



Village Midterm 2009: Success, Restraint, Commitment

Joe Stefanov, New Albany Village Administrator

July 2009

When Governor Strickland came to town in April to announce 245 new jobs at our Aetna facility, I observed that the New Albany Business Park was being recognized as an economic engine for the entire state. That day may have been a defining moment in acknowledging New Albany's regional financial impact, but recognition is secondary to providing excellent village services.

We just passed the midpoint of 2009, and the 750 new jobs we've been able to attract in the last ten months must be recognized as a major accomplishment. If not for a few that got away, these numbers would be even higher in the midst of one of the worst economic downturns in the last century.

Despite this accomplishment, most of you know from personal experience that New Albany is not immune to the effects of our national economy. The Village's finances are not immune, either. Fewer jobs and lower corporate profits reduce village income tax revenues, which constitute nearly 75% of our operating revenues. This is particularly impactful, as the village receives only three percent of your property tax dollars to fund our operations.

Like your household, we budgeted conservatively for 2009. Still, our mid-year revenue projections appear to be about \$500,000 lower than initially projected at the beginning of the year. To sustain our financial health, we are strategically spending down our reserves and implementing cost-savings measures.

In the short-term, we plan to defer some equipment purchases to stay closer to our original reserve projections for the year. While doing so, we will maintain the current level of services. Long-term, I expect the village to be on solid financial footing as the economy improves and the new jobs we've recruited begin to come online.

Our business park is vital to every New Albany household. Income taxes generated from jobs in the park pay for services like police protection, snow plowing, street maintenance, leaf collection, and water, storm and sanitary sewer maintenance. Our business park also contributes to the success of our New Albany Plain Local School District, generating \$18.6 million in income taxes for the schools since 1998.

Looking back on this decade, New Albany experienced balanced growth. The Village applies a benchmark of 1.17 units per acre for residential development, and our housing density is even

lower when considering all land uses. Today, New Albany's 2,585 households on 6,902 acres constitute a residential density of 0.37 units per acre. By contrast, Dublin (1.03), Powell (1.15), Worthington (1.56), Westerville (1.67), Upper Arlington (2.23), and Bexley (3.11) are all significantly higher, demonstrating New Albany's unmatched residential density standard.

Your Village Council and staff will continue to carefully balance residential, commercial, and park development while providing premium services in a fiscally responsible manner. These efforts will help New Albany age well, retain its charm and character, and be a place your children will want to call home when they reach adulthood.