

# ORCHARD PARK, NEW YORK

## STATE OF THE TOWN

Supervisor

*Patrick Keem*

Councilmember

*Eugene Majchrzak*



Councilmember

*Michael Sherry*

February 21, 2018

# INVESTING IN OUR COMMUNITY: 2018 State of the Town Address

WELCOME.

“Thank you” Mayor Litwin and trustees of the Village Board. It remains a real joy to deliver this annual Address with all of you, especially given how closely our two boards work together in caring for this place called Orchard Park, which we and almost 30,000 others call home.

And “thank you” (audience), yet again, for taking time out this evening to be a part of our fifth annual State of Orchard Park Address. Selecting what to highlight from the past and current years is always a difficult task. In limiting information so as to avoid excessive length, we risk leaving potentially significant information off, or even being myopic. In an attempt to avoid both we have included a few appendices with more detail. As always, this Address will be posted on the town’s web site. Our Address this year will contain four main sections – Infrastructure, Financial health, Initiatives, and Perspectives.

So being mindful of something Ernest Hemingway cautioned, “It wasn’t by accident that the Gettysburg address was so short,” let’s get started.

## INFRASTRUCTURE

The town’s infrastructure has a tremendous impact upon both our economy and our quality of life. Various construction projects throughout 2017 totaled \$7,260,428, with additional projects in 2018 projected at a cost of \$4,140,000. Long overdue enhancements relating to the town’s technology assets also occurred in 2017 with others to occur in 2018, including an anticipated new, more attractive and user friendly town web page next month. In 2017 eleven local roads were fully or partially milled with overlay at a cost of \$321,395. In 2018 eight local roads are scheduled at an estimated cost of \$319,000. Milling and overlay paving of roadways extends the life of a road between five to seven years and is only a fraction of the costs of a total reconstruction. In addition, our talented highway personnel will be taking on the site work for the Community Activities Center, saving the town the cost of outside contracting. See Appendix A for details about these two infrastructural areas.

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Whereas a debate about global warming and green practices may be occurring at the national level, in the town we will continue to explore and implement energy saving practices and protect our green spaces. Our solar panel system at Highway saved approximately \$8,000 in 2017, and we hope to install additional panels on the Community Activities Center. Having installed LED lights throughout the Municipal Center in 2017, the town is presently investigating the replacement of existing streetlights with energy efficient LEDs. LED bulbs not only last much longer – about 25 years – they will reduce maintenance and operating expenses, improve the visibility and safety of roadways, and will reduce our carbon footprint – all at a cost savings of 60-75%.

### FINANCIAL HEALTH

The Town provides a full range of services including police protection, water and sewer sanitation services, highway and road maintenance, recreational activities and cultural events, as well as general administration. In doing so we are always looking for ways to share services and costs. In 2017 we entered into an agreement with the towns of Aurora and Colden to share animal control. We also committed to a shared agreement with the Village of Orchard Park to dispose of its brush, saving the village money and generating some income for the town.

Sound financial health is imperative to ensuring the continued effective operation of the Town of Orchard Park. It includes our ability to meet our financial service obligations now and in the future. Accordingly, we regularly track our fund balance levels, as well as our actual financial results to budgeted financial results.

While financial information on the 2017 year is still being finalized, preliminary figures indicate that our General Fund unassigned fund balance at December 31, 2017 will be lower than our December 31, 2016 level. Our expenditures will have likely exceeded our revenues, as projected in our 2017 budget plan. Assuming this is the case, our General Fund unassigned fund balance at December 31, 2017 will approximate \$4.8 million dollars, or approximately 31% of our combined General Fund and Public Safety Fund 2018 budgeted operating expenditures (\$15,295,487), a percentage rating which agencies deem to represent a healthy financial position.

Our Highway Fund is expected to have used about \$150,000 of its fund balance which will bring its unrestricted fund balance to about \$200,000, or approximately 4% of

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its 2018 budgeted operating expenditures (\$4,662,594). Although an acceptable level of fund balance, it could be upgraded.

The combined General Fund, Public Safety Fund and Highway Fund estimated available fund balance of \$5 million approximates 25% of their combined 2018 budgeted operating expenditures and is within the Town's fund balance policy.

The Town's 2018 budget accounts for current services and reinvestment into its capital assets by assessing a moderate increase approximating 5.7% for the homeowner in its 2018 real property taxes. The estimated annual impact on the typical residential property with a fair market value of \$250,000 is about \$75 per year or \$6.25 per month. Certain expense increases needed to be addressed in the 2018 budget - \$100,000 for additional police wages and benefits; \$250,000 for contractual increases related to health care, dental, retirement, etc.; \$500,000 for new principal and interest payments on recent improvements relating to Green Lake, Town Hall and park & road improvements; and, \$100,000 to pay for the New York State mandatory minimum wage increase. That represents approximately \$950,000 in mandated or contractually obligated increases. Outside of these costs, given that the total Town 2018 tax levy is \$1,012,928 higher than the total Town 2017 tax levy, expenses that the Board exercises control over increased minimally.

Looking towards 2019 we expect a lower tax increase, keeping in mind that in addition to the normal annual increased costs we must also budget for wage rate increases to bring our employee salaries to market value and include the first phase of debt related to the Community Activities Center. With respect to the latter, the multi-generational Center will have an impact upon the desirability of living in Orchard Park which continues to be the strongest driver of development and economic growth.<sup>1</sup> This in turn will increase our competitiveness with peer communities, resulting in a likely increase in property values. See Appendix B for a property tax comparison with local peer communities.

### INITIATIVES

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<sup>1</sup> "... providing the desired and superior quality of life services and support our residents want at a price they are willing to pay, thereby helping to distinguish Orchard Park as a community of choice for living, learning working and playing" (Value-driven Government: A Strategic Plan for the Orchard Park Town Council 2017-2019, p. 3, Vision).

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

- [1] Working plans and preparatory work for the building of a community activities center at Brush Mountain Park.
- [2] Assessment and restructuring of the town's youth services.
- [3] The establishment of department goals which will be posted on the town's web site, encouraging community input and response.
- [4] Assessing and development of charters for town committees.

After spending over a year in the programming and concept planning stage, the design team started construction documents for the community activities center in the fall of 2017. As of today the team has progressed past 60% design, and are now in the midst of producing complete construction documents for the site and the building. We anticipate putting the project out to bid mid spring this year, and starting construction a few months later. Work will start with a large earth-moving effort, followed very quickly by construction of the building, site improvements and utility services. Estimated construction time is approximately 18 months.

The town's youth services were assessed by Town Councilmember Sherry and Village Mayor Litwin, and some restructuring occurred. Specifically, in consultation with the Erie County Director of Youth Services, Councilmember Sherry was appointed Executive Director of Youth Services for Orchard Park, and police Detective John Payne was appointed Director of our Youth Court. These directorships receive no compensation, thereby saving the town money. Of course, our outstanding recreation department remains under the capable leadership of Ed Leake, as it has during all of its years of remarkable growth.

A decision was made not to develop annual goals across all departments, although several departments did develop some, while others can be found in the "Strategic Plan of the Orchard Park Town Council: 2017-2019." Instead, the town board developed a process that is hoped will not only aid individual service departments, but will allow the town board to budget forward more strategically. More on this process shortly.

Assessing of the town's numerous boards, committees and task forces required months of research that was accomplished by the Town Clerk's office. As anticipated,

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some data was difficult to locate and necessitated the locating of and digging into past records, some of which may not have been up to contemporary expectations. Confident that as much information has been recovered as reasonably possible, we have now begun the task of reviewing specific charges, as well as administrative processes.

Other notable initiatives in 2017 included:

1. The adoption of a strategic plan specific to the town board.
2. Successful negotiation of a five year collective bargaining agreement with the Orchard Park Police Benevolent Association.
3. Upgraded security for Town court.
4. \$10,000 contribution towards the renovation of the Orchard Park Veterans Memorial Park.
5. Adoption of a solar energy ordinance, and the repeal and adoption of a new "drone" ordinance. A copy of the ordinance was subsequently requested by and forwarded to another NFL franchise.
6. Union-selection of representatives from the town board in order to enhance mutual communication, awareness, and creative service solutions; and the opportunity for union representatives to meet with the town board several times each year.

Our employees and their work represent the front line of government contact and quality of life impact for most citizens at the local level. Employee costs, furthermore, constitute our largest budgetary expense. Traditionally, the relationship between labor and management may be characterized as adversarial and competitive, each jealously guarding and fighting for its perceived rights. But recent studies and developments suggest that a more cooperative relationship, that is, one that is service-driven, collaborative and participatory, yields not only a more positive relationship, but higher quality services, greater cost-effectiveness, and more enjoyable and satisfying work for both groups.

Initiatives for 2018 include the following. See also, *Value-driven Government: A Strategic Plan for the Orchard Park Town Council 2017-2019*, p. 6-7, for a list of many other initiatives (on the Town web page).

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1. Implement a two-year cycle of assessing and planning for each service department.

The process has been developed and implemented. It is beginning with the town's two largest departments – police and highway. The town board will actively work with each department over the course of the next two years to thoroughly assess and then strategically plan and budget forward for several years. Because we consider the insights and ingenuity of our valued personnel indispensable to providing the most efficient and effective services for our community, department members at every level and position will be engaged in the assessment.

2. Explore and implement, to the degree feasible and equitable, the consolidation of the town's many districts – water, sewage and drainage.

Owing to EPA and NYSDEC regulations, the town currently has 42 water districts, 23 sanitary sewer districts, and 14 drainage districts. These produce a cumbersome and less efficient work load for town employees, and can foster sudden large increases in property taxes for districts requiring reconstruction. Were the town to adopt a community-wide **drainage district** the Town would no longer have to create additional individual districts, and would be enabled to more efficiently maintain, improve, and address existing drainage issues. Individual properties would be better served and not be burdened with updating property to meet regulations were a regional control installed and maintained. A simple fee structure, "equivalent dwelling unit," with credits for properties already having regulated infrastructure installed would be investigated and developed. Consolidation of **sanitary sewer districts** would address future needs economically, facilitate the completion of service to area's that have been paying but are yet to receive any actual benefit, and allow for an updating of and more efficient operation and management.

3. Improve the town's five parks/playgrounds.

\$250,000 has been allocated by the town board for phase 1 improvements at our Honeycrest, Orchard Meadows, Burmon, Pawtucket and Green Lake parks. A steering committee, comprised of playground representatives ("champions") under the guidance of the recreation department have developed plans that

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include a unique theme for each park/playground. A Playground Horizons 2018 presentation about this initiative can be found on the town's web page.

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.

### PERSPECTIVES.

1. By and large, the day seems to have arrived where recreation and leisure activities are essential – not discretionary – community functions and governing responsibilities. Recreation provides much more than personal and social benefits. In point of fact, research has identified four major categories of benefits: individual, community, economic, and environmental. Research has also demonstrated that recreational activities are directly related to a higher quality of life within the general population. Thus governments at every level within our country recognize that recreation and leisure constitute major forces of economic development and societal well-being, and reflect, in part, a community's values and character.

In addition to the upgrading of our town parks and playgrounds, no other communal undertaking of recent memory demonstrates this emerging reality more than the referendum to build a Community Activities Center. After some fifteen years on the horizon, it will finally rise this year and prove a source of life for every generation in Orchard Park for years to come. In a nuanced way, it will be a sign and signature of the community that we have been, presently are, and intend to become.

2. It goes without saying that maintaining our front line, out in the community services – in particular, police and highway – are critical to both our individual and communally shared senses of well-being. This observation is not intended to be comparative, as if other departments and services may be less important to our quality of life. Unquestionably, even as all parts of the body contribute to the entirety of our lives, so too all parts of town government contribute to life within



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our community. But even as diverse functions and activities employ particular parts and systems within our bodies, so too existing societal needs and expectations often require the exercising of particular government services more prominently, extensively and/or intensely than others. Such is the case when it comes to public safety and essential infrastructures. This is true at all levels of our society – national, state and local. The causes behind and, consequently, the demands upon them are well and universally established.

3. If we are to maintain and even improve upon our well-being – individually and collectively – we must make wise decisions and invest in the right kinds and amounts of activity, time, resources, and hard work. Insufficient investment in any of these areas will yield diminished outcomes. Excessive investment will result in waste and even potential harm. Government services should not only be efficient and effective, but fervent in their measuring of results and pursuit of the kinds of change that might yield improved outcomes.
4. If we are to remain one of the “safest” and top ranked communities in New York State for “quality of life,” “best places to live” and “to raise a family,” as pointed out in last year’s Address, and necessarily and always being guided by a mindset that is focused upon community priorities and values, the town board must be committed to being approachable, innovative and diligent in its promotion of and contribution to continuous improvement within our service departments. Our numerous initiatives over the course of these past four years – a few examples of which are the creation of various task forces, union-selected town board liaisons, and this year’s implementation of a department assessments process – evidence our commitment.
5. To varying degrees the mindset, investment and commitment we have been considering is required of all who live in a community of whatever size and kind. The individual shares out of that which she/he may possess in order to contribute to the common good. Of course this sharing must be benchmarked by a reasonableness, proportionality and justice that is apropos to each particular instance. It is also, hopefully, willing, even if it may be undesired.

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### CLOSING

This three-person board has begun its fifth year together. Continuing along the same vein as the previous four State of the Town Addresses – *Protecting Our Community* (2014), *Strengthening Our Community* (2015), *Serving Our Community* (2016), and *Building Community Well-being* (2017), the theme of this Address has been *Investing in Our Community*. By now the ultimate value of the current town board should be obvious, namely, community. Although we generally take for granted the blessings of community – such as safety and a sense of belonging and well-being – we remain committed to and will continue to invest our energies into building up the community that is Orchard Park.

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APPENDIX A: Infrastructure

Construction

2017

Green Lake Dam Reconstruction & Dredging	Construction Cost \$4,386,760
Burmon Dr. Sewer & Road (2017/2018)	Construction Costs \$2,545,290+/-
Green Lake Sanitary Sewer	Construction Costs \$23,269
Green Lake Landscaping	Construction Costs \$7,194
Yates Park & OP Little League Retaining Walls	Construction Costs \$131,823
Hazel Court Sanitary Sewer Ext. Phase 1	Construction Costs \$55,216
Draudt Road Culvert #3	Construction Costs \$80,740
Police - Storage Room	Construction Costs \$17,000
Police - Woman Locker Room Updates	Construction Costs \$1,880
Municipal Center Copper Flashing Repairs	Construction Costs \$2,226
Court Clerk's Window Upgrades	Construction Costs \$9,030
Roads milled with overlay paving	Construction Costs \$321,395
Amanda Lane,	Burlbrook (OP's Portion)
California Rd (stub end)	Candy Lane
Ellicott Stub	Hart Place (portion)
Melberry Trail	Jondon Trail
Pleasant Avenue	Robinhood Drive
Summit Avenue	
Subdivisions dedicated <sup>2</sup>	
Eagle Heights Part 8 Phase 3	Construction Cost \$981,840
Pleasant Acres West Part 2 Phase 2	Construction Costs \$1,120,800

<sup>2</sup> Although costs are the developers, the town had to ensure that each was designed and installed per specs and standards, and each becomes the responsibility of the town to maintain moving forward.

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Knoche Estates Farms Phase 2                      Construction Costs \$1,234,340

## 2018

Bussendorfer Regional Retention Pond                      Construction Costs \$2,000,000

Mid-County Pump Station Replacement                      Construction Costs \$500,000

Hwy/Special Dists. Lunch Rm/Restrooms                      Construction Costs \$80,000

Town Wide Playground Equipment                      Construction Costs \$250,000

Webster Road Park Entrance                      Construction Costs \$10,000

Thorn / Duerr Rd. Ballfields                      Construction Costs \$450,000

Highway Salt Barn                      Construction Costs \$100,000 +/-

Benning Rd. Water Tank                      Construction Costs \$200,000

Lexington / Brenner Reconstruction                      Construction Costs \$450,000

Hazel Court Sanitary Sewer Phase II                      Construction Costs \$100,000

Roads milled with overlay paving                      Construction Costs \$319,000

    Bridle Path (portion)                      Bittersweet

    Midway                      Old Post

    Vistula                      Wildwood (portion)

    Windgate                      Woodstream Trail

Subdivisions dedicated

    Riley Meadow West Phase 1                      Construction Costs \$1,800,000+/-

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### Infrastructure: Technology

2017

1. Upgrade internet speed from 10/10 mbps to 300/300 mbps in municipal building and from 5/5 mbps to 75/75 mbps in remote facilities
  - a. Saved about \$48,000 annually
2. Upgrade storage from version 2.1 to 4 to improve reliability and performance.
  - a. No cost
3. Backed up entire infrastructure easier and started backups off site (previously not done at all)
  - a. Server \$3,000; software \$2,000; annual maintenance \$200
4. Migrated 95% of physical servers to virtual to increase performance, manageability, and recovery.
  - a. Servers \$12,000; software \$4,000; annual maintenance \$1,000
5. Phone System replacement of antiquated, on-site, open source network with state of the art cloud based service
  - a. \$38,000
6. Ongoing process of computer/printer refresh project to ensure users have capable systems to work efficiently and effectively
  - a. 7 new copiers \$11,000
7. Replace aging switch infrastructure with high capacity core switch and new edge switches to interface with user and peripherals
  - a. \$40,000
8. Improve cable management in wire closets to assist in the troubleshooting process
  - a. No cost
9. Addition of new terminals in Police cruisers for better accessibility to CPS applications
10. Addition of wireless access points for both public and private network access at all town locations
  - a. Purchased on 2016 budget, about \$1,500
11. New surveillance cameras with police dispatch access at Green Lake to deter criminal activity
  - a. About \$2,800 with free labor from resident
12. Ethernet cabling upgrade for Police lieutenant office

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- a. No cost
- 13. Departmental staff training for new applications and equipment
  - a. No cost
- 14. Established remote access capabilities for 24/7 troubleshooting
  - a. \$1,000
- 15. Upgraded engineers PC's to help them perform tasks faster and increase capacity to work on larger projects
  - a. \$11,000 taken from Engineering budget
- 16. Town website project started, to be finished in 2018 but money taken from 2017 budget
  - a. \$15,500 and about \$400 annual for hosting

### 2018

- 1. New accounting software implementation 2018-2019 will require high attention and assistance
  - a. \$58,000 annually
- 2. Revise and create policies and procedures to ensure proper usage of networks and computer peripherals resulting in the protection of public and private data
  - a. No cost
- 3. Train town employees on the policies and procedures
  - a. No cost
- 4. Redesign existing closed circuit camera system to better protect town employees and assets as well as aiding in any civil activities against the town
  - a. About \$25,000
- 5. Add additional access control to locations that do not currently have adequate security
  - a. \$20,000
- 6. Develop IT trouble ticket system to ensure proper handling and timely response of user issues
  - a. No cost
- 7. Liaison for the new Community Center to ensure current and future needs are met
  - a. No cost
- 8. Project life cycle of all departments computer equipment to proactively address future needs

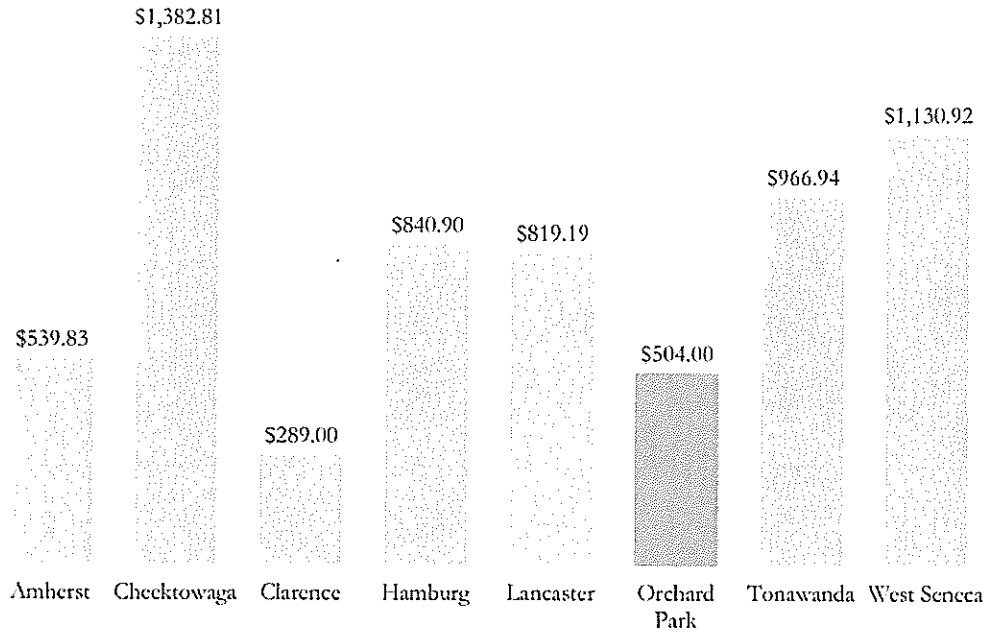
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- a. \$20,000 (this is an annual cost to keep with 5 year replacement on all town PC's)
9. Collaborate with surrounding municipalities to share ideas on current and future trends
  - a. No cost
10. Meet with vendors and attend seminars to explore new and upcoming technologies
  - a. Minimal cost (less than \$1,500)
11. Develop a solid information security program lead by good management to ensure compliance with government regulation as it pertains to IT
  - a. DHS has a free program to help with this I believe
12. Train and educate within to ensure knowledge base is current
  - a. No cost

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## APPENDIX B: Tax Comparison

2017 Town Tax per \$150,000 Fair Market Value



2018 Town Tax per \$150,000 Fair Market Value\*

