

# State of the City Address

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## Introduction:

The Chamber of Commerce bills the State of the County as “an opportunity to hear what your tax dollars and elected officials did in 2010 and what they expect in 2011.” Sales within the Craig city limits create the sales tax revenue used to help fund the city’s operating budget. In planning the 2010 budget, the city anticipated a slow recovery to the city’s sales tax revenue. As such, for 2010, the city prepared for a slight decrease in sales tax revenue. Even this conservative budget forecast underestimated the sluggish pace of economic recovery. For 2010, the city’s sales tax revenue was \$300,000 below our budget projections. An unexpected reimbursement from the State of Colorado for sales tax revenue the state had not properly dispersed to the city offset the deficit created by the shortfall in sales tax revenue.

## Use of Tax Dollars in 2010:

The sales tax revenue results from 2010 remind us of several things. First, the recovery from Craig’s most recent boom/bust cycle will not happen overnight. Recovery will be a long, arduous process. Second, the need for Craig to stabilize and increase its sales tax revenue, by ensuring the longevity of the region’s primary industries and by diversifying Craig’s economy to reduce the peaks and valleys of the boom/bust cycle inherent to this community. Finally, the volatility of sales tax revenue emphasizes the need for fiscal responsibility by the city’s staff and the city’s elected officials.

During 2010, the city of Craig staff continued its practice of fiscal discipline and responsibility. Despite the constraints of a flat or reduced operating budget, the city of Craig continued to offer its citizens top-level services while at the same time making modest capital improvements. It needs to be noted that many of the sizeable capital improvement projects included some level of matching funds from DOLA. I applaud city manager Jim Ferree for his hard work to offset capital improvement costs by actively soliciting and receiving DOLA grant money. As of now future projects will not benefit from DOLA grant assistance because DOLA has suspended such grants due to the state’s current budgetary problems. Highlights of tax dollars at work in 2010 include the following capital projects.

- ✦ A \$195,000 security upgrade and addition to the Boys and Girls Club
- ✦ Remodeling project to the City Hall

- ✦ Construction of a \$260,000 salt and sand storage shed (crucial to eliminating run-off of these materials and required by the Environmental Protection Act)
- ✦ The final phase of the water plant improvement project this phase included a removal of an old asbestos laden caretaker house and the paving of the parking lot. The cost of this phase was \$200,000
- ✦ Additionally, the city was awarded an \$188,900 Safe Route grant in behalf of the MCSD to add sidewalks to the areas surrounding the Craig Middle School and Sandrock Elementary. Due to the CDOT planning process, work on these sidewalks will not begin until 2012.

The purpose of city government is to provide basic services such as protection, water, sewer and trash services, and the maintenance of roads and thoroughfares. Additionally, the city is here to improve the quality of life for its citizens. Some of the 2010 highlights from the tax dollar funded services include.

- ✦ The City of Craig continues to fund the recycling center north of town. Last year the 'green friendly' citizens of Craig as well as residents of Moffat County and Southern Wyoming recycled 11,000 gallons of used oil and 3,500 cubic yards of recycled material.
- ✦ The Parks and Recreation department continues to provide athletic and artistic outlets for Craig's youth. Last year the Parks and Recreation had over 1,100 participants in its youth programs. Additionally, this department employed over fifty students during the summer months. The Parks and Recreation department provided a fountain of youth for our community's senior citizens by organizing and chaperoning twenty-five trips for local senior citizens.
- ✦ The Parks and Recreation Department also enhanced the aesthetics of Craig's west entrance by improving the landscaping on Highway 40 near Murdoch's. This beautification project will continue in 2011.
- ✦ The city continues to operate the swimming pool complex. During the summer, the pool averaged 275 visitors per day. It also facilitated swim lessons for 450 children and hosted the annual Sea sharks meet (a meet that draws over 1,000 participants).
- ✦ The city continued to support and fund annual community events such as Whittle the Wood. Last year, the 11<sup>th</sup> annual WTW had generated a crowd of 5,000 people. Of those attending, nearly a ¼ of them were from out-of-town (an economic plus for Craig's economy). Additionally, the city lent support to the BBQ contest organized and sponsored by The Memorial Hospital and Craig Daily Press. The Road & Bridge department continues its excellent service of maintaining Craig's streets

and roads by paving streets that had historically been dirt roads, resurfacing existing streets and installing curb and gutters throughout the city. Most noticeably, Steele Street was paved from U.S. Highway 40 to Industrial Avenue. This was a long, overdue upgrade!

- ✦ The Craig Police Department responded to over 16,000 calls in 2010. One notable action by the police department was its intervention that prevented a local senior citizen from being swindled for \$30,000 by a telephone scam.
- ✦ Craig's 2010 building activity reflected the state of the economy. New construction within the city consisted primarily of remodeling projects. Several new projects were completed in 2010. These projects included New Creation Church, 3 Sons Construction shop/office, and the new MSHA building. Additionally, the VNA completed an extensive remodel of its exam rooms. The VNA continues to be a valuable asset to this community by expanding the services it provides our citizens. The city is very fortunate to have such a dedicated organization.
- ✦ The city's website was redesigned and upgraded to provide citizens a user-friendly source to learn about city events.
- ✦ Finally, the role of the city is to help its citizens. This includes listening to citizen concerns and reaching amiable resolutions to any disagreements between a citizen and the city. Thanks to the professionalism exercised by City manager Jim Ferree and all of the department supervisors, the city is currently not engaged in any lawsuits or legal activity.

### **Expectations for 2011 and Beyond**

Despite the unexpected reduction in sales tax revenue, the City of Craig ended 2010 no worse for the wear. The city continues to operate within its budget and with very minimal staff reductions, decreases to wages or benefits, and most importantly without reduction to the services provided to the community. As 2011 shakes off the doldrums of winter and readies itself for promise of spring, the outlook for Craig is cautiously optimistic.

The optimism originates from several sources. The near completion of the first phase of CNCC's expansion project is a source of optimism. CNCC has been a valuable partner to this community and will have an integral role in this community's future. As CNCC and the Moffat County School District continue to face the grim reality of statewide budget cuts, this community needs to remember the resources, education, individual development CNCC and the Moffat County School District has provided Craig and Moffat County's citizens. As a community, we need to be ready to help in any way possible.

The silent activity of oil and gas companies scurrying around the courthouse and the countryside is another source of optimism. While this activity does not provide noticeable tangible results, this activity offers hope, hope void from this community for the past two years.

Optimism from partnerships created in 2010 to promote the Craig community. Partnerships such as the partnership between the Craig Daily Press, The Memorial Hospital, and The Wyman Museum; created to bring a BBQ competition and visitors to Craig. The partnership between the Craig Daily Press, Craig Parks & Recreation Department, Yampa GEO, private businesses and citizens to create a virtual tour of the Whittle the Wood competition. As evidenced by its involvement in the BBQ competition and Whittle of the Wood virtual tour, the Craig Daily Press continues to be a strong supporter of this community and proponent of Craig's future. I want to thank Bryce Jacobson and the Craig Daily Press for its involvement and support in this community.

The final source of optimism emerges from recent intra-organizational meetings designed to identify and combat the current and future obstacles facing our community. Such meetings include the Moffat County School District's invitation to city council to participate in its strategic planning session; the United Way's series of roundtable discussions; and the town hall meeting facilitated by the Craig-Moffat Economic Development Partnership to discuss this community's strategic economic development plan.

Despite this optimism, the city is cautious about what 2011 may bring. The uncertainty in the economy threatens Craig's stability. The recent jump in gas prices could slow down the pace of economic recovery as well as increase pressure on already tight household budgets. The 2010 legislative actions against the coal industry and coal-fired generation plants create uncertainty as to the long-term stability of the economic staples to our community. Please do not confuse caution with fear. Caution creates awareness whereas fear creates hysteria. The city is aware of these obstacles and understands the importance of addressing these obstacles in the short and long term.

Finally, the city is cautious about the negotiations with the county regarding the Public Safety Center. The city was surprised with the county's decision to negotiate this matter in the media. While the city wants to bring a sensible and expedient resolution to this matter, it cannot ignore the magnitude of this decision as it pertains to the city's current operating budget and the revenue already forfeited by the city and its taxpayers to build the safety center. Decisions that involve hundreds of thousands of dollars from the

current budget and the allocation and use of millions of tax dollars over the past ten years involve in-depth negotiations, explanations and education.

The citizens of Craig deserve and should expect the city council members to exercise such diligence before agreeing to proposals casually presented in the Saturday paper. As a citizen it is your right to be provided all the information regarding any decision made by the city council. As a city council, it is our duty to provide that information to our citizens. As the negotiations for the public safety center continue, I ask that the citizens be patient and understand the need for due diligence.

I have used the term “cautiously optimistic” not to be a pessimist but to reflect the uncertainty of the economic and legislative environments here in Colorado and there in Washington D.C. While the outlook may be grounded by these realities, my enthusiasm for 2011 is unbridled. I am excited that this community is showing interest in local government. I am also excited because there appears to be a renewed interest in forward thinking. My grandson, who is 5, asked his dad this question the other day. “Dad, when I’m your age, will these be my good old days?” His question solidified my resolve to be an active part of this community. I want to make sure that every year my grandson lives in Craig he will remember them as the good old days.

Finally, I would want to thank the citizens for Craig for the opportunities and experiences I have enjoyed over the past six years as Mayor. As Mayor, I have had a chance to meet hundreds of people and listen to their thoughts and concerns about this community. I have had the opportunity to speak in front of organizations and school assemblies. Helping this community welcome such momentous events such as the Vietnam Moving Wall, the opening of the Veteran’s new telehealth center, and the grand opening of The Memorial Hospital created humbling, lifelong memories. Being a part of the 100 year City of Craig celebration and the various events marking this unique occasion was a touching experience not only for me, but for my ancestors who called this community home and tonight, ending my tenure as Mayor with the honor of introducing the Governor of Colorado. It has been an honor and a privilege to serve the citizens of Craig, Colorado. I thank you for your support, kind words and constructive criticism. This community is unique and special to all of us. The future of this community rests with each and every one of us. The future is now and must be welcomed by positive thoughts from the community and its leaders. Henry Ford stated, “Whether you think you can, or think you can’t, you are right.” It is time to steer this community to what it can be and ignore what this community can’t be.

