is needed to restore our declining general fund balance, otherwise the City will be unable to provide the proper level of services.

The City cannot continue to pick up leaves, maintain our parks, city vehicles and City buildings, and provide police protection while continuing to receive less money than these services cost. The General Fund finances the police and the maintenance of the buildings. Currently we are in the process of addressing the aging city hall

roof, which is now leaking forcing city council to conduct its recent meeting with half the lights turned off do to water damage. A tarp has been placed over the roof to protect it the best we can until this project is completed. The levy that passed, Issue 22, is required to be used for roads and cannot be used for a new roof.

On the positive side after many years without a city engineer, GPD Group has been contracted to address our engineering concerns, and evaluate pavement conditions and subsequently ranking city streets based on pavement conditions and needed repairs. Since GPD was appointed near the end of 2016, we re-allocated part of the funds that had been budgeted for the law director's salary for the street evaluation study.

The city is now in the process of having GPD perform a storm water study of our area, as storm water does not begin or stop at city boundaries. The cost of this study will be funded through monies received from the County of Summit/EPA. Once these studies are completed, since storm water and street repaving frequently overlap, GPD will then be able to begin preparing the engineering for road and other such projects based on our available funds.

Thanks to passage of Issue 22, we are in a much better financial position to fund future road projects. The

plan is to perform the engineering this year and to identify the most cost effective way to begin repaving and rebuilding our roads, applying for grants and other available funding to assist in this work. Therefore it most likely will be 2018 when actual construction work commences on any initial road work.

This will be a very challenging year for the City of Munroe Falls, but with help of our citizens, we will begin moving our city forward.

On a personal note, as I have now completed my first year, if I may take the opportunity to thank a few people who have helped me transition from private citizen to public official.

Our surrounding Mayors Dave Kline of Tallmadge and Don Walters of Cuyahoga Falls have been very helpful and willing to meet and discuss any issues. However the Mayor who I am most grateful to is Sara Kline. Although I try not to be a pest, I contact Sara for advice about everything from major issues like levies and safety issues, to what is a proper gift for the Mayor's Association dinner.

I also want to thank my wife Lisa who never knows when I am going to be home, and my daughter Alexis for their patience and understanding.

Finally I need to thank my mother. During my swearing in ceremony I was thanking my wife and got choked up and did not thank my mom. And I have been reminded of this on numerous occasions. So I end with:

Thanks Mom.