

LISTENTING TO OUR COMMUNITY: 2019 State of the Town Address

WELCOME (Pat)

“Thank you” Mayor Litwin and trustees of the Village Board. It remains a real joy every year we get to deliver this annual Address with all of you.

And “thank you” (audience), yet again, for taking time out this evening to be a part of the sixth annual State of Orchard Park Address. As society and, consequently, local communities continue to change – their needs, values, expectations, challenges, and opportunities – so too must government. 2018 was indeed a busy year, and 2019 promises more of the same. So whereas this year’s Address will necessarily be laden with information, we will continue our practice of visioning and setting forth some significant desired outcomes. As always, this Address will be posted on the town’s web site.

Continuing along the same vein as the previous five State of the Town Addresses – *Protecting Our Community* (2014), *Strengthening Our Community* (2015), *Serving Our Community* (2016), *Building Community Well-being* (2017), and *Investing in Our Community* (2018), the theme of this year’s Address is, *Listening to Our Community*. It consists of five main sections – Town Finances, Department Services, Community Activities Center, Goals and Initiatives, and Vision.

So if, as Walt Disney put it, “The way to get started is to quit talking and begin doing,” let’s do it.

LISTENTING TO OUR COMMUNITY: 2019 State of the Town Address

TOWN FINANCES (Pat)

As indicated by our very own New York State Comptroller's Office, "Sound financial health is imperative to ensuring the effective operation of the Town of Orchard Park." So it is beneficial to regularly assess our financial condition – our financial health. Financial condition may be defined as the ability of the Town to balance recurring expenditure needs with revenue source, while providing services on a continuing basis. It's our ability to meet both our financial service obligations now and in the future.

There is no single measure that fully captures the financial condition of the Town. However, we regularly track our fund balance levels, our actual financial results to budgeted financial results. Financial condition is affected by a combination of environmental, fiscal and organizational factors, including decisions and actions of the Town Board.

While financial information on the 2018 year is being finalized, preliminary figures indicate that our General Fund unassigned fund balance at December 31, 2018 will be lower than our December 31, 2017 level. In other words, our expenditures exceeded revenues which is consistent with our 2018 budget plan. The Board adopted a budget in 2018 that planned to use up to \$1,872,000 of fund balance. Based on our preliminary trial balances, the Town used about \$850,000. Again these are preliminary numbers. Assuming this is the case, our General Fund unassigned fund balance at December 31, 2018 will approximate \$3.7 million dollars or approximately 22% of our combined General Fund and Public Safety Fund 2019 budgeted operating expenditures (\$16,809,271) which rating agencies deem to be a healthy financial position.

Our Highway Fund is expected to break even. Its unrestricted fund balance approximates \$200,000 or approximately 4% of its 2019 budgeted

LISTENTING TO OUR COMMUNITY: 2019 State of the Town Address

operating expenditures (\$4,709,954) which is acceptable but could be upgraded. The combined General Fund, Public Safety Fund and Highway Fund estimated available fund balance of \$3.9 million approximates 18% of their combined 2019 budgeted operating expenditures and is within the Town's fund balance policy.

Moving to the current year, the Town's 2019 budget takes into account:

- The services that are vital for the health and safety of our residents;
- Services that provide "quality of life" to residents; and
- The costs of these services and the ability of taxpayers to pay for these services

In a word, it provides for the health, safety and quality of life needs to our residents, while controlling operating costs. The 2019 budget includes a two very significant items, significant in terms of positive impact to the community and in terms of cost.

First, during the past year, this Board had as a priority the fair and equitable settlement of a contract with our police force. Town of Orchard Park Police had been working under a contract that ended December 31, 2015. The objective was to provide fair and equitable compensation for the value of public safety services our Town residents deserve. Peer information was received and analyzed from surrounding Towns and after months of negotiations, a contract was settled upon and unanimously approved by this Town Board. Keeping in mind that the Town's last police contract ended December 31, 2015, the 2019 police personnel services in our tentative budget are \$583,361 higher than the 2018 adopted budget. Further, our 2019 police retirement costs are expected to be nearly \$200,000 more than they were in 2018.

LISTENTING TO OUR COMMUNITY: 2019 State of the Town Address

Secondly, our Town's infrastructure continues to warrant attention. Additional projects were approved related to Town roads, sewer & water improvements, and renovations to Town buildings and to our parks. A community activity center was desired by a large majority of our voting residents. To accommodate the financing for these projects, the Board approved and secured the necessary bonding in accord with the voter-approved resolution. The 2019 budget provides for \$906,098 in additional debt service payments relating to new bonds including \$557,787 that pertains to the construction of a community activities center.

Outside of the aforementioned major impacts, there is very little increase in Town operations. Most department managers and nonunion personnel received modest wage increases of 2%. Elected officials' salaries were also increased by 2%. Our department managers have for the most part held the line on their contractual budget lines. A very positive note on the expense side... after many years of growing health care costs, our healthcare program performed better than anticipated in 2018 and we expect to have one-time savings of \$300,000 in 2019.

Overall, after accounting for the revised police wage scale, new debt, wage increases, departmental requests and the one-time health care expense offset, the Town's Ad Valorem appropriations are up \$1,542,192.

On the revenue side, there is some good news. The Town expects to receive approximately \$200,000 more in interest earnings and \$150,000 more in safety inspection fees.

In conclusion, the net increase in spending is approximately \$1,550,000. The ad valorem tax levy increase of \$1,000,000 is actually less than the combined expenditure increases attributable to paying our police a fair wage and the CAC related debt. The \$1,000,000 levy increase results

LISTENTING TO OUR COMMUNITY: 2019 State of the Town Address

in a town outside village ad valorem tax rate of \$7.227366 compared to a 2018 rate of \$6.837205. The actual dollar impact on a home valued at \$250,000 would be \$50.72/year or \$4.23 per month on your escrow.

The impact on a \$250,000 Village home would be a little higher since by law the Village may not share in the Town's sales tax. The actual dollar impact on a home valued at \$250,000 in the Village would be \$71.11/year or \$5.93/month on your escrow.

DEPARTMENT SERVICES (Gene)

Our **Senior Services** department continues to offer an extensive selection of programs and services – social, recreational, health related, and current events. For example, our *University Express Lifelong Learning* classes on art, history, current, events, health, and science topics , which were the first to be offered in Erie County ten years ago afforded fifty such classes to 2,400 senior students in 2018. Additionally, sixteen exercise or dance classes attracted over 8,700 participants; and the dining program served over 8,000 noonday meals.

In addition to securing \$20,000 in NYS Youth Bureau funding for field trips and recreational programming, our **Recreation department** once again set participant and financial records. Further, it offered more after school programs, oversaw the development and implementation of the 2018 \$250,000 Playground Horizons initiative to replace equipment in the towns five playgrounds, developed four neighborhood Playground Champion groups, and began a neighborhood playground outreach summer program.

LISTENTING TO OUR COMMUNITY: 2019 State of the Town Address

Among others, under the guidance of our **legal department** the town board has undertaken a number of issues that have an impact upon the community's quality of life: fine tuning the Solar Panel ordinance, developing an ordinance regulating drive-thru uses, preparing a comprehensive AirBnB ordinance, and developing regulations relating to the expansion of parking lots in the area of New Era Field. We also modified the public meeting agenda to allow for more timely and opportune public input.

Exclusive of the Community Activities Center, our **Engineering Department** attended to various construction projects throughout 2018 that totaled \$4,614,354. Major projects included Burmon Drive reconstruction, a Bussendorfer regional retention pond, and a Mid-County Drive pump station replacement. Various grants were applied for and received totaling \$1,283,002. In 2019 they will supervise projects projected at a cost of \$2,025,000. And having begun in 2018 and carrying over into 2019 will be an assessing of the potential consolidation of all storm water districts.

Our **Highway Department**, over and above its many other required duties, fully or partially milled and overlaid, or micro paved nine local roads at a cost of \$544,000. In addition, our talented highway personnel are accomplishing on the site work for the Community Activities Center, saving the town the cost of outside contracting.

In 2018 the **police department** recorded more calls for service than in any previous year. In collaboration with the Orchard Park School District a school resource officer was added at the High School. The long-expired PBA contract having been settled at the very end of 2017, in mid 2018 the Command Officers Association and the Town began negotiations on their

LISTENTING TO OUR COMMUNITY: 2019 State of the Town Address

expired contract, doing so within the context of a needed structure change within the department that would facilitate enhanced supervision. A presentation was subsequently made to the town board by the Chief of Police and the Command Officers Association relative to this potential change. A raise the age law went into effect in NYS for 16 year-olds, and in 2019 it will be expanded to include 17 year-olds. These changes will necessitate some additional overtime costs as well as building renovations in order to comply with the new state requirements. It is also anticipated that the potential impacts of a change in the setting of bail by police departments and courts will also engender overtime costs.

COMMUNITY ACTIVITIES CENTER (Mike)

With an idiomatic tipping of our hat to Wendle Companies, we want to report that the Town is very pleased with the overall management, progress of the project schedule, the quality of the work, and the collaborative efforts of Town Engineering, Town Highway, and the project's Prime Construction Contractors – general contractor Javen Construction, HVAC contractor DV Brown & Associates, plumbing contractor Numarco, Inc., fire protection contractor WT Spaeder, and electrical contractor Industrial Power and Lighting. Project costs are tracking slightly below the anticipated expenditures, and presently we expect that a modest surplus of unused earthwork bid items will remain at the conclusion of site work operations. This surplus of funds will be added to the contingency fund.

Construction work is approximately 20% complete overall and earthwork, building foundations, structural steel and underground utilities are progressing well. Building related major earth moving operations and

LISTENTING TO OUR COMMUNITY: 2019 State of the Town Address

stone building pad were completed in the fall during good weather, and foundations are currently being placed, on schedule, using cold weather procedures. The timing for the winter erection of the structural steel frame is working out well and has allowed the general contractor to stay slightly ahead of their overall schedule.

An early 2020 occupation date for all three areas of the complex – the community center, senior center, and gym - remains on target. Combining our growing senior and recreation departments into a Community Activities Center will not only facilitate financial and operational efficiencies, but will allow for an expanding of their current classes and programs, as well as their ability to offer additional kinds of programming.

GOALS & INITIATIVES (Gene)

2018: In last year's State of the Town Address we set forth four goals:

- [1] Implement a two-year cycle of assessing and planning for each service department.
- [2] Explore and implement, to the degree feasible and equitable, the consolidation of the town's 42 water districts, 23 sanitary sewer districts, and 14 drainage districts.
- [3] Improve the town's five parks/playgrounds - Honeycrest, Orchard Meadows, Burmon, Pawtucket and Green Lake – each with a unique theme.
- [4] Negotiate new multi-year collective bargaining agreements with the Orchard Park Blue Collar Unit and the Orchard Park Police Command Officers Association grounded in cooperation and market value.

LISTENTING TO OUR COMMUNITY: 2019 State of the Town Address

Goal [1], department assessments and planning, began with the police department and will be completed the first half of 2019. Assessment and planning with the highway department is just now getting underway, and the hope is that it will be completed by year's end. Progress on goal [2], town-wide district consolidation, was begun and continues into 2019. The first of a multi-year enhancement of our town parks, goal 3, was completed. A second phase will occur this year. And with respect to goal [4], whereas negotiations with the Orchard Park Blue Collar Unit and the Orchard Park Police Command Officers Association – both grounded in cooperation and market value – have taken longer than anticipated, all parties are hopeful that Agreements will be in place within the first quarter of this year.

GOALS: 2019 (Pat)

1. Oversee the building of the Community Activities Center to near completion.
2. Complete assessments of and planning for the police and highway departments, as well as the feasibility of consolidating the town's water, sewer, and drainage districts.
3. Assessment and relining or replacement, as deemed necessary and/or prudent, of 70 miles worth of fifty-year-old sanitary sewer lines.
4. Develop a second three-year strategic plan for the town board (2020-2022).

LISTENING TO OUR COMMUNITY: 2019 State of the Town Address

Other initiatives:

1. Facilitate an assessment and community engagement process relative to the ECRT proposed Rail Trail.
2. Investigate the potential value of a Labor-relations Committee for police and highway.
3. Investigate the possibility of/for a Court Bailiff.
4. Facilitate community discussion regarding returning the town board to five members.

VISION (Mike)

1. When we think of the current state of politics in the United States, an analogous remark by the late Robin Williams seems especially apropos. He suggested that "The Statue of Liberty is no longer saying, 'Give me your poor, your tired, your huddled masses.' She's got a baseball bat and yelling, 'You want a piece of me?'" However we ended up in this condition, what all this yelling evidences is that very little listening is going on. It seems that big government is rife with politicians who are intent upon forcing their opinions and will upon others. They know they are in the right, and so there is no value in listening to, let alone considering, differing viewpoints.

In this, our sixth year together as a town council, we want to affirm our viewpoint as to what we were elected to do and, therefore, how we are to act. We were not elected to be opinionated and dictatorial, but rather to be unassuming and subject to the needs, interests, and will of those who elected us.

LISTENTING TO OUR COMMUNITY: 2019 State of the Town Address

We will accordingly, continue to act in accord with our practice of encouraging respect and dialogue within our community.

Although we may participate in that dialogue, our primary function is to listen so that we can discern the communal voice and positively respond to it. This is what we did in the matter of the community activities center, it is what we are doing now in the matter of the rail-to-trail debate, and what we shall do later this year in facilitating a discussion about upsizing the town board.

2. Hand-in-hand with our own listening, the town board will continue to encourage our various service departments to carefully and strategically transition away from an over-reliance upon a hierarchical organizational structure and autocratic style of leadership to one that is flatter and more participatory. In our rapidly shifting society and, indeed, around the world, flatter organizations are the most practical and logical structural approach being moved towards in most organizations. While allowing for some form of hierarchy, a flatter organization is able to focus more intently upon communication, collaboration, and improving employee performance, all of which result in better performance, happier employees who feel valued, and challenging of the status quo for the sake of continuous improvement. In this kind of organization the departments understand that they exist to support the community, and department managers exist to support the employees, not visa versa.

LISTENING TO OUR COMMUNITY: 2019 State of the Town Address

CLOSING (Pat)

That's it, our report for 2018, our goals and initiatives for 2019, and our vision for Orchard Park town government and its services. We close with a quote from Steve Jobs: "If you are working on something that you really care about, you don't have to be pushed. The vision pulls you." As a three-person board it often feels like we are being pushed from and in so many directions. Quite frankly, it can be hard to keep up. But when we pause and ask why we have asked to be placed into these positions, we realize it is because we care about our community. It is then that our perspective changes and we realize that we are being pulled, not pushed; and for that we consider ourselves blessed and grateful.

Once again, in behalf of the town board, thank you and...