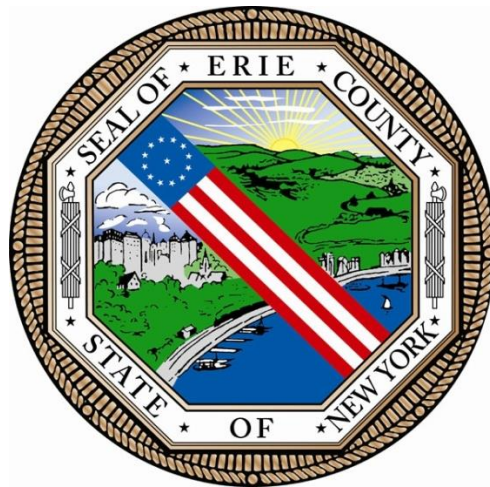


July 2019

A Report on Capital Projects at Erie County Parks



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July 15, 2019

Erie County Legislature
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Dear Honorable Members:

The Erie County Comptroller's Office has completed a report on capital projects at Erie County parks.

Our objectives were to:

- Determine the amount of bonds issued/authorized to perform projects at Erie County parks.
- Determine the amount of funds actually spent on these projects.
- Make recommendations as to how to reduce debt service paid for these projects.

To accomplish these objectives, we reviewed data from the county's accounting records as well as examined conditions at a sampling of areas at a selection of parks.

As a result of our examination, we have made recommendations to improve the conditions of parks, as well as reduce debt service for parks projects.

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Background

Erie County owns and operates two golf courses, nine County parks, two beaches, four natural habitat areas, a portion of the River Walk, bike paths, 3,500 acres of forest land and four undeveloped parks. As a result, the County provides year-round recreational facilities for County residents including golfing, picnicking, swimming, hiking trails, camping, nature study, boat launch facilities, skiing, tobogganing, snowshoeing, snowmobiling, sledding and ice skating.

As part of its maintenance and develop program, each year the County secure bonds to finance projects occurring within the parks. Regularly occurring bonding includes financing for countywide parks improvements; shelter, building and comfort station replacement; road, pathway and parking lot repair; and, parks vehicles and equipment. In addition, bonds may also be secured for more specific projects.

In 2003, the “Erie County Parks System Master Plan” was completed. The Master Plan provides direction for repair, restoration and development of the Erie County Park System.

Our tour included a sampling of parks. We visited: Akron Falls Park, Chestnut Ridge Park, Como Lake Park, Emery Park, Scoby Dam Park, Sprague Brook Park and Wendt Beach Park. At the parks, we randomly surveyed shelters, playgrounds, restrooms and other facilities.

All amounts are as of June 30, 2019 pre-close reports. It should be noted that the Office of the Comptroller has advised the administration of its willingness to cash advance all 2019 projects noted in this report prior to issuing the 2019 bonds later this year.

Countywide Parks Improvements

Countywide parks improvements include, but are not limited to, electric/plumbing/utility upgrades, shelter/building upgrades, new picnic tables, new play structures and fall zone protection materials meeting current safety guidelines, demolition and removal of structures, paving of roads and pathways within the parks, delineation of park lands and boundaries, acquisition of property, security systems, HVAC upgrades, fire alarm upgrades, computer upgrades and parks equipment.

Between 2015 and 2019, Erie County has issued \$3,650,000 in bonds and authorized an additional \$950,000 bonds to be issued for a total of \$4,600,000 for this category of improvements. The County has completed work costing \$2,437,420, leaving \$2,162,581 unexpended. It should be noted that bonds secured in 2019 are fairly recent and that the work season for this year’s bonds is not yet complete. However, \$1,212,581 remains unexpended from bonds dating from 2015 through 2018 totaling \$3,650,000, or approximately 33%. The interest paid on the total amount borrowed is \$313,651.

More succinctly, Erie County continues to pay interest on money it has not actually invested into parks for Countywide Parks Improvements dating back to 2015.

	Description	Total Current Budget	Commitments	Expended	Total Unexpended	Interest Paid
2015	Countywide Parks Improvements	\$1,200,000	\$6,629	\$1,191,320	\$8,680	\$162,778
2016	Countywide Parks Improvements	\$750,000	\$17,116	\$361,263	\$388,737	\$72,516
2017	Countywide Parks Improvements	\$800,000	\$118,191	\$671,843	\$128,158	\$62,858
2018	Countywide Parks Improvements	\$900,000	\$160,740	\$212,994	\$687,006	\$15,499
2019	Countywide Parks Improvements	\$950,000	--	--	\$950,000	--
	Total	\$4,600,000	\$302,676	\$2,437,420	\$2,162,581	\$313,651

The lack of expenditures is not an indication that conditions at the parks are not in need of improvement. Our cursory survey of parks facilities yielded areas for improvement and expenditures in this category at each of the parks visited. Examples include dated and damaged playground equipment, including, but not limited to missing swings, rust and chipping paint; peeling paint on picnic tables at every park visited; exposed wiring on the exterior of abandoned buildings; and, non-functioning water pumps. Photos of a sample of the conditions observed are included in appendix “A.”

As stated above, the County had \$1,212,581 in unexpended funds in this category prior to authorizing \$950,000 in additional bonds in 2019. **WE RECOMMEND** that the County take steps to invest the budgeted money as intended by the Legislature, or, in the alternative, undertake management practices which would avoid paying interest on money that is not being utilized for parks improvements until such a time that the money is actually needed.

Shelter, Building and Comfort Station Replacement

These projects are part of an ongoing rehabilitation effort that includes roof replacements, ADA accessibility, environmental abatement and refurbishment including, but not limited to, windows, doors, flooring, siding and masonry work.

Between 2015 and 2019, Erie County has issued \$1,400,000 in bonds and authorized \$400,000 in bonds for a total of \$1,800,000 for this category of improvements. The County has completed work costing \$515,063, leaving \$1,284,937 unexpended. It should be noted that bonds secured in 2019 are fairly recent and that the work season for this year’s bonds is not yet complete.

However, \$884,937 remains unexpended from bonds dating from 2015 through 2018 totaling \$1,400,000, or approximately 63%. The interest paid on the total amount borrowed is \$116,792.

More succinctly, Erie County continues to pay interest on money it has not actually invested into parks for shelter, building and comfort station replacement dating back to 2015.

Year	Description	Total Current Budget	Commitments	Expended	Total Unexpended	Interest Paid
2015	Shelter, Building and Comfort Station Replacement	\$400,000	\$1,000	\$330,189	\$69,811	\$54,259
2016	Shelter, Building and Comfort Station Replacement	\$300,000	\$11,980	\$181,490	\$118,510	\$29,006
2017	Shelter, Building and Comfort Station Replacement	\$350,000	\$124,410	\$3,384	\$346,616	\$27,500
2018	Shelter, Building and Comfort Station Replacement	\$350,000	--	--	\$350,000	\$6,027
2019	Shelter, Building and Comfort Station Replacement	\$400,000	--	--	\$400,000	--
Total		\$1,800,000	\$137,390	\$515,063	\$1,284,937	\$116,792

The lack of expenditures is not an indication that conditions at the parks are not in need of improvement. Our cursory survey of parks facilities yielded areas for improvement and expenditures in this category at each of the parks visited. Examples include holes in roofs, moss covering roofs, peeling paint on structures, rotting wood, damaged masonry and cracked and uneven flooring. In one instance in Emery Park, we observed what appeared to be a newer roof in comparison to others at the park, in a shelter rendered unusable due to a lack of a concrete pad in the shelter. We also observed a park user unable to use a locked restroom in Como Park, which created a bigger issue due to the park user suffering from mobility issues and was unable to trek to the next closest restroom. Also, a restroom in Akron Falls Park lacked running water. Photos of a sample of the conditions observed are included in appendix "B."

As stated above, the County had \$884,937 in unexpended funds in this category prior to authorizing \$400,000 in additional funding in 2019. **WE RECOMMEND** that the County take steps to invest the budgeted money as intended by the Legislature, or, in the alternative, undertake management practices which would avoid paying interest on money that is not being utilized for parks improvements until such a time that the money is actually needed.

Roads, Pathways and Parking Lot Improvements

These projects include the resurfacing, rehabilitation and building of various roads, pathways and parking lots within the park system.

Between 2015 and 2019, Erie County has issued \$1,025,000 in bonds and authorized \$250,000 in bonds for a total of \$1,275,000 for this category of improvements. The County has completed work costing \$401,986, leaving \$873,014 unexpended. It should be noted that bonds authorized in 2019 are fairly recent and that the work season for this year's bonds is not yet complete. However, \$623,014 remains unexpended from bonds dating from 2015 through 2018 totaling \$1,025,000, or approximately 61%. Notably, the County has not yet spent any of the money received in 2017, 2018, or to be received in 2019. The interest paid on the total amount borrowed is \$84,210.

More succinctly, Erie County continues to pay interest on money it has not actually invested into parks for roads, pathways and parking lot improvements dating back to 2016.

Year	Description	Total Current Budget	Commitments	Expended	Total Unexpended	Interest Paid
2015	Roads, Pathways and Parking Lot Repair	\$200,000	--	\$200,000	--	\$27,130
2016	Roads, Pathways and Parking Lot Repair	\$250,000	--	\$201,986	\$48,014	\$24,172
2017	Roads, Pathways and Parking Lot Repair	\$375,000	--	--	\$375,000	\$29,464
2018	Roads, Pathways and Parking Lot Repair	\$200,000	--	--	\$200,000	\$3,444
2019	Roads, Pathways and Parking Lot Repair	\$250,000	--	--	\$250,000	--
Total		\$1,275,000	\$0	\$401,986	\$873,014	\$84,210

The lack of expenditures is not an indication that conditions at the parks are not in need of improvement. Our cursory survey of parks facilities yielded areas for improvement and expenditures in this category at each of the parks visited. Examples include potholes in roadways; crumbling sides of roads, paths with sudden drop-offs which lacked signage or railings, paths and stairwells in deteriorated condition. These observations were especially concerning, considering the number of bicyclists, children and individuals with mobility issues

that we observed using the park. Photos of a sample of the conditions observed are included in appendix “C.”

As stated above, the County had \$623,014 in unexpended funds in this category prior to authorizing \$250,000 in additional funding in 2019. **WE RECOMMEND** that the County take steps to invest the budgeted money as intended by the Legislature, or, in the alternative, undertake management practices which would avoid paying interest on money that is not being utilized for parks improvements until such a time that the money is actually needed.

Parks Vehicles and Equipment

These funds are allocated annually for the purchase vehicles and equipment necessary to facilitate operational requirements.

Between 2015 and 2019, Erie County has issued \$1,300,000 in bonds and authorized an additional \$400,000 in bonds for a total of \$1,700,000 for this category of improvements. The County has made purchases totaling \$1,118,948, leaving \$581,052 unexpended. The county has spending commitments totaling \$563,445 for 2018 and 2019 bonds. As such, the County will have substantially exhausted their budget upon completion of these purchases. The interest paid on the total amount borrowed is \$102,109.

Year	Description	Total Current Budget	Commitments	Expended	Total Unexpended	Interest Paid
2015	Parks Vehicles and Equipment	\$350,000	--	\$350,000	--	\$47,477
2016	Parks Vehicles and Equipment	\$250,000	--	\$250,000	--	\$24,172
2017	Parks Vehicles and Equipment	\$300,000	--	\$295,668	\$4,332	\$23,572
2018	Parks Vehicles and Equipment	\$400,000	\$174,398	\$223,280	\$176,720	\$6,888
2019	Parks Vehicles and Equipment	\$400,000	\$389,047		\$400,000	--
	Total	\$1,700,000	\$563,445	\$1,118,948	\$581,052	\$102,109

Erie County has consistently purchased park vehicles and equipment in a way that allows its employees to have available such equipment for the maintenance of the parks without burdening taxpayers with interest payments for funds that are not being utilized. It was not within the scope of this report to comment upon whether the purchases of equipment reflected the best prioritization of resources. As such, we do not comment on the actual purchases made. However, what we observed at Wendt Beach Park, aside from the deplorable condition of the boarded up facilities, was a beach that was very unwelcoming to families. Although the

beach is posted as not open for swimming, the beach itself is otherwise unusable for sunbathing or other waterside recreation. The beach was strewn with rocks, branches and other debris. Photos of a sample of the conditions observed are included in appendix “D.” As such, **WE RECOMMEND** that the county examine the cost of equipment to clean and comb the beach so that families can enjoy the beach in ways for which it was utilized in the past.

Specific Bonded Projects

Irrigation System at Elma Meadow Golf Course (2017): Erie County issued bonds in the amount of \$1,500,000. To date, all of this money has been expended. The total interest paid to date is \$203,472.

Emery Park Ski Lift Replacement (2018): Erie County issued bonds in the amount of \$850,000. To date, \$796,101 of this money has been expended. Commitments of \$52,699 have been made, leaving \$1,200 unspent and uncommitted. Upon completion of this work, the project should be closed and remaining funds, if any, paid back. The total interest paid to date is \$14,638.

Como Lake Restoration (2018): Erie County has issued bonds totaling \$100,000 for the dredging needed in Como Lake to remove sediment that has built up and tree removal in Como Lake Park. To date, no money has been expended or committed and no work has been done. Photos of a sample of the conditions observed are included in appendix “E.” The total interest paid to date is \$1,722.

Ellicott Creek Park Pedestrian Bridge (2018): A pedestrian bridge at Ellicott Creek Park is in great disrepair and needs replacement. Erie County issued bonds totaling \$300,000. To date, \$173,152 of this money has been expended. Commitments of \$67,156 have been made, leaving \$59,692 unspent and uncommitted. Upon completion of this work, the project should be closed and remaining funds, if any, paid back. The total interest paid to date is \$5,166.

County Park Exterior Signage Plan (2019): This project will be to design, furnish and install a new system-wide signage plan. Erie County authorized bonds in the amount of \$400,000. To date, no money has been expended. No commitments of have been made, leaving \$400,000 unspent and uncommitted. Upon completion of this work, the project should be closed and remaining funds, if any, paid back.

WPA Era Rehabilitation (2019): The parks have many WPA era structures that are in need of rehabilitation, due to years of neglect. These structures are historical in nature and found in the five heritage parks. Erie County authorized bonds in the amount of \$300,000. To date, no money has been expended. No commitments of have been made, leaving \$300,000 unspent and uncommitted. Upon completion of this work, the project should be closed and remaining funds, if any, paid back.

Chestnut Ridge Park Culverts (2019): In 2015, SHPO approved the rebuilding of WPA era culverts at Chestnut Ridge Park. The County was given five years to rebuild the culverts. The stonework needs to be completed in order for the culverts to be restored. Erie County authorized bonds in the amount of \$300,000. To date, no money has been expended. No commitments of have been made, leaving \$300,000 unspent and uncommitted. Upon completion of this work, the project should be closed and remaining funds, if any, paid back.

Conclusion

Each year, Erie County secures bonds to maintain and improve conditions in its parks. Between 2015 and 2019, Erie County issued or authorized \$13,125,000 in bonds to pay for improvements to its parks. Of this money, it has expended \$6,942,669, or approximately 53%. The unspent funds total \$6,182,331, or 47%. Whether or not the money is actually spent, Erie County is responsible for paying interest on this borrowed money. The interest on this money to date totals \$841,760.

Given the conditions observed in Erie County parks, a valid argument could be made that the money budgeted by the Legislature should be used to fix and improve our parks. The issues that exist in the parks are not just cosmetic or preventative of further deterioration, but also pose safety concerns.

In the alternative, an argument could also be made that if projects are not yet ready to be undertaken, money should not be borrowed. This would avoid prematurely paying interest without being able to enjoy the fruits of the investment due to inaction on the part of Erie County.

The Office of the Comptroller has in place a program to invest Capital Project cash. The County has recognized a total of \$17,536 in interest earnings on cash available from the 2015-2018 Parks Capital projects referenced in this report.

APPENDIX A



Akron Falls – Peeling Paint on Outdated Playground Equipment



Como Lake Park – Damaged Frisbee Golf Signage



Como Lake Park – Peeling Paint on Picnic Tables



Akron Falls Park – Rusted Unusable Grill



Chestnut Ridge Peeling Paint on Picnic Tables



Emery Park Dated, Peeling and Missing Playground Equipment



Scoby Park Peeling Paint on Picnic Tables



Sprague Brook Park Peeling Paint on Picnic Tables



Sprague Brook Park Peeling Paint and Rust on Dated Playground Equipment

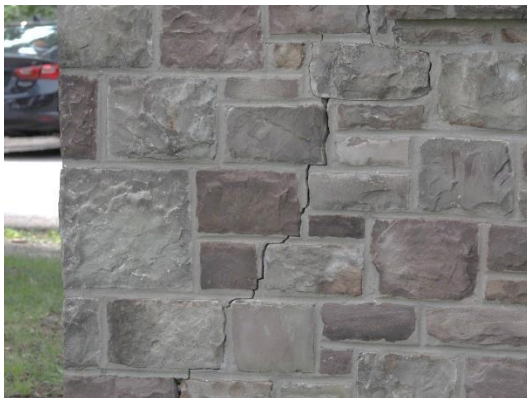
APPENDIX B



Como Lake Park Deteriorated Roof



Como Lake Park Leaning Shelter



Como Lake Park Damaged Masonry



Sprague Brook Park Deteriorating Roof



Chestnut Ridge Park Broken Glass Block Windows on Restroom



Chestnut Ridge Damaged Blocks



Emery Park Shelter Floor



Emery Park Cracked and Uneven Flooring in Shelter



Emery Park Damaged Masonry



Chestnut Ridge Damaged Water Pump



Chestnut Ridge Damaged Roof

APPENDIX C



Akron Falls Path Drops Off to Falls



Como Lake Park Deteriorated Pathway



Akron Falls Rock Garden Drainage onto Pathway



Chestnut Ridge Park Deteriorated Road



Chestnut Ridge Park Eroded Pathway



Emery Park Deteriorated Road

APPENDIX D



Wendt Beach Park View of Beach



Wendt Beach Park View of Beach



Wendt Beach Park View of Beach

APPENDIX E



Como Park Lake



Como Park Lake



Como Park Lake