

Good afternoon.

Thank you for being here this afternoon as I present the highlights of the proposed 2015-16 fiscal year budget.

For the past four years, I have presented an overview of the budget either through a press conference like this or through a letter to the citizens of Clarksville, and most years I have done both. And as I've said each year, I believe that adopting a budget is the most important task of any governmental body.

A government's budget is its plan. We make our priorities clear and fulfill our commitments through the budget. I am very fortunate to have the assistance of dedicated Department Heads and city employees who understand my dedication to responsible spending while preparing for growth. I never forget that the money we spend is not mine, it's yours. The people of Clarksville have entrusted me to be the very best steward that I can be with their tax dollars. I take that trust very seriously.

One of the things I'm often asked is just how big is Clarksville's budget. The total proposed budget for Clarksville is a little over 393 million dollars. That includes all the Enterprise Funds and the General Fund. The

total proposed General Fund budget, the section of the budget that is partially funded with property taxes and sales taxes, is \$89,957,571.

Our fund balance, I know some people call that a “rainy day fund”, is 20% of our expenses and other financial uses such debt service. For instance this budget includes an increase in debt service payments in excess of \$1 million dollars due to the financing structure approved for Liberty Park and the Marina. For 2016, the 20% that is required amounts to almost \$18 million. However, this proposed budget is balanced with over \$2 million in excess of the required fund balance.

Before I get to some of the specifics in the budget, I want to remind everyone that the City of Clarksville is in very good financial shape. First, Clarksville’s bond rating continues to remain very high, at AA+ outlook stable. We also continue to meet our legal obligation to maintain our fund balance of 20%. We are committed to making the most of the revenue streams we have access to and finding alternative sources like public private partnerships and grant funding. We also spend and borrow money as wisely and efficiently as possible. Our continuing stable fund balance and high bond rating are proof that our approach works.

I'm going to talk about the main priorities for the proposed budget, but first I want to begin by updating you on some of the projects we will continue to work on. The Parks & Recreation Department continues to upgrade the lighting at all City ballfields, so this year we will continue to upgrade the lighting at the ballfields at Swan Lake. We will also build much needed restrooms at Robert Clark Park and Pettus Park and I am very excited to begin construction of a splash pad and playground at Heritage Park in partnership with the Clarksville Rotary clubs. This project is a perfect example of what we can accomplish through a public/private partnership and I appreciate the Rotary Club members for approaching us with this idea.

For the second year in a row since the Sidewalk Ordinance was passed years ago, I have included money for new sidewalks. As many of you know, the City has spent millions of dollars and multiple years improving and repairing our existing sidewalks to comply with the Americans with Disabilities Act and a court order. That work is now complete and we are able to move ahead with constructing new sidewalks.

I have also included money for much needed expansion and upgrades to the Ajax Turner Senior Citizens Center. This facility is important to our community and provides vital services to our senior

population. These upgrades and expansions are necessary for safety as well as growth and I believe it is imperative to support the Center and the work they do.

I've included the funds required to match the Corp of Engineer's commitment to a grant that will allow us to stabilize the banks on our riverfront area and prepare for possible extension of our Riverwalk. That work is scheduled to begin this summer. The Upland Trail is also being extended and there are funds to complete that project. Additionally, I have included money to fund the geo-technical work that will begin the next phase of the potential Athletic Complex and the downtown Performing Arts Center. I believe these projects will be instrumental in bringing economic development throughout the City and I am committed to keeping the momentum going on both. And yes, for those of you who might be wondering, the Nashville Predators are still very interested in partnering with the City as we consider the options for the Athletic Complex.

These projects and many more are included in this year's proposed budget. However, the main thrust of this year's budget focuses on two main priorities: Public Safety and Roads.

Public Safety has been one of my main focus areas since I became Mayor. Clarksville boasts one of the lowest crime rates and has the best equipped fire and rescue departments in Tennessee. Our firefighters, emergency personnel, and police officers are among the best trained and best prepared in the country. And our Police and Fire Chiefs have done a remarkable job of making the most of their resources and examining every funding source available to make sure that Clarksville is the safest city in Tennessee.

However, Clarksville is also one of the fastest-growing cities in the nation. It is simply not possible to continue to provide the level of service and care that our public safety team currently provides to all of Clarksville without additional resources.

As you know, construction has begun on a new police precinct in the north part of the city. This project has historical significance for a couple of reasons. First, we were proud to partner with the Montgomery County School System in determining the location of the North Precinct. Located adjacent to Minglewood Elementary School, this facility is going to be a true community-based precinct. Secondly, I have recently been advised that this North Precinct is the first building built specifically for the Clarksville Police Department. Every other space that the CPD works out of was

originally built for another purpose. I believe it's past time we provide this facility for the community and for CPD.

The funding for building the North Precinct was included in the current fiscal year's budget. However, we must also hire the officers and staff who will work there and provide the necessary resources to make it effective. Fourteen new officers were recently hired through a grant from the federal government. Although they are initially funded through that grant, the City will eventually be required to pay their salaries and benefits. And as we have discussed before, hiring a police officer is not like hiring other positions. Police officers must go through the Police Academy before they begin their local training and receive their first assignments. They require specialized equipment, including vehicles, to do their jobs.

Just like new police officers require special equipment and resources, so does a new police precinct. Ours will be outfitted with the most state-of-the-art technology and equipment. Without these resources and training, they cannot do their jobs. This is a long-term investment in our City and for our families.

Construction has also already begun on Fire Stations 11 at Exit 1 and 12 located in the Industrial Park. These stations will provide services to

areas which have seen tremendous growth over the past few years. The funding for construction work was included in the current fiscal year's budget, however, additional construction money is necessary for Station 11 and that is included in this year's proposed budget.

Over the next couple of years, we will hire an additional 39 fire and rescue personnel along with three district chiefs who will staff these two facilities. Obviously, as with CPD, hiring and training fire rescue personnel requires additional time and resources. The money that I have allocated in the proposed budget also includes money to fully outfit Fire Station 12, including the rescue and fire trucks.

These improvements, outfitting new facilities, and the personnel required to staff them for the CPD and Clarksville Fire Rescue adds more than \$2.2 million to this year's budget.

The Street Department, too, has done an incredible job of keeping up with the infrastructure demands of constructing new streets, repairing old streets, and meeting the challenge of moving more people and more cars while creating less traffic congestion. They have an ongoing battle to make major changes to our infrastructure with as little disruption as possible. They also have the daunting task of addressing the weather conditions, as

we saw this winter, to keep us safe and able to travel. And with the continued growth we are experiencing, their challenges grow.

As I explained, I have also included a significant amount of money for Street Department projects. For the past two years, we have gotten a crash course (no pun intended) about the importance of having salt stored for use on our streets. We need to make sure we have our sheds (including the new salt shed) filled again this year. There are also paving projects that must be completed. Since 2003, Clarksville has achieved a “good” Pavement Condition Index and we want to maintain that rating. I also think it’s pretty amazing that since 2003, the Street Department has paved almost 376 miles of roadway and each year, they have paved more miles than the previous year.

In addition to these routine projects, one of the major projects already underway is on Cardinal Lane. Design and engineering work are being done to evaluate the best alternative for a route extending Cardinal Lane to connect with Professional Park Dr. Once the design is in place, we will have to acquire the necessary right of way and provide construction costs to build this 1.2 mile-long section of road, including the upgrade of the existing Cardinal Lane. Ultimately, we will provide a more direct connection

from I-24 to the hospital and provide easier travel and an alternative route to Rossvie Road. I have allocated \$6,750,000 to continue that work.

I am also announcing for the first time that TDOT has agreed to work with us on a project to address the traffic situation on Warfield Boulevard. This area has been the source of a great deal of frustration for drivers for years and we are going to do something about it. The initial State approved plan will widen the existing two lanes on Warfield Blvd (SR374) from Stokes Road to Dunbar Cave Road to a divided four lane highway. This will include widening of the intersections of Warfield Blvd with Rossvie Road, Ted Crozier Blvd and Dunbar Cave Road. I have already received a commitment from TDOT to partner with us on this project to make these improvements a reality, and I am in the process of jointly drafting the contract to spell out the parties' duties and obligations.

An additional project that is included in this year's proposed budget is the upgrade and improvements to the Franklin Street and University Avenue intersection to make it more pedestrian friendly and to enhance the connectivity between Austin Peay and downtown

This proposed budget recognizes the need for increased resources primarily in these areas. I simply will not skimp on Public Safety or Roads.

These are services that only government can provide and I am committed to keeping each citizen as safe as possible, even if it means making tough budget decisions.

For the past four years, I have been able to address you to summarize my proposed budgets with the news that we could accomplish our major goals without a tax increase. Unfortunately, the time has come when that is no longer possible. The vital additional provisions needed for Public Safety require more revenue than we anticipate receiving through the current tax rate.

With all this being said, I am proposing to raise the City's tax rate to \$1.36 per \$100 of assessed property. This is not a recommendation I make lightly. I have spent weeks working with the Department Heads and the City's Chief Financial Officer and staff to figure out how we can meet our obligations, both the debt service requirements and the impending needs, without raising the tax rate. Quite simply, the growth we are experiencing makes that impossible. Over the next two years, the improvements and resources for Public Safety and Streets will add more than \$7.2 million to the City's general fund budget.

What will this mean to the average taxpayer? To give you an example, the proposed increase in the tax rate will impact the average home owner in Clarksville only \$4.72 a month in additional taxes.

I want to emphasize that I am not proposing an increase in taxes for the purpose of simply increasing the City's fund balance. I believe that your money should work to provide the services you need when you need them. According to our own City Code, we are required to maintain our "savings" at a 20% level, and we have done that every year and will continue to do so. This tax increase would not be necessary but for the vital improvements needed in Public Safety and Roads.

I also want to assure you that I have done everything possible to minimize the tax increase. Even with this increase, Clarksville still has one of the lowest city property tax rates in the State of Tennessee. And even with the increase to \$1.36, the tax rate is still less than it has been in many years in the past. In 1986, for example, the rate was \$1.60 and in 2000, it was \$2.01. Even prior to last years required reassessment, the rate was \$1.24.

As you can see, we continue to move forward. The proposed 2015-16 proposed budget provides funding to take the next steps in providing

resources and opportunities for economic development and enriching our quality of life. Most importantly, the budget responds to the safety needs of our growing population.

Again, I want to commend the Department Heads and employees who have worked so diligently with me to make sure that we maintain the level of service we have offered in the past while respecting the need to place greater emphasis on public safety and roads in this budget.

Preparing this budget has truly been a team effort and I appreciate their willingness to help and understanding as we move through this process. I have come to expect the very best from our City employees and they proved me right once again.

Thank you all for coming today and I'll be happy to take any questions.