

**State of the City & Budget Address**  
**Mayor Diane E. Whalen**

**June 10, 2016**

Each year, I provide a State of the City and Budget Address to provide perspective to our residents on the City's progress and our plans for the future. I presented my first Address in 1999 and have done so every year for 17 years. It is with pleasure that, tonight, I present to you our 18<sup>th</sup> State of the City and Budget Address.

In this address, like all the ones that preceded it, we try to give you a glimpse, a snapshot of the things that have occurred during the last Fiscal Year, as well as a little bit of insight into why we do what we do and what we hope to accomplish with the upcoming budget. City government works every minute of every day. We have experienced some big city and urban growing pains, and faced things that we never expected in Florence. We will continue to face our challenges head on. We recognize that everything changes as it grows. We are committed to providing a safe and prosperous community where you can enjoy living, working and playing.

\*\*\*

Our focus on financial management and economic development has established the city as a center of commerce in the Greater Cincinnati and the Northern Kentucky region. Private investment and job growth continue in the city. Our efforts are paying dividends, and we are experiencing successes from large to small, all of which are very important to our community. These efforts provide an increased and sustainable source of revenue that allow us to provide the best in public safety personnel and equipment, as well as maintain and improve our city infrastructure through the efforts of the Public Services employees. The fiscal plan and management are in place to make sure that we not only meet those obligations this year, but for many years into the future.

\*\*\*

The budget for fiscal year 2016 represents a comprehensive spending plan for all city funds. The budget reflects all known and estimated increases in costs as well as the estimated projections for the various sources of revenues. Our occupational license fees, insurance

premium tax, payroll tax receipts, and real estate tax revenues are all dependent on economic conditions and as such, these numbers are subject to continued analysis and review throughout the fiscal year for adjustments. It is important to note that there has been no increase in the real estate tax rate since 2008. In addition, city council is provided with monthly financial reports that show variances between expected revenues and expenditures so they are able to monitor and recognize any needed adjustments.

The general fund budget totals \$33.3 million. This budget figure includes operating and capital expenditures including transfers to other city funds. The operating expenditures are \$21.6 million; an overall 5% decrease over those budgeted for fiscal year 2016. The city also has planned expenditures for capital items of \$3.1 million.

Our Finance Department continues to be recognized by the Government Finance Officers Association for excellence in financial reporting, the highest recognition awarded for financial reporting for a municipality. In addition, the city received its second GFOA “Distinguished Budget Presentation” award.

Our staff members in the administrative and finance offices perform responsibly by providing general management and coordination of city operations, support in billing and collections, business licensing, human resources, and risk management. We recently hired Bryan Shirden as our new Occupational License and Finance Supervisor. Bryan comes to us from the private sector and has customer relations experience. Also, as most of you know, Josh Wice has moved on as the VP Strategic Resources and Investor Relations at REDI Cincinnati and we wish him well. We are currently searching for the best candidate to continue his efforts in leading us in the economic development arena. We appreciate all the staff members’ hard work in assisting businesses in the interim.

\*\*\*

The police departments of Florence, Erlanger, Elsmere and Independence entered into an inter-local agreement. The purpose of the agreement is to have the greatest impact on illegal activity through cooperation by giving each police department the same powers of arrest and immunities when acting outside their jurisdiction as they would have if the duties were performed in their own jurisdictions. This agreement is only the second of its kind to be implemented in the state of Kentucky.

The newly formed Narcotics Unit is now fully staffed and all of the officers assigned to the Unit have received specialized training for narcotic and vice investigations. The Narcotics Unit has been very successful thus far with 122 felony drug arrest, 143 misdemeanor arrest and 56 warrants served for narcotics trafficking and possession.

In order to remain competitive in the recruitment of experienced officers to the City of Florence, the Police Department instituted a lateral transfer program to increase the pool of qualified candidates. The policy gives experienced officers a salary and benefits commensurate with their experience in law enforcement.

The Police Department had one officer retire this year, Sgt. Pat Taylor. Sgt Taylor retired after 26 ½ years with the City. The Department hired five new officers in 2015: Brady Napier, Kelli Chapman, Joshua Koors, Jack Eagler and Rob Fulton. We also had four officers receive promotions this year, Officers Mike Geis, Tim Crowley, and Eric Daniels who were promoted to the rank of Corporal. Corporal Jason Reed was also promoted to Sergeant.

\*\*\*

2015 was a very busy year for the Florence Fire/EMS Department. The ambulances of the department responded to 6,805 EMS incidents including 120 Cardiac Arrests and 129 suspected heroin overdoses. The Fire Department responded to 2,439 fire incidents including 206 fires and 374 motor vehicle accidents.

As announced last year, we have taken delivery of a new fire engine serving the west side out of Station 1 on Weaver Rd. This has helped us to better serve the city and fire district population.

The Fire Department also welcomed six new employees: Brad Tanner, Vince Lanning, Jacob Caylor, Robert Honacker, Daniel Verkamp, Matthew Sticklely.

We also have some upcoming retirement announcements: Commander Robert Krebs will retire on July 1 and Commander Elliott Cross will begin retirement on August 1. We thank them for their many years of dedication to the City and wish them the best in their retirement.

Unfortunately, we also lost some of the past members of the Fire/EMS team: Betty Briedis who was a former member of the Florence Fire Department Ladies Auxiliary and Tim Cahill, Fire Policeman. Our deepest condolences to their families and gratitude for their commitment to the City.

\*\*\*

The Public Services Department continues to keep our community looking first class by professionally managing and maintaining streets, sidewalks, buildings, grounds, fleet services, water, sanitary sewer, storm water, capital improvements, GIS services, urban forestry, code enforcement, and the citizen inquiry program.

Transportation infrastructure improvements are now complete or nearly complete on 95 streets. Improvements include complete replacements, mill and overlays and crack sealing. Various sidewalk and bike path improvements were also completed throughout the City.

During the past year, the Department coordinated water main replacement along Locust Avenue, New Uri, and St. Jude Circle, in addition to repairing 30 main breaks and 125 service leaks. The Department also relined approximately 4,580 feet of sanitary sewer pipe.

Park improvements completed include the rehabilitation of the South Fork Park pedestrian bridge and the installation of rubber mulch at the World of Golf to enhance landscaping throughout.

In the upcoming year, the budget includes infrastructure improvements on 23 streets through contracted work and 73 streets through in-house work. Proposed water line replacement will take place on Locust Avenue. The installation of a new water line will be installed along Summer Place and within Ockerman's school campus to provide redundancy during an emergency. Sanitary sewer relining will take place in the Sanders sewer sheds. Storm water improvements are slated in the Cayton and Rosetta watersheds. Finally, park improvements include the replacement of the Lincoln Woods tennis courts. By proactively updating and replacing infrastructure now, future costs and emergency replacement of infrastructure will be kept to a minimum.

Thanks to the efforts of the City's Urban Forest Commission and the willingness of this and prior City councils to fund projects. One of the projects undertaken this past year was

the removal and replacement of 91 dead and diseased Austrian Pines located at the Florence Government Center along Ewing Boulevard. These trees were replaced with Norway Spruces. The City's commitment to its urban forestry and beautification strategy is a positive to our City. This commitment has allowed the City to be designated for the 24<sup>th</sup> consecutive year as a "Tree City USA".

During the past year, the department organized, planned and implemented 18 special events. A few highlights include the record breaking crowd of over 5,000 in attendance for the Independence Day Celebration, 601 residents participated in the Spring and Fall Cleanup, 37 students were trained and certified as Safe Sitters, and the Veteran's Day Program which acknowledged the return of our adopted troop Bravo Company 101<sup>st</sup> Airborne Division, 2<sup>nd</sup> Brigade 502<sup>nd</sup> Infantry Unit also known as "The Renegades"

When talking about our Public Services Department, we of course would be remiss if we did not mention the special contributions they make during the winter months. When snow falls and ice forms, and whenever Mother Nature strikes, whether on a holiday or in the middle of the night, our Public Services employees report for duty to help keep city streets clear. Their efforts ensure businesses can open and residents can get to work. Their hard work also allows our other 24 hour a day employees to respond to calls for service within our community. Thank you for your contribution towards keeping our community safe.

We welcomed several new maintenance workers: Brandon Miller, Dalton Anderson, Sean Dupree, Jacob Bradford as well as promoted four individuals. Both Keith Ruschell and Tim Aubrey were promoted to Supervisor and Derrick Holland and Jordan Sullivan have been promoted to Senior Maintenance. And after many years of service to the City of Florence both Mike Knotts and Chris Knapmeyer retired last year.

\*\*\*

In 2015, we began to see the fruition of our development plan for Florence Heights. We saw the opening of Costco and Planet Fitness. Also opening recently include Aldi's, First Watch, Burlington Coat Factory, Kemba Credit, Gold Star (Mall Rd) as well as Raising Cane's.

This coming year, we look forward to the progression of the Florence Heights development including the opening of Dave & Buster's. Other upcoming opportunities include,

CVG annexation expansion of Bosch-ZF, Slim Chickens, Chick-Fil-A and Outback on Mall Road, and The Villages of Florence on Hopeful Church.

While the Florence Heights development is the most visible new development in the City of Florence, we continue to be excited about the 2,500 businesses that have chosen to locate and do business in Florence. With such a significant number of businesses, all lending themselves to a diversified, strong economic climate – supporting those who live in Florence or those from around the region who work or participate in commerce in Florence –helping to make Florence the dynamic place that it is.

The city continued this year the expansion of Mall Road Phase 3 by beginning construction on the access road along the southwest side of Mall Road that will connect two commercial centers with the rest of Connector Dr. This will not only be a benefit to travelers in the area but also to the businesses, future businesses, and property owners in this area. We also began construction for a southbound access from Mall Road to I-75 to be completed in August 2016.

Our commercial real estate market remains strong, with leasing and purchasing activity in the retail, industrial, and office sectors being very active. On the retail side, our vacancy rate in the city is below 8%, which is one of the best performers in the region, where the regional retail vacancy is 8.4%. The industrial vacancy rate is under 2%, while the overall vacancy rate in the region is 7.19%. And, the professional office vacancy rate in Florence is 12%, with the region's rate at 20.6%. Overall, we fair better than most communities in the region.

All of these factors are very strong and positive indicators of Florence's overall economy. It is truly the perfect time to do business in the City of Florence. The city will continue with its strategic investments and partnerships to keep our economy growing.

As I have said many times, I live in a community I love, and I am grateful to be its mayor. I live in a community where I have seen the transformation and recognize the visionaries that made it happen. It is a busy place – it is a traffic headache sometimes. The busy roads, traffic signals, storefronts, restaurants, and many other businesses are a testimony that we are doing something right. I am frequently reminded of what a city means: It is people choosing to live together to create a place where people can work, play and educate their children and raise a

family. You all have a big role in making that possible for the people in our community. It is our roll to help you be successful.

It was Abraham Lincoln who once said, "I like to see a man proud of the place in which he lives. I like to see a man live, so that his place will be proud of him."

In conclusion, with the supportive attitude and commitment of our current city elected officials, Julie Metzger Aubuchon, Mel Carroll, Duane Froelicher, Kelly Huff, David Osborne, and Gary Winn, and our department heads and staff members, I continue to be excited about our future together knowing that our community can continue to flourish.

The state of our city is strong. No one person can do this alone. We are all a part of an ongoing commitment to the progress of our community. Together we will keep it moving forward.

I offer my sincere thanks to each and everyone one of you. Our residents, our business owners and their employees, and the dedicated public servants who come to work every day to keep our city on track. Our success is because of you.