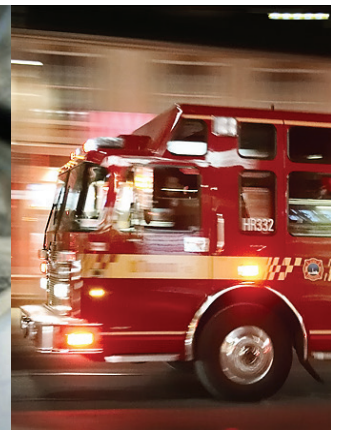




NYSAC
NEW YORK STATE
ASSOCIATION OF COUNTIES

SHARED SERVICES



County-Wide Shared Services Initiatives

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Background

For more than decade State leaders have been enacting measures designed to encourage local leaders to operate more efficiently, consolidate or eliminate programs, and share services—all with the intention of reducing costs and lowering the local program tax burden. During the same period, the Governor and State Lawmakers cut funding to counties, stagnated the aid and incentives to municipalities (AIM) program, capped property tax increases, and enacted a government efficiency program.

In 2014, the state enacted a property tax freeze rebate program that required local governments and school districts to create and submit government efficiency programs that demonstrated savings in years 2017, 2018, and 2019. In exchange for these efficiency plans, the state would give rebate check to residents living in the participating taxing jurisdictions.

In 2017, the State Legislature created a two-year county-wide shared services initiative (CWSSI), which required county executive, chairs, or administrators to convene a panel of locally-elected municipal leaders to create a shared services plan that might foster collaboration and find savings for local property taxpayers. These panels were required to submit these plans to the State Division of Budget in either October 2017 or October 2018, for implementation in 2018 or 2019 respectively.

Last year, the State Budget included a provision that extends the CWSSI through 2021, requiring county leaders to convene mayors and supervisors in their county each year to considering developing a new shared services plan.

It is clear that state leaders are concerned with trying to control or reduce local property taxes. They capped local Medicaid costs in 2012 and enacted a new cost saving pension tier. What they haven't done, though, is reduce the costs of state mandates that counties currently deliver and fund each and every year. Until they can reduce those costs, counties will be hard pressed to lower costs at the local level and reduce the property tax burden.

This report provides an overview of the first two years of the state's county-wide shared services program, including plans submitted in 2017 and 2018, and some examples of the projects submitted, and the estimated costs savings projected to date. It discusses the statutory language required in the three-year extension of the county-wide shared services initiative, and some examples that panels could consider going forward. Finally, we provide a series of programmatic recommendations or legislative amendments for State Leaders to consider in 2019.





County-Wide Shared Services Plans Submitted in 2017

Thirty-four (34) counties submitted plans in 2017 / \$208 million in projected first-year savings

2017 Submissions Came From:

- | | | |
|-------------|-------------|--------------|
| Albany | Madison | St. Lawrence |
| Broome | Monroe | Steuben |
| Cattaraugus | Montgomery | Suffolk |
| Chautauqua | Nassau | Sullivan |
| Chenango | Oneida | Tompkins |
| Clinton | Onondaga | Ulster |
| Columbia | Ontario | Wayne |
| Dutchess | Rensselaer | Westchester |
| Erie | Saratoga | Wyoming |
| Franklin | Schenectady | Yates |
| Jefferson | Schuyler | |
| Livingston | Seneca | |

2017 Highest Savings

The following counties had the highest savings projected in the first year:

- Nassau County (\$130.5M)
- Broome County (\$20.3M)
- Suffolk County (\$16.5M)
- Dutchess County (\$15.2M)
- Monroe County (\$7.3M)

Shared Services Categories

Public Health and Insurance
Emergency Services
Sewer, Water, and Waste Management Systems
Energy Procurement
Parks and Recreation
Education and Workforce Training
Law and Courts
Shared Equipment, Personnel, and Services
Joint Purchasing
Reorganization
Transportation & Highway Departments
Records Management and Administrative Functions

2018 Highlights

Twenty three (23) county-wide shared services plans were submitted in 2018, with an estimated first year savings of \$49 million. Four counties – Suffolk, Westchester, and Wyoming—decided to override the plans they submitted in 2017 and submit plans in 2018 for implementation in 2018.

2018 Highest Savings

The following counties had the highest savings projected in the first year:

Suffolk (\$16.5M)

Westchester (\$7.5M)

Orange (\$5.0M)

Rockland (\$4.7M)

Niagara (\$4.1M)

2018 Submissions Came From:

Albany*

Allegany

Cayuga

Chemung

Essex

Fulton

Genesee

Hamilton

Niagara

Orange

Orleans

Oswego

Otsego

Putnam

Rockland

Warren

Schoharie

Suffolk*

Tioga

Washington

Westchester*

Wyoming*

*Revised and resubmitted 2017 plan in 2018





Popular Shared Services in 2018

- Health Insurance Consortium (Albany, Allegany, Cayuga, Niagara, Oswego, Suffolk, Westchester)
- Shared Equipment and Personnel (Albany, Allegany, Niagara, Oswego, Otsego, Rockland, Suffolk, Warren)
- Joint Procurement and Purchasing (Albany, Allegany, Cayuga, Cayuga, Putnam, Chemung, Hamilton, Suffolk)
- LED Streetlight Conversion (Albany, Allegany, Chemung, Fulton, Hamilton, Warren)
- Tax Collection (Allegany, Fulton, Niagara)
- Highway/DPW Functions (Chemung, Putnam, Warren)
- Water and Wastewater (Fulton, Oswego, Rockland, Suffolk)
- School Resource Officers (Hamilton, Westchester)
- Public Safety & Emergency Management (Orange, Oswego, Westchester)
- GIS (Orange, Oswego)
- IT Services (Niagara, Orange, Rockland, Warren, Westchester)
- Tax Assessment (Orange, Oswego, Putnam, Washington, Wyoming)
- Records Management (Niagara, Orange, Otsego, Westchester)
- Solid Waste and Recycling (Albany, Hamilton, Niagara, Suffolk, Wyoming)



Looking Forward: What to Expect in 2019, 2020, & 2021

Shared Services Initiative Extended until 2021

The 2018 State Budget extended the County-wide Shared Services Initiative until December 31, 2021. New shared services actions not included in a previously approved or submitted plan may be eligible for State matching funds, subject to available appropriation.

What's News

Participants:

- Counties can work with one another on inter-county shared services and receive matching funds for these projects, subject to available appropriation.
- Fire districts and fire protection districts may participate on the panel.
- School districts and BOCES can participate in shared services agreements without the opinion or approval of the State Department of Education.

Requirements:

- Panels must convene at least two meetings in a calendar year.
- Three public hearings must be held prior to submitting a plan to a panel vote.
- After having convened at least two meetings in a calendar year, a panel can decide (by a majority vote) that it is not in the best interest of taxpayers to revise and update a previously approved plan or develop a new plan that year. The county CEO must explain to the public and Secretary of State why the panel did not approve a plan that year.



State Law Amendment:

- The 2019 State Budget amended the Uniform Justice Court Act to allow towns to share one or more town justices. The towns do not need to be adjoining.

New Department of State (DOS) Requirement:

- DOS is required to prepare a report by June 13, 2022 that includes a detailed summary of projects included in the shared services plans, a detailed summary of each county's plan, and the anticipated savings for each plan.

County Recommendations

NYSAC will continue to track the activity of CWSSI panels and provide guidance to county leaders. Our legislative priorities for 2019 are as follows:

Seed Funding

Since the counties were required to spend resources, time, and funding to coordinate these shared services panels (including hiring additional staff members or contracting with research agencies and consulting firms), NYSAC is requesting that the State provide up to \$100,000 that could be drawn down for expenses, reports, or seed money.

Health Insurance Risk Pools

NYSAC continues to support state law and regulatory changes that will reform Article 47 to allow fewer contracted lives, reduce reserve requirements, and expand eligibility to other public entities.

Examples of Shared Services and Government Efficiency

As county leaders reconvene their county-wide shared services panels in 2019, 2020, and 2021, we thought it would be of value to provide some examples of projects that have been proposed and submitted in the last few years.

In 2015, counties were required to submit government efficiency plans as part of the state's property tax freeze rebate program. In 2017 and 2018, counties submitted local government plans as part of the state's county-wide shared services initiative. The following initiatives are examples of the shared service projects submitted as part of one of those state programs.

EDUCATION

- In 2014 Ulster County worked with their Community College and the Kingston School District to develop the S.T.R.I.V.E. (Shared Taxpayer Relief through Innovative Visions in Education) Project to improve access to higher education, places surplus county buildings back on the tax rolls, and repurpose an elementary school.
- In its 2017 CWSSI plan, Montgomery County included a proposal to expand its job readiness skills training – a four-week workshop offered in partnership with Fulton Montgomery Community College – to include several local school and Hamilton-Fulton-Montgomery BOCES.
- In its 2018 plan, Hamilton County provided shared social worker services with three of the four school districts in the county.





EMERGENCY SERVICES

- A number of years ago, Monroe County partnered with Orleans, Genesee, and Ontario counties to provide seamless interoperable emergency communications capabilities to State and local first responders traveling within and through the four counties. All of the 911 calls are answered in the Monroe County public safety answering point.
- Albany County combined forces with the cities of Cohoes and Watervliet to provide emergency communications dispatch through the County Communications Center. Beyond personnel, additional cost savings is realized through the reduction in required software and hardware licensing, along with the costs associated with service and maintenance.
- In 2017, Chautauqua County proposed a Countywide Fire Services Initiative. Under this Initiative, the county planned to hire a full-time administrator to offset the administrative burden placed on individual fire companies. Freeing chiefs from paperwork will save money over time by extending the availability and activity of existing volunteers. The administrator is estimated to offset up to \$200,000 annually.
- In 2017, Jefferson County proposed to update the its 9-1-1 radio system by aligning with the Central New York Interoperable Communications Consortium, which provides the opportunity to partner with centralized hardware equipment owned by Onondaga County.

EMPLOYEE BENEFIT SERVICES

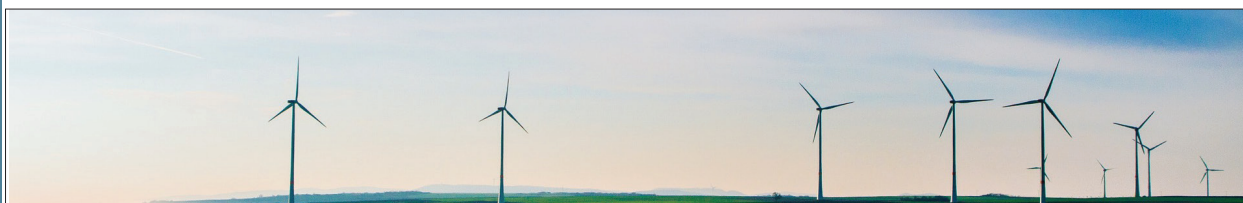
- In 2018, Westchester County included a project between four municipalities to support a common workforce database that would handle most civil service and benefit matters including financial and administrative functions across departments.

ENERGY—GAS AND ELECTRIC PROCUREMENT

- Shared fuel depots and aggregating the purchase of gas and electricity are two areas where the county, local governments, schools, and fire districts and share services and reduce costs.
- The Municipal Electric and Gas Alliance (MEGA) was created by Tompkins and Tioga counties in 1998 to aggregate the purchase and lower the costs of electricity and gas for a growing number of counties and local governments. Albany County projected an initial savings of \$1,000,000 in 2019 by participating in MEGA.
- Chautauqua County co-located a fuel depot in a way that allows villages, towns, school districts, fire companies and the county to share it. The depot is key-coded, making it is easy to track use.
- Lewis County also operates a fuel depot for more than 40 departments and governments, including the Lowville Central School District, the department of transportation, fire departments and town and village highway departments.
- In Oswego County, several municipalities will be sharing a fuel facility under the 2018 shared services plan.

ENVIRONMENTAL

- Chautauqua and Cattaraugus counties have a joint agreement to maintain flood control dam structures in both counties, the Conewango Watershed Commission. All maintenance activities are shared between both municipalities. They share equipment, people and resources. There is no money exchanged.
- Westchester County provides municipalities with sewer wastewater detection services to protect the Long Island Sound and rivers in the county to protect the environment and help local governments comply with federal storm water management requirements.





HEALTH CARE

- Tompkins County and all of its municipalities created an Article 47 health insurance consortium to pool its covered lives and realize a shared savings in excess of \$1 million per year. The smallest jurisdictions save the most under this model.
- Several counties—including Albany, Broome, Herkimer, Oswego, Saratoga, and Schenectady—are among the counties that proposed exploring the creation of a health insurance consortium to lower costs and improve the quality of health care in their 2017 or 2018 CWSSI plans. However, many counties also identified that there are legal and regulatory impediments to cooperative health insurance purchasing.
- Rensselaer County established a program in 2014 wherein its municipalities can purchase health insurance through the County's policies, being of most benefit to those entities that have less than 50 employees.

GIS

- Cattaraugus and Steuben counties included proposals in their 2017 CWSSI plans to provide GIS mapping services to municipalities. Cattaraugus County anticipated a one-time savings of \$24,000, compared to using an outside firm.
- Rensselaer County provides maps on paper and electronically to the municipal police departments and all fire departments. The county GIS services are also used for assessment and planning.

HIGHWAY MAINTENANCE, PLOWING AND RESURFACING

- In 2017, Steuben County projected annual savings of \$222,500 from proposal for the County to loan equipment and chip, seal, and pave town roads in over thirty municipalities. These savings come from minimizing costs relative to private sector rates.
- In 2018, Rockland County submitted plans to build a 10,000 ton salt storage facility and an automated truck washing facility, both of which will be available to share with local highway and public works departments.
- Oneida County has a shared service agreement with all three cities, 17 villages and 26 towns in the county that has been in place for more than a decade. The agreement allows all members to share specialized equipment or services as a pool.
- In Lewis County, all 15 towns plow the county roads. They also trade roads with two towns, mile for mile. Lewis County plows 75 miles and the towns plow the other 249 miles.

INSURANCE

- More than 880 local governments jointly own and operate a property and casualty insurance reciprocal that was started in 1993. The New York Municipal Insurance Reciprocal (NYMIR) was created by NYSAC, NYCOM, and AOT at a time when local governments in New York State had a difficult time finding quality and affordable property and casualty insurance to protect the public buildings under their care and public officials working for their residents. NYMIR, continues to develop insurance and risk management services tailored to meet the needs of local governments.





MEDICAL EXAMINER

- Oneida and Onondaga County sign IMA for ME services. Counties are responsible for investigating the circumstances and causes of any death in the county. Some counties elect Coroners and others appoint Medical Examiners. In counties with a medical examiner, it can be a challenge to fill this position. In 2012 Oneida County worked with Onondaga to create an intermunicipal agreement to share Medical Examiner services.

MENTAL HEALTH

- Montgomery County is consolidating Public Health and Mental Health Departments after an internal analyses and consultation with its local municipal and education partners. This will save the county approximately \$85,000 annually, including the cost of space, overhead, personnel, office supplies, and departmental functions.

PARKS AND RECREATION

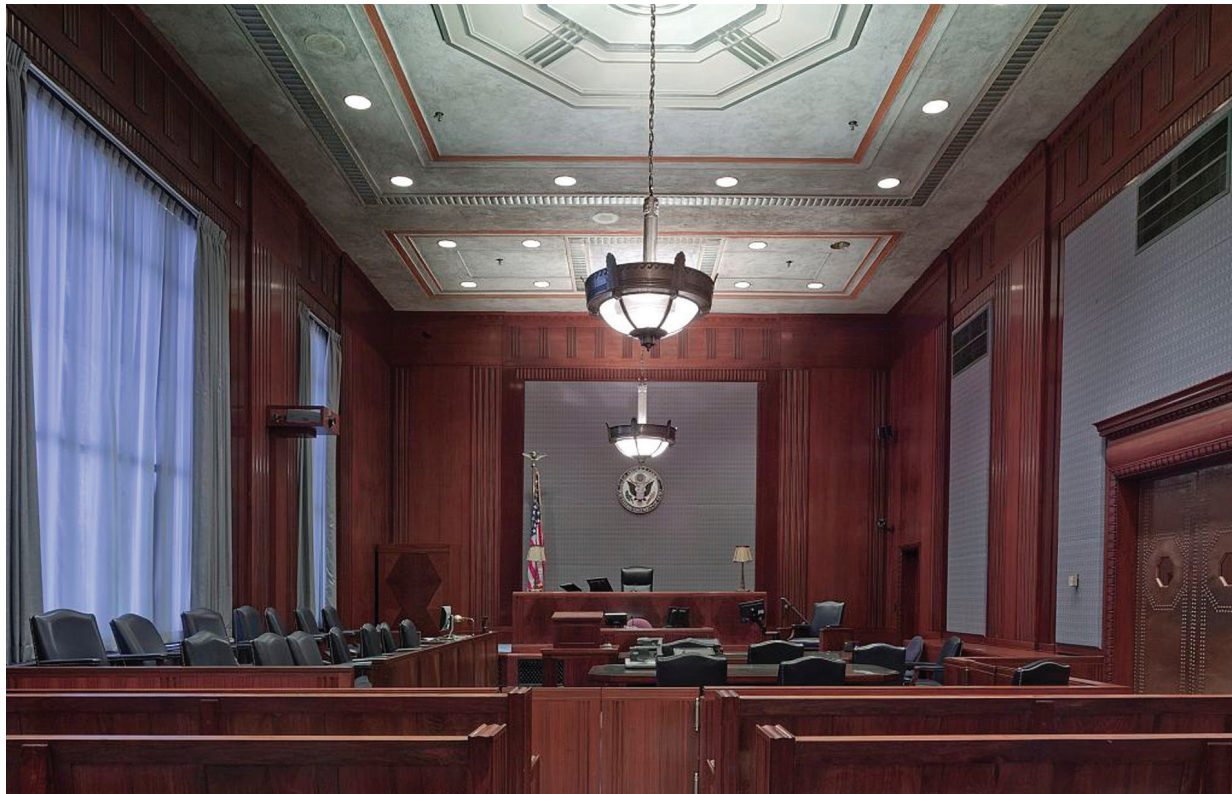
- Cattaraugus County runs the New York State Parks and Recreation's Navigation and Snowmobile program with the Seneca Nation of Indians, Lime Lake Cottage Owners Association, Onoville Marina, snowmobile clubs in the county, and Allegany State Park Police. The collaborative project is funded, in part, through funds from the NYS Parks Department (about 25 percent of the cost of the program).
- Onondaga County's 2017 CWSSI plan includes a proposal to create a web-based data center that would provide park facility reservations and rental information for every park located in the County, regardless of municipality jurisdiction.

PUBLIC DEFENSE SERVICES

- Ulster and Dutchess counties have a shared services agreement to jointly provide legal defense counsel to indigent clients. The counties forged a cooperative agreement that permits each public defender's office to share resources and create cost efficiencies while at the same time increasing the quality of legal services they provide.

PUBLIC SAFETY

- In 2017, Jefferson County proposed to update the its 9-1-1 radio system by aligning with the Central New York Interoperable Communications Consortium, which provides the opportunity to partner with centralized hardware equipment owned by Onondaga County.
- In 2018, Otsego County intends to replace the current State Justice Statistics (SJS) program with another records management software that will enhance the sharing of information between law enforcement agencies.



PURCHASING

- In 2017, Albany County proposed to create a centralized purchasing system, available to all municipalities, for such items and services as medical supplies, software, equipment, telecommunication systems, diesel fuel, waste removal, and asbestos removal.
- In 2018, Cayuga County submitted a plan to centralize materials purchasing and bidding processes for all municipalities, at a projected savings of at least 10% of current expenditures.
- In 2018, Suffolk County proposed to create a cooperative procurement consortium.

REAL PROPERTY SERVICES

- Erie County's 2017 CWSSI plan included a county-wide real property tax processing and collection proposal that is expected to save cities, towns, and villages \$945,640 annually.
- In 2018, some municipalities in Putnam County are interested in sharing tax assessment services to minimize personnel costs and ensure normalization of reassessment data across the county. The project would make available software that would enable property inventory management and facilitate administration and increase productivity.

RECORDS MANAGEMENT AND ADMINISTRATIVE FUNCTIONS

- Several counties – including Monroe and Wayne – included proposals for digitizing records in their 2017 CWSSI plans that will result in substantial future facility cost savings.
- In 2018, Oswego County proposed to make its records center a regional center that all municipalities could use to store records digitally, thereby freeing up facility space for participating local governments.

SEWER AND WATER SYSTEMS

- Nassau County's 2017 CWSSI report included a plan to consolidate sewage treatment services in the city of Long Beach with Nassau County that will save \$128,000,000.
- Ontario County provides meter reading and water and/or sewer billing services to other municipalities. They also provide sewer maintenance of distribution systems to include 29 pump stations for another municipality in addition to processing sewage.
- The Monroe County Water Authority is the third largest water supplier in New York State. It provides water to the City of Rochester and several area towns and villages.

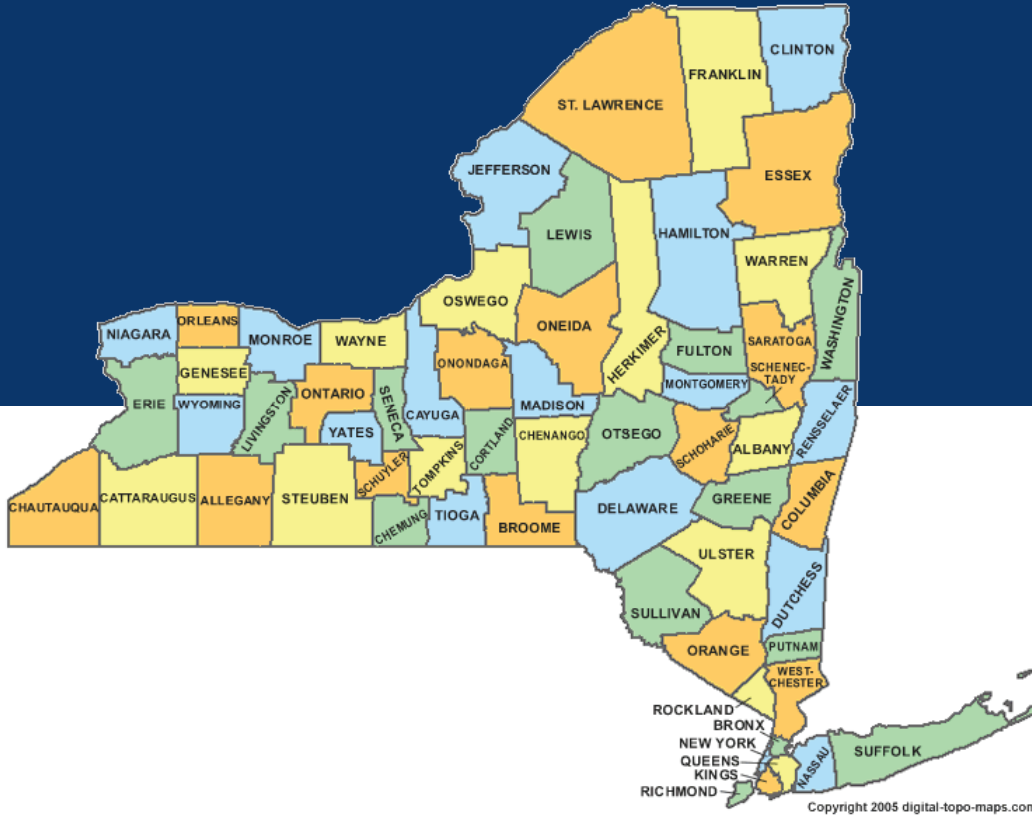


TAX COLLECTION

- Onondaga County's 2017 CWSSI plan included a proposal to offer the County's delinquent tax collection software to all towns, villages and school districts. Any entity that switches to the county-provided system will be billed \$1 per tax bill, rather than \$2 per tax bill. If all eligible municipalities and school districts take advantage of this shared service, the total annual savings will amount to \$300,000.

TRANSPORTATION

- Tompkins County, the city of Ithaca and Cornell University came together several years ago to create the Tompkins Consolidated Area Transit, Inc. (TCAT). The city, county and Cornell each provide equal funding.
- Onondaga County's 2017 CWSSI plan includes a proposal for Onondaga - Cortland - Madison (OCM) BOCES and its member school districts to establish a Transportation Hub to deliver transportation for special needs and other students, using school district bus drivers and vehicles. The proposal is projected to save \$75,000 annually.



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