Allegany COUNTY New York

Tim Boyde
County Administrator
Email: boydett@alleganyco.com

7 Court Street, Suite #207
Belmont, NY 14813
Ph: 585-268-9216
Fax: 585-268-9623

September 26, 2018

Mr. Robert Mujica
Budget Director
Division of Budget NYS Department of State
Capital
Albany, NY 12224

RE: Approved 2018 Allegany County Shared Services Plan

Dear Mr. Mujica:

Enclosed please find Allegany County's Approved 2018 County Wide Shared Services Tax Savings Plan. This plan represents a great amount of time, effort and considerable resources put forth to accomplish the task. Allegany County is blessed with an ongoing spirit of cooperation within our communities. In many cases, it was difficult to identify new opportunities for shared services because this concept is an everyday occurrence for Allegany County.

It is important to note, of the twenty-nine (29) towns and ten (10) villages in the county, only two villages opted to not participate in the process. This further demonstrates the commitment and dedication of local officials to their constituents. With guidance and assistance from the Center for Governmental Research (CGR), potential areas for cost savings were identified and are included in the plan. Although, some components discussed will require enabling legislation at the state level to achieve and others will require a substantial amount of planning and coordination to implement. Not every town or village will recognize cost savings; however, the process has provided some very positive ideas to pursue in future years.

It is equally important to note that this plan complies with the processes and deadlines as established in the Law for convening the county's shared services panel, which includes but is not limited to holding at least three public meetings on the plan, submitting a 2018 plan to the county legislative body for review by August 1, and certifying and transmitting an approved 2018 plan to the Director at CWSSIPlanSubmission@budget.ny.gov. The plan will be publicly presented by October 15, 2018.

Please contact me with any questions or concerns at 585-268-9217 or via email at Boydett@alleganyco.com.

Sincerely,

Timothy T. Boyde

Timothy T. Boyde
County Administrator

County-Wide Shared Services Property Tax Savings Plan Summary

Appendix A

County of Allegany	
County Contact: Tim Boyde, County Administrator	
Contact Telephone: (585)268-9216	
Contact Email: boydett@alleganyco.com	

Partners

Row 1 – (1) County of Allegany County

	County	Panel Chair	Vote Cast (Yes or No)*
1.	Allegany County	Timothy T. Boyde, County Administrator	Yes
2.			
3.			

Row 2 – (29) Towns in Allegany County

	Participating Towns	Panel Representative	Vote Cast (Yes or No)*
1.	Alfred	Supervisor Dan Acton	No
2.	Allen	Supervisor Diane Harris	Yes
3.	Alma	Supervisor Ronald Staedt	Yes
4.	Almond	Supervisor Dawn Wildrick Cole	Absent
5.	Amity	Supervisor Dana Ross	Absent
6.	Andover	Supervisor Gus Weber	Absent
7.	Angelica	Supervisor Robert Jones	Absent
8.	Belfast	Supervisor Annette Kish	Yes
9.	Birdsall	Supervisor Cynthia Gowiski	Yes
10.	Bolivar	Supervisor Rick Gould	Yes
11.	Burns	Supervisor Frank Carnes	Absent
12.	Caneadea	Supervisor Michael Cox	Yes
13.	Centerville	Supervisor Marc Bliss	Absent
14.	Clarksville	Supervisor Ron Truax	Absent
15.	Cuba	Supervisor Robert Carney	Yes
16.	Friendship	Supervisor James Blouvet	Yes

NEW YORK STATE OF OPPORTUNITY

County-Wide Shared Services Property Tax Savings Plan Summary

Appendix A

17.	Genesee	Supervisor Alex Smith	Yes
18.	Granger	Supervisor Tom Voss	Absent
19.	Grove	Supervisor Jonathan Gorton	Yes
20.	Hume	Supervisor Darlene Mason	Yes

Use Additional Sheets if necessary
***The written justification provided by each Panel Representative in support of his or her vote on the Plan is attached hereto, as Exhibit 1.**

Row 3 – (10) Villages in Allegany County

	Participating Villages	Panel Representative	Vote Cast (Yes or No)*
1.	Alfred	Mayor Becky Prophet	Absent
2.	Almond	Mayor John Meehan	Absent
3.	Andover	Mayor David Truax	Absent
4.	Angelica	Mayor Michael Trivisondoli	Yes
5.	Belmont	Mayor Terrance Schmelzer	No – Opt out
6.	Bolivar	Mayor Robert Mitchell	Absent
7.	Canaseraga	Mayor Peggy Sleight	Absent
8.	Cuba	Mayor Michele Miller	Yes
9.	Richburg	Mayor John Day	No – Opt out
10.	Wellsville	Mayor Randy Shayler	Yes

Use Additional Sheets if necessary
***The written justification provided by each Panel Representative in support of his or her vote on the Plan is attached hereto, as Exhibit 1.**

Row 4 – (total # of) School Districts, BOCES, and Special Improvement Districts in County

	Participating School Districts, BOCES, and Special Improvement Districts	Panel Representative	Vote Cast (Yes or No)*
1.			
2.			
3.			
4.			
5.			
6.			
7.			
8.			

NEW YORK STATE OF OPPORTUNITY

County-Wide Shared Services Property Tax Savings Plan Summary

Appendix A

9.			
10.			
11.			
12.			
13.			
14.			
15.			
16.			
17.			
18.			
19.			
20.			

Use Additional Sheets if necessary
*The written justification provided by each Panel Representative in support of his or her vote on the Plan is attached hereto, as Exhibit 1.

Row 5	
2017 Local Government Property Taxes	**The sum total of property taxes levied in the year 2017 by the county, cities, towns, villages, school districts, BOCES, and special improvement districts within such county.**
	$132,423,337.00

Row 6	
2017 Participating Entities Property Taxes	**The sum total of property taxes levied in the year 2017 by the county, any cities, towns, villages, school districts, BOCES, and special improvements districts identified as participating in the panel in the rows above.**
	$49,009,622.00

Row 7	
Total Anticipated Savings	**The sum total of net savings in such plan certified as being anticipated in calendar year 2018, calendar year 2019, and annually thereafter.**
	$645,000.00

Row 8	
Anticipated Savings as a Percentage of Participating Entities property taxes	**The sum total of net savings in such plan certified as being anticipated in calendar year 2018 as a percentage of the sum total in Row 6, calendar year**

NEW YORK STATE OF OPPORTUNITY

County-Wide Shared Services Property Tax Savings Plan Summary

Appendix A

	2019 as a percentage of the sum total in Row 6, and annually thereafter as a percentage of the sum total in Row 6.
	-1.32% for all three years
Row 9	
Anticipated Savings to the Average Taxpayer	**The amount of the savings that the average taxpayer in the county will realize in calendar year 2018, calendar year 2019, and annually thereafter if the net savings certified in the plan are realized.**
	-1.32% in addition to other savings
Row 10	
Anticipated Costs/Savings to the Average Homeowner	**The percentage amount a homeowner can expect his or her property taxes to increase or decrease in calendar year 2018, calendar year 2019, and annually thereafter if the net savings certified in the plan are realized.**
	-1.32%
Row 11	
Anticipated Costs/Savings to the Average Business	**The percentage amount a business can expect its property taxes to increase or decrease in calendar year 2018, calendar year 2019, and annually thereafter if the net savings certified in the plan are realized.**
	-1.32%

CERTIFICATION

I hereby affirm under penalty of perjury that information provided is true to the best of my knowledge and belief. This is the finalized county-wide shared services property tax savings plan. The county-wide shared services property tax savings plan was approved on September 25, 2018, and it was disseminated to residents of the county in accordance with the County-wide Shared Services Property Tax Savings Law.

Timothy T. Boyde — County Chief Executive Officer

(Print Name)

Timothy T Boyde — September 26, 2018

(Signature) (Date)

Appendix A

Additional Sheets Towns Continued…

Participating Towns		Panel Representative	Vote Cast (Yes or No)*
21.	Independence	Supervisor Jeri Reichman	Yes
22.	New Hudson	Supervisor William Shuler	Yes
23.	Rushford	Supervisor Peter Wade	Yes
24.	Scio	Supervisor Kim Demick	Absent
25.	Ward	Supervisor James Lucy	Absent
26.	Wellsville	Supervisor Shad Alsworth	Yes
27.	West Almond	Supervisor Brent Platt	Yes
28.	Willing	Supervisor Ronald Wightman	Yes
29.	Wirt	Supervisor Tricia Grover	Yes

CWSSI Panel Comments

Town of Genesee approved the plan but would like to opt out of the following shared services concepts:

1. Financial services
2. Information technology
3. Group purchasing of electricity and natural gas
4. Municipal reorganization
5. Collaboration on water and sewer services
6. Centralized bulk purchasing

Town of Scio approved the plan but would like to opt out of the following shared services concepts:

1. Shared assessment – "The Town of Scio has developed a separate plan to join Rushford Consortium estimating long term savings (6 years) of approximately $12,758."

Village of Angelica approved the plan but would like to opt out of the following shared services concepts:

1. Conversion of street lights to LED
2. Group purchasing of electricity and natural gas
3. Municipal reorganization

"The Village of Angelica is in a unique position having municipal electric we have already started converting street lighting to LED technology. We already enjoy some of the lowest electric rates in the State, so we don't want to participate in group purchasing of electricity. With respect to municipal reorganization, someone would have to guarantee that the New York State Power Authority would recognize a new contract with the Town of Angelica. Without that, I would oppose any dissolution of the Village."

Town of Alma approved the plan but would like to opt out of the following shared services concepts:

1. Water and sewer collaboration
2. Online/county tax collection
3. Municipal reorganization

Town of Centerville approved the plan but would like to opt out of the following shared services concepts:

1. Water and sewer collaboration

Town of Allen approved the plan but would like to opt out of the following shared services concepts:

1. Water and sewer collaboration – it is not applicable to our community

Town of Hume approved the plan but would like to opt out of the following shared services concepts:

1. Equipment sharing
2. Online/county tax collection
3.

Town of Birdsall approved the plan but would like to opt out of the following shared services concepts:

1. Conversion of street lights to LED – it is not applicable
2. Water and sewer collaboration – it is not applicable
3. Shared assessment – Town of Birdsall is already participating in a program

Town of Clarksville approved the plan but would like to opt out of the following shared services concepts:

1. Water and sewer collaboration

Ballot for Approval of the Allegany County Shared Service Plan 2018

I, Dan Acton, Town Supervisor representing the Town of Alfred located in Allegany County, NY do hereby APPROVE of the Allegany County Shared Service Plan developed in 2018.

Signature: _____

As required by the state, please articulate the reason for your vote.

_____

Are there any specific shared services concepts that your municipality will not participate in, even though they might benefit your community?

_____

Or:

I, Dan Acton, Town Supervisor representing the Town of Alfred located in Allegany County, NY do hereby NOT APPROVE of the Allegany County Shared Service Plan developed in 2018.

Signature: _____

As required by the state, please articulate the reason for your vote.

WE CAN ACHIEVE THE ANTICIPATED SAVINGS FROM LED STREET lights by ACTING INDEPENDENTLY WITH THE PROVIDER

THE LARGEST COST SAVINGS COULD BE ACHIEVED by AN INSURANCE CONSORTIUM BUT THIS IS PROHIBITED by STATE INSURANCE LAW. THE TOWN WOULD BE EAGER TO PARTICIPATE WHEN THIS LAW IS CHANGED.

Village of Belmont

1 Schuyler Street, Belmont, NY 14813
Phone 585-268-5522 Fax 585-268-7005

Mayor: Terrance E. Schmelzer Clerk: Richard J. Hoshal

May 26, 2017

Tim Boyd, County Administrator
7 Court Street, Suite #207
Belmont, NY 14813

RECEIVED
MAY 30 2017
COUNTY ADMINISTRATOR

Re: Shared Services Panel

Dear Tim:

I choose not to participate in the shared services panel. This decision is not based on any dissatisfaction with the County, but rather, my belief that this mandated show is for the benefit of the governor only, so he can brag about his push to ensure consolidated services, saving taxes, etc. As you know, this has been accomplished years ago by most in the area.

The Village has worked in the past, and continues now, with the Town of Amity, the Allegany County Town Highway Superintendents Association, the Town of Scio Water Department, Town of Angelica, NYS DOT, as well as Allegany Count and Mutual Aid with our Fire Department to help each other out when needed.

Thank you for your attention to this matter. Please feel free to contact me if you have any questions or concerns.

Sincerely,

Terrance Schmelzer, Mayor

Memorandum

To: Tim Boyde

From: Paul Bishop
pbishopl@cgr.org

Date: September 20, 2018

Re: Appendix A for State Submission of CWSSI

I've completed the calculations for Appendix A based on the final plan that we created for Allegany County.

Here's the background for each of the rows.

Row 5 $132,423,336.99

Based on the NYS Comptroller website for 2017, the information from property tax lines.

	Property Taxes (_1001)	
County	$	30,344,437.00
Towns	$	14,869,852.27
Villages	$	3,795,332.72
School District	$	82,429,291.00
Fire District	$	984,424.00
Total	$	132,423,336.99

Row 6 $49,009,621.99 is based on county, towns and villages.

Row 7 $645,000 is based on the low end estimated savings for the following six proposals.

Anticipated Savings		
Healthcare Consortium	$	180,000
LED Lights	$	100,000
Group Purchasing of Electricity and Gas	$	30,000
On-line and County Supported Tax Collec	$	25,000
Centralized Bulk Purchasing	$	240,000
Joint Tax Assessment and Property	$	70,000
Total Anticipated Savings	$	645,000

Row 8 and following -is based on the impact of saving $645,000 from the $49 million raised in property tax in the county from all of the participating –county, town and village – municipalities.

Please let me know if you want me to make any other adjustments.

Allegany County Shared Services Plan

September 2018

Prepared by CGR for Allegany County, NY
and its partner Town and Village Governments

cgr

Allegany COUNTY New York

Allegany County Shared Services Plan

September, 2018

Prepared by CGR for Allegany County, NY
and its partner Town and Village Governments

cgr

Allegany COUNTY New York

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Allegany COUNTY New York

Introduction

In 2017, New York State introduced a new initiative designed to generate property tax savings by facilitating operational collaboration between local governments. Known as the Countywide Shard Services Initiative (CWSSI), it established a shared services panel in each county. Chaired by the chief executive officer of the county, the panel was tasked with working to help develop, and ultimately approve, a countywide shared service property tax savings plan through intergovernmental cooperation to find new opportunities to share and coordinate services.[1]

This report constitutes Allegany County's submission.

How the CWSSI Works

The CWSSI framework involves three key elements.[2]

First, each county is required to establish a shared service panel. The panel includes the mayor of each city or village and the supervisor of each town. A representative of a school district, board of cooperative education services and / or special improvement district may also be invited to participate.

Second, the panel develops a countywide shared services property tax savings plan to identify, propose and implement new actions to save taxpayers money through shared, coordinated and more efficient services between local governments within the county.

Third, plans that create actual and demonstrable savings across multiple jurisdictions may be eligible for a one-time match of the net savings resulting from new actions implemented pursuant to the plan.

The CWSSI in Allegany County

Allegany County opted to defer its first year CWSSI submission to 2018, having concluded that it could build a better overall plan if it worked through the year. It was not the only county that chose to do so. In 2017, the Initiative's first year, 34 of the 57 counties (nearly 60 percent) to which the CWSSI requirements apply developed and

[1] Countywide Shared Services Initiative Guidance Document at https://www.dos.ny.gov/lg/pdf/CWSSI.GuidanceDoc.pdf
[2] CWSSI overview at https://www.ny.gov/programs/shared-services-initiative

submitted plans. The remaining 23, including Allegany County, are developing plans for submission this year.

Though the County deferred its first plan to 2018, work did begin more or less immediately in response to the CWSSI requirement. Under direction of the County Administrator, Allegany County seated its shared service panel in early summer 2017. Initial planning meetings were convened on June 7, 2017, June 27, 2017 and July 26, 2017. Additional panel meetings were held on September 26, 2017 and October 24, 2017. In addition to developing a process infrastructure for complying with the CWSSI requirements, these meetings focused on documenting existing service approaches, potential opportunities and areas where local governments were willing to further collaborate.

In January 2018, the County engaged CGR to support the shared services panel in developing the County's plan. CGR's work focused on reviewing previous shared service efforts in Allegany County; engaging municipalities in the process in order to surface shared service opportunities and gauge willingness to collaborate in specific service areas; supporting the shared service panel's development of the draft plan; and assisting in public outreach as the plan moved from draft stage to final submission.

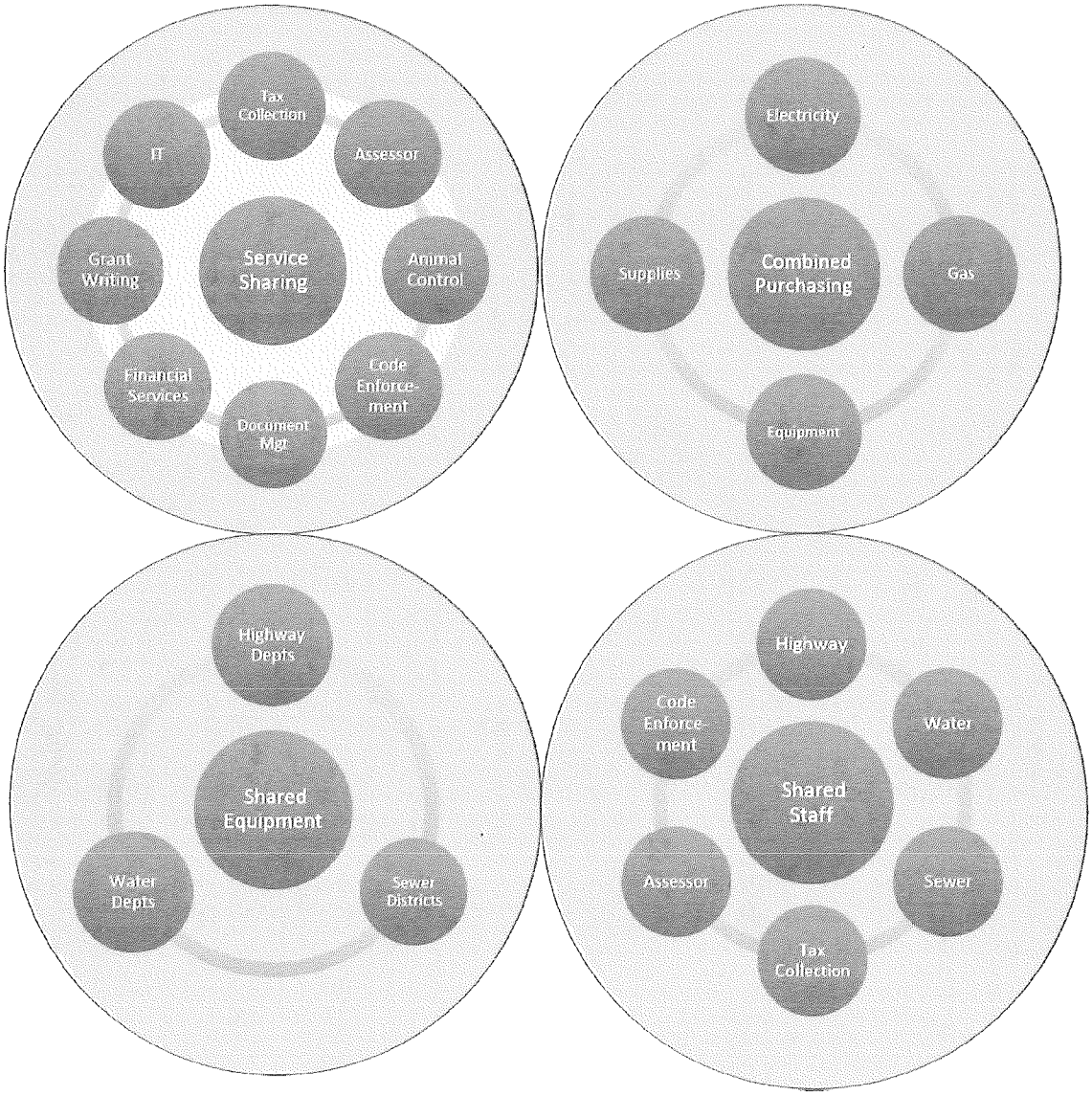
The plan presented in this report spans nine core "opportunity areas," deemed by the panel to be achievable and capable of producing savings through collaboration, and six additional opportunity areas that, while discussed as part of the CWSSI planning process, did not rise to priority level and will continue to be explored.

Summary of Plan Opportunity Areas

- Health Care Consortia (est. savings of $180,000)
- LED Streetlights ($100,000)
- Group Utility Purchases ($30,000)
- Online / County-Supported Tax Collection ($25,000)
- Bulk Purchasing ($240,000)
- Joint Tax Assessment ($70,000)
- Water and Sewer Collaboration (Savings cannot be estimated at this time)
- Municipal Reorganization (Savings cannot be estimated at this time)
- Sharing Highway Equipment, Staff (Savings cannot be estimated at this time)
- Additional Opportunities
    - Animal Control
    - Code Enforcement

- Document Management and Records Retention
- Financial Services
- Grant Writing
- Information Technology

Relationships of Sharing Initiatives



A History of Working Together

Allegany County's experience with shared services did not begin with the CWSSI. Indeed, the County and its municipal partners have a long history of working collaboratively to serve residents and taxpayers in efficient and cost-effective ways.

There are numerous examples of shared services throughout Allegany County: Joint electricity and natural gas procurement; shared capital maintenance of roads and bridges; shared specialty equipment; shared office space and storage; shared emergency services; shared recreation programs; shared tax assessment; shared code enforcement; shared animal control; shared building inspection; shared water resources, including systems, equipment and operators; shared Workers' Compensation insurance; shared justice court personnel; and shared staff working in dual capacities, to list but a few. A 2015 efficiency plan identified nearly $2 million in potential savings through cooperative agreements, shared services and efficiency improvements. Moreover, an ad hoc legislative consolidation and efficiencies committee / affordable government group convened from 2014 through 2016 to identify efficiency opportunities and track their progress.

While the CWSSI does not necessarily provide "credit" for past or current shared services, this history is evidence that the Initiative builds on a strong foundation of working together in Allegany County. At the same time, the County recognizes that the CWSSI is a call for local governments to go further, as noted in January 29, 2018 correspondence from the County Administrator to the shared service panel: "While we have enjoyed and continue to enjoy a longstanding history of collaborative, cooperative and cost saving efforts, the expectation is that we will need to continue to dig deeper into other areas for potential cost saving opportunities."[3]

This plan provides a framework for doing that.

About Allegany County

Allegany County is located in southwestern New York State along the Pennsylvania border. The County is approximately 1,035 square miles in area. Subdivided into 29 towns and 10 villages, it had a population of nearly 49,000 in 2010. Its largest communities are Alfred, Wellsville and Cuba, ranging from 3,000 to 5,000 residents each; by contrast, 18 of its towns have a population of less than 1,000, including four with populations of less than 500.

[3] https://www.alleganyco.com/wp-content/uploads/CWSSI-CGR-Memo-01-29-2018.pdf

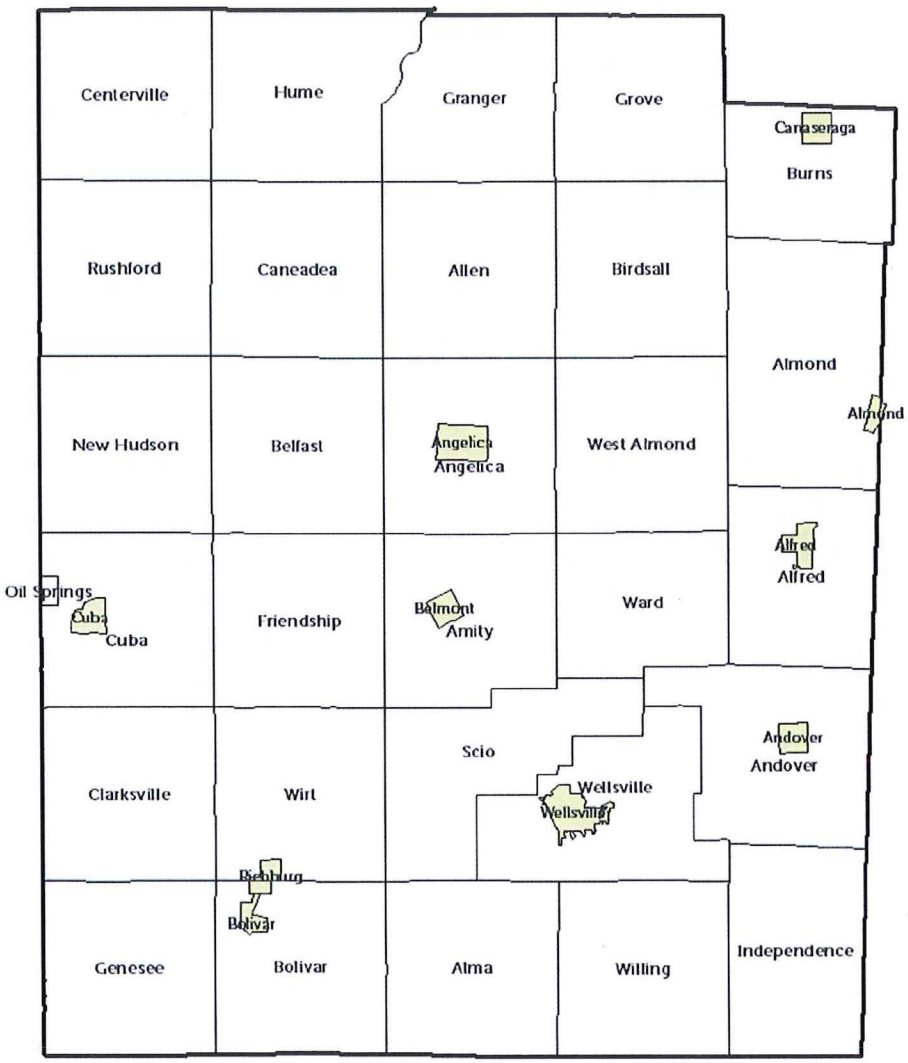
Allegany COUNTY New York

Population (2010)
County Total = 48,946

Towns			
Alfred	5,237	Friendship	2,004
Allen	448	Genesee	1,693
Alma	842	Granger	538
Almond	1,633	Grove	548
Amity	2,308	Hume	2,071
Andover	1,830	Independence	1,167
Angelica	1,403	New Hudson	781
Belfast	1,663	Rushford	1,150
Birdsall	221	Scio	1,833
Bolivar	2,189	Ward	368
Burns	1,180	Wellsville	7,397
Caneadea	2,542	West Almond	334
Centerville	822	Willing	1,228
Clarksville	1,161	Wirt	1,111
Cuba	3,243		

Reservation	
Oil Springs	1

Within the towns listed above, Allegany County includes ten villages: Alfred, Almond, Andover, Angelica, Belmont, Bolivar, Canaseraga, Cuba, Richburg and Wellsville. Their populations are included in the table as part of their respective town.



The Panel and Process

Allegany County's shared service panel was officially comprised of representatives of the County, supervisors of all towns and mayors of all villages.[4] Two villages (Belmont and Richburg) expressly opted out of participating at the outset of the process. To facilitate the panel's work between meetings, and provide ongoing guidance to CGR in collecting data, engaging stakeholders and assembling the plan, a Steering Committee

[4] The County Legislature was also involved in the process and invited to attend meetings.

was assigned consisting of the County Administrator, Assistant to the County Administrator, County Planning Director, County Planning and Development Specialist, and County Treasurer. This group met approximately bi-weekly throughout 2018 to ensure the project's forward movement.

As noted, although Allegany County and its municipalities opted to defer submitting a plan in the CWSSI's 2017 round, work began on identifying opportunities almost immediately. The following timeline provides a general overview of the steps taken in development of Allegany County's shared services plan. Public hearings in June and August, and the September / October deadlines, are as required by the CWSSI.

- **Early summer 2017:** Shared service panel is seated
- **June through October 2017:** Shared service panel meetings to inventory existing service delivery approaches and begin identifying potential new opportunities
- **January 2018:** County engages CGR to provide support identifying opportunities, engaging stakeholders and developing plan for submission
- **February 2018:** Baseline data collection initiated on municipal service delivery and financial indicators
- **March 2018:** Meetings with individual municipalities to discuss existing service delivery methods, willingness to consider shared approaches in specific functional areas, and perceived obstacles; initial stakeholder survey to gauge municipal interest in sharing specific services; update provided to County Board of Legislators; analysis of opportunities
- **April 2018:** Focus group workshops to discuss specific opportunities (highway, fire, clerk and consolidation) with municipal officials; additional meetings with individual municipalities; analysis of opportunities
- **May 2018:** Analysis of opportunities; electronic survey of town and village officials assessing willingness to share services in target opportunity areas
- **June 2018:** Analysis of opportunities; assembly of draft shared services plan
- **July 2018:** Stakeholder and public review of draft shared services plan
- **August 2018:** Submission of draft shared services plan to County Board of Legislators
- **September 2018:** Shared service panel final vote and submission to State

- **October 2018:** Public presentation of submitted plan (if approved by shared service panel, prior to October 15, 2018)

Public Meetings and Hearings

Public engagement is a critical part of the CWSSI effort, and Allegany County is committed to ensuring its residents and taxpayers are informed about the process and plan. Two public forums / workshops were held in April 2018 to inform the community as to the project's status and direction, and solicit feedback. CWSSI guidelines require counties to hold three public hearings on the draft plan prior to its submission. The first of those hearings was scheduled for June 26, 2018 at the Belmont BOCES Center, 5536 County Road 48. The two subsequent meetings were held in August 2018 coincident with submission of the draft plan to the County Board of Legislators.

Notes and Caveats

Allegany County's shared services plan is intended to comply with the requirements of the State's Countywide Shared Services Initiative. Moreover, the County and its municipal partners view this plan (and the planning process itself) as an opportunity to build on a history of successful collaboration by going even further in service of the residents and taxpayers who call our communities home. One related byproduct of the process has been improved communication – in fact, the possibility of creating a standing group of supervisors and mayors was discussed at several points during the planning process. Such a group would provide a valuable information-sharing vehicle for municipalities in Allegany County, and would complement existing groups of municipal clerks and highway superintendents in the County. Beyond the opportunities highlighted in this plan, the level of engagement offers potential for even more collaboration going forward.

That notwithstanding, the County wishes to acknowledge how the CWSSI planning mandate has placed a burden on it and its municipal partners. Meetings of shared service panel members, public forums, interviews with individual local governments and service providers, and engaging CGR to collect, organize and analyze data on opportunities has not been without cost or commitment. While the precise cost is indeterminate, the process has resulted in a heavy lift and material investment for the County and its many stakeholders.

The plan itself focuses on opportunities for new shared and coordinated actions that can be implemented in the next one-to-three years and offer new recurring property tax savings.

The following contextual points are important to understanding this plan and what comes next.

First, Allegany County's 2018 shared services plan is the result of good faith effort – on the part of the County, towns, villages and nongovernmental stakeholders – to identify opportunities that the panel believes can bear fruit in our communities. But it is important to recognize that this is merely a *plan.* Each of the initiatives contained herein, while eminently achievable, will require affirmative action on the part of elected officials (e.g. County Board of Legislators and / or municipal governing bodies) and local government staff to be formally adopted and effectively implemented. In some cases, the changes would be subject to permissive referendum by voters. The CWSSI planning process has created a framework of goodwill and enthusiasm for collaboration. Leveraging that will be key to ensuring this plan becomes reality.

Second, not every opportunity identified during our shared service planning process is fully detailed in this report. Some, while they remain of interest, require additional analysis and discussion. They may still offer potential for inclusion in a future CWSSI plan, particularly now that the State has made the shared services panels permanent. Our work to further explore those opportunities will continue beyond the submission of this initial CWSSI plan.

Third, we recognize that projecting precise savings figures for *any* of the shared service initiatives contained herein is difficult. While we believe in the savings potential of each, we also recognize that decisions made regarding implementation, partners, service levels, intermunicipal agreements and governance, among other factors, will factor into savings. Moreover, while the shared service panel has done its best to gather all relevant data, our financial and service information baseline is incomplete. For these reasons, we have endeavored to provide a frame of reference regarding savings in each opportunity area. In bringing the most primary and achievable shared service opportunities to the fore, we have tried to avoid having the "perfect" (i.e. the ability to precisely project savings) be the enemy of the "good" (i.e. a reasonable assurance that we *can* generate savings from these actions). Any shared service savings that may be State match-eligible under the CWSSI guidelines would, of course, be confirmed as part of implementation.

The Shared Services Plan

Allegany County's CWSSI plan is built around nine "opportunity areas" deemed by the panel to be achievable and capable of producing savings through collaboration:

- Leveraging health care consortia to generate insurance savings;

- Converting streetlights to LED technology;
- Group purchasing of electricity and natural gas;
- Online and county-supported tax collection;
- Centralized bulk purchasing;
- Joint tax assessment and property revaluation;
- Collaborating on water and sewer services;
- Evaluating potential municipal reorganizations; and
- Exploring shared highway equipment, offices, staff and contracts.

Beyond these core areas, a series of additional opportunities were discussed among municipalities as part of the CWSSI planning process. They did not rise to priority level, and therefore projected savings were not evaluated. The County will continue encouraging conversation around each opportunity and consider their inclusion in a future CWSSI shared service plan. These un-prioritized areas are:

- Animal control;
- Code enforcement;
- Document management and records retention;
- Financial services;
- Grant writing; and
- Information technology.

The following sections provide additional detail for each opportunity area, including an overview of the current state, articulation of the opportunity, summary of the potential benefits (including, where applicable, possible cost savings), and requirements for participating partners.

Each section also presents high-level response data from an electronic survey of town and village officials conducted in May to assess their willingness to share services in each target opportunity area.

Leveraging Health Care Consortia to Generate Insurance Savings

THERE IS INTEREST ON THE PART OF THE SHARED SERVICES PANEL AND SELECT ALLEGANY COUNTY MUNICIPALITIES TO PURSUE A HEALTH INSURANCE COOPERATIVE APPROACH.

Municipal cooperatives are health risk-sharing agreements that allow local governments to share costs of health care plans for their employees. The State

recently eased the process requirements of these arrangements, allowing municipalities to improve their health insurance while simultaneously addressing rising costs. In the past, municipalities have expressed concern that statutory language had blocked them from forming a municipal cooperative.

State Insurance Law Section 4704 provides that a newly formed municipal cooperative be comprised of at least three different municipal corporations, and that the participating corporations consist of at least 2,000 "covered lives" total (including retirees, but not including dependents). Existing municipal cooperatives are generally organized by municipal corporations in the same geographic area, but this is not a requirement.

The biggest roadblock for small municipalities to participate in cooperatives is the minimum claim reserve requirement. The reserve for payment of claims and related expenses reported must be no less than 25 percent of expected incurred claims and expenses for the current plan year, although a lesser reserve may be approved if a qualified actuary conducts an analysis to prove a lesser amount is adequate (no less than 17 percent). It is also worth investigating the utilization of Article 44, which could allow unions to vote on the plan and does not have a minimum reserve requirement.

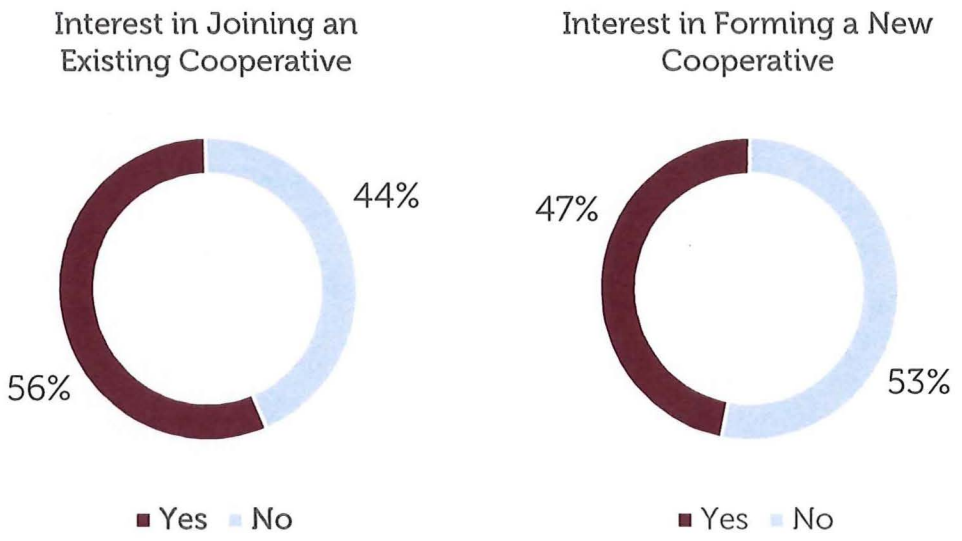
Several school districts in the region are currently utilizing cooperative models, with at least one model reporting an average annual increase in cost of 3-4 percent per year (with no more than 7 percent in any of the past seven years). The Allegany-Cattaraugus BOCES plan is administered by BlueCross BlueShield, which processes claims on behalf of the cooperative. The cooperative maintains additional contracts for prescription services, plan development consultants and actuarial services consultants.

Municipal cooperatives were first authorized in 1994 with the original purpose of protecting the financial stability and solvency of municipalities. The intent of the legislation was to provide safeguards necessary to keep municipal cooperatives that provide health benefits to employees of participating municipal corporations on a shared-funding basis from exposing municipalities and their taxpayers to unpredictable and potentially catastrophic liabilities.

Allegany County's towns and villages spent approximately $2 million in medical insurance costs in 2016, according to data from the Office of the State Comptroller. When the County's insurance costs are added, the total increases to more than $9 million. Conservatively, a consortium capable of reducing aggregate annual insurance growth from 7 percent to even 5 percent – which would still be above the average annual increase of the Allegany-Cattaraugus BOCES experience – would produce savings of $180,000 in the first year, compounding to $380,000 in the second year.

These savings figures assume full participation by all municipalities; actual participation levels will determine ultimate savings, as well as impact the cooperative's ability to meet the 2,000 "covered lives" threshold.

Approximately half of municipal executives responding to the electronic survey expressed a willingness to pursue this approach. Nine of 16 respondents (56 percent) indicated interest in joining an existing cooperative. Slightly fewer (8 of 17, or 47 percent) were interested in forming a new cooperative.



Converting Streetlights to LED Technology

THERE IS INTEREST ON THE PART OF THE SHARED SERVICES PANEL AND SELECT ALLEGANY COUNTY MUNICIPALITIES TO INITIATE A PROCESS OF CONVERTING EXISTING STREETLIGHTS TO MORE COST-EFFECTIVE LED TECHNOLOGY.

Many of the County's towns and villages have street lights that are operated either at the municipal level or by a private utility company. While these street lights in many cases provide needed illumination to intersections for safety reasons or to the benefit of creating safe and appealing walkable areas, they can also represent material electricity and maintenance costs for taxpayers. In 2016, Allegany County municipalities paid more than $250,000 in street lighting costs between their respective General (A) and Street Lighting (SL) funds.

Local governments are increasingly turning to LED lighting as a more cost-effective solution. A recent State program introduced in 2018, called "Smart Street Lighting NY,"

seeks to convert 500,000 street lights to LED technology by 2025. The program could potentially save taxpayers $87 million per year, allowing local governments to provide better, cleaner, safer services without increasing the tax burden. The program is run by the New York Power Authority (NYPA) in conjunction with the Department of Public Service, New York State Energy Research and Development Authority (NYSERDA) and the Department of Environmental Conservation (DEC) in an effort to provide a "one-stop shop" solution for municipalities.

Street Lighting Costs (2016)

	A Fund	SL Fund	Total
Town of Alfred	$ 810	$ -	$ 810
Town of Almond	$ 392	$ -	$ 392
Town of Belfast	$ 7,396	$ 7,015	$ 14,411
Town of Caneadea	$ 7,021	$ 18,664	$ 25,685
Town of Centerville	$ 2,960	$ -	$ 2,960
Town of Clarksville	$ 1,754	$ -	$ 1,754
Town of Cuba	$ 1,395	$ -	$ 1,395
Town of Genesee	$ 4,874	$ -	$ 4,874
Town of Granger	$ 135	$ -	$ 135
Town of Wellsville	$ 1,126	$ -	$ 1,126
Village of Almond	$ 9,125	$ -	$ 9,125
Village of Andover	$ 15,552	$ -	$ 15,552
Village of Angelica	$ 14,241	$ -	$ 14,241
Village of Belmont	$ 18,600	$ -	$ 18,600
Village of Bolivar	$ 18,618	$ -	$ 18,618
Village of Canaseraga	$ 11,564	$ -	$ 11,564
Village of Cuba	$ 50,004	$ -	$ 50,004
Village of Richburg	$ 5,834	$ -	$ 5,834
Town of Alma	$ -	$ 1,861	$ 1,861
Town of Friendship	$ -	$ 22,838	$ 22,838
Town of Grove	$ -	$ 1,821	$ 1,821
Town of Independence	$ -	$ 7,620	$ 7,620
Town of Rushford	$ -	$ 8,007	$ 8,007
Town of Scio	$ -	$ 17,788	$ 17,788
Town of Wellsville	$ -	$ 160	$ 160
Grand Total	**$ 171,401**	**$ 85,774**	**$ 257,175**
Revenue	$ -	$ 96,217	$ 96,217
Net (Rev - Exp)	$ (171,401)	$ 10,443	$ (160,958)

NYPA works with local governments to implement the transition to LED technology, as well as provide upfront financing opportunities. Governments are provided with an array of lighting options catered to their needs, which can integrate public safety, telecommunications and other areas. In 2016, the State Public Service Commission amended the Public Service Law to transfer ownership of street lighting systems to

local governments. The Public Service Commission approved Section 70-a, more commonly referred to as the transfer of street light systems, on October 13, 2016, providing guidelines for municipalities to begin the process of purchasing their streetlights from the electric utility that owns them.

Under the program, existing conventional streetlights are replaced with energy-efficient LED and / or SMART technology. Both energy and maintenance cost savings can expect to be realized from the switch. All government entities, subject to credit approval, are qualified for the financing program whether they are a NYPA customer or not. Payments will be made to NYPA in the following years from cost savings generated by the energy-efficient LED streetlights.

Also, certain participating communities may be eligible to access grant funding, up to $250,000, with no cost share. Additional information is available at https://www.nyserda.ny.gov/All-Programs/Programs/Clean-Energy-Communities/Clean-Energy-Communities-Program-High-Impact-Action-Toolkits/Community-Choice-Aggregation.

There are options available to municipalities. Interested towns and villages can choose to let the utilities own the fixtures and then share in the cost savings generated by converting to LED lights. Alternatively, municipalities can purchase the light fixtures outright. In these cases, interested municipalities need to send a letter to their individual utility company requesting a purchase price quote. The utility has 90 days to respond and is required to quote the current negotiated book rate, which can be verified by the State Public Service Commission. Once all interested municipalities have their purchase price quotes, providing the final group of interested towns and villages have aggregated at least 800 street lights, then each signs an individual contract with NYPA to represent them in the purchase and conversion process. NYPA then works to coordinate the purchase of fixtures and signs a single contract with a vendor to complete the conversion and replacement process.

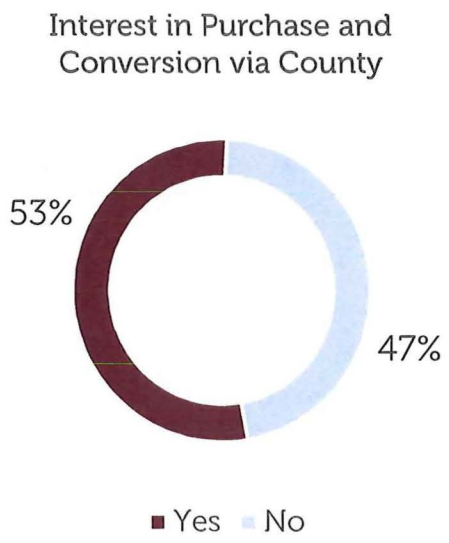
Purchase price is estimated at $100 per fixture, although several participating municipalities have received significantly lower quotes from utility providers. Conversion and replacement contract price for each fixture is estimated at $330, including $200 for materials (smart technology, fuses for each pole and a 10 percent contingency) and approximately $130 for labor. The total estimated cost per fixture to participate in this program is $430 per fixture.

Municipalities can expect to recoup purchase and installation costs through annual savings from utilizing less electricity through LED technology and no longer paying for fixed facilities charges associated with leasing light fixtures from the utilities.

To lower the administrative burden on individual towns and villages, the County can assist in coordinating with NYPA on the application process and in meeting technical requirements of the program. This process would aggregate the most number of street lights under one application, which could lead to reduced replacement costs per street light. In order for NYPA to coordinate the contract for fixture conversion and light replacement, there must be a minimum of 800 street lights across the towns and villages. As an example, Livingston County is currently working with NYPA to serve as an aggregator for up to six towns and villages. It is estimated that Allegany County would need an additional 175 streets lights from participating municipalities to reach the aggregation threshold.

It is difficult to project the level of savings that would be enabled by a conversion to LED streetlights. Notably, any purchase of streetlights as part of the conversion would create initial up-front costs, though recurring savings would offset them over time and eventually become net overall savings. As a frame of reference, we note that a recent LED conversion project in Binghamton is expected to save 40-50 percent on street lighting electricity costs over time, in combined electricity and maintenance costs. In the context of the current countywide spending level in Allegany, similar savings would amount to $100,000 to $125,000 at full implementation.

Approximately half of municipal executives responding to the electronic survey expressed a willingness to pursue this approach. Eight of 15 respondents (53 percent) indicated interest in pursuing this process across all municipalities on a countywide basis.



Allegany COUNTY New York

Group Purchasing of Electricity and Natural Gas

THERE IS INTEREST ON THE PART OF THE SHARED SERVICES PANEL AND SELECT ALLEGANY COUNTY MUNICIPALITIES TO PARTICIPATE IN GROUP PURCHASING OF ELECTRICITY AND NATURAL GAS THROUGH THE MUNICIPAL ENERGY AND GAS ALLIANCE.

Most local governments in Allegany County fill their energy needs for municipal facilities, including water and sewer facilities, by purchasing directly from private providers. This results in minimal leverage to negotiate the most favorable rates and contract terms. Where municipalities have engaged in group approaches, they have seen benefits. For example, Alfred benefits from municipal energy purchasing via the Association of Towns, and indicates it has cut its rate in half. Three others – Caneadea, Rushford and Ward – participate in MEGA, the Municipal Energy and Gas Alliance.

MEGA is an aggregator of electricity, natural gas and renewable power. Established in 2001, it is a local development corporation that serves local governments and affiliated entities by group purchasing of energy products and services. At present it serves more than 30 county governments in New York and more than 250 municipalities, as well as school districts.[5]

MEGA does not buy or sell electricity or natural gas, but rather serves to aggregate demand by combining the power load of customers in each utility service area and seeking bids on the open market in full compliance with State public bidding regulations. Covering over 500 million kWh / year of electricity and 10 million therms of natural gas, the result is more competition among suppliers resulting in lower end user costs. Once the bid process is complete, participants in MEGA decide whether or not they wish to enter into a contract. The power commodity — electricity or natural gas — is still delivered by one of the major utilities (e.g. NYSEG, National Grid), which is also responsible for delivery of service and maintenance of lines.

There is no cost associated with participation in MEGA and there are no fees to join or annual membership dues. Participants pay only for the energy they use. Designated energy suppliers pay a fee to MEGA per kwh of electricity or therm of gas and that fee is specified in the bids. Madison County, NY procures a cooperative energy purchasing agreement with MEGA for municipal electric and natural gas.

[5] See http://www.megaenergy.org/about/#mega-background

Allegany COUNTY New York

The following chart produced by MEGA shows a range of savings by municipal usage level to illustrate the potential benefits of joining.

Sample County Shared Services Savings Profile, Energy

Prepared by the Municipal Electric and Gas Alliance, P.O. Box 88, Ithaca, NY 14851

Total Estimated Savings[1], Electricity and Gas, All Municipalities in Sample County	**$88,281.00**

Mega Participant	Annual Usage (kWh)	Annual Usage (therms)	Term (Years)	Estimated Term Savings (Electric)	Estimated Term Savings (Natural Gas)	Estimated Term Savings (Gas and Electric)
Muni A	75,000	2,500	2.5	$347.00	$189.00	**$536.00**
Muni B	150,000	5,000	2.5	$694.00	$378.00	**$1,072.00**
Muni C	200,000	7,500	2.5	$925.00	$566.00	**$1,491.00**
Muni D	500,000	10,000	2.5	$2,313.00	$755.00	**$3,068.00**
Muni E	1,000,000	50,000	2.5	$4,625.00	$3,775.00	**$8,400.00**
Muni F	1,500,000	75,000	2.5	$6,938.00	$5,663.00	**$12,601.00**
Muni G	2,500,000	100,000	2.5	$11,563.00	$7,550.00	**$19,113.00**
Muni H	5,000,000	250,000	2.5	$23,125.00	$18,875.00	**$42,000.00**

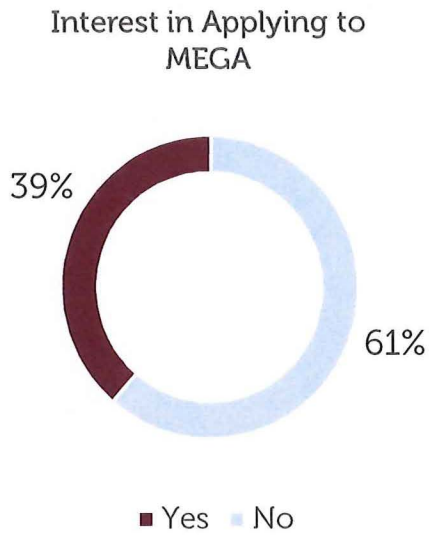
[1] The Municipal Electric and Gas Alliance (MEGA) commissioned a savings study in August of 2016 to determine the impact of our program on our participants. Energy Research Consulting Group (ERCG) was retained to quantify the savings achieved by MEGA since its inception in 1999. The methods used to quantify the savings include: calculating the fee difference for MEGA compared to industry averages for the non-residential customer segment and multiplying by volumes served in each segment, estimating the negotiated rate savings (MEGA's buying power vs. an individual entity), and determining the parameters of savings by commodity (power and gas), customer segment, and year.

Overall, MEGA has saved participants approximately $13.7 million in "hard savings (difference between MEGA's program fees vs. industry standard and the negotiated rate savings). The breakdown of the hard savings is as follows: MEGA customers save $0.0016/kWh and $0.0272/therm in industry fees (per unit) annually, and $0.00025/kWh and $0.0030/therm in negotiated rate savings (per unit) annually.

We calculated the municipality specific savings by multiplying its 2016 usage against the sum of the cost components for the hard savings.

It is difficult to project savings that would accrue to each municipality through MEGA. However, the experience of those Allegany localities that have already utilized group procurement indicates that there would be a unit cost benefit to doing so. Data were unavailable for annual usage of electricity and natural gas for all municipalities, making it impossible to quantify savings. However, it is reasonable to expect rate reductions through leveraged purchasing to generate between $15,000 and $50,000.

Nearly 40 percent of municipal executives (7 of 18) responding to the electronic survey expressed an interest in applying to the MEGA program.



Online and County-Supported Tax Collection

THERE IS INTEREST ON THE PART OF THE SHARED SERVICES PANEL AND SELECT ALLEGANY COUNTY MUNICIPALITIES TO PURSUE A SHARED TAX COLLECTION APPROACH THROUGH ALLEGANY COUNTY. THERE IS SIMILAR INTEREST IN CREATING ONLINE TAX PAYMENT CAPABILITY REGARDLESS OF THE WHETHER THE COUNTY ASSUMES COLLECTION RESPONSIBILITIES.

Tax collection is a process common to all municipalities in Allegany County. It is also one done individually on a government-by-government basis. Often the role is served by the municipal clerk and / or their staff, though the amount of time required varies by community. For town and village governments alone, clerk and tax collection expenses in 2016 totaled more than $650,000.

In discussions with a number of municipalities, interest was expressed in a more integrated and streamlined approach to tax collection. The interest spans multiple steps in the collection process – from "stuffing" and metering / mailing actual bills, to receiving payments.

In terms of receiving payments, discussion focused on two potential approaches. One, which had the greatest support, would involve the County handling tax collection on behalf of towns and villages. The other, which was supported by less than a quarter of survey respondents, would involve multiple towns and villages combining their tax

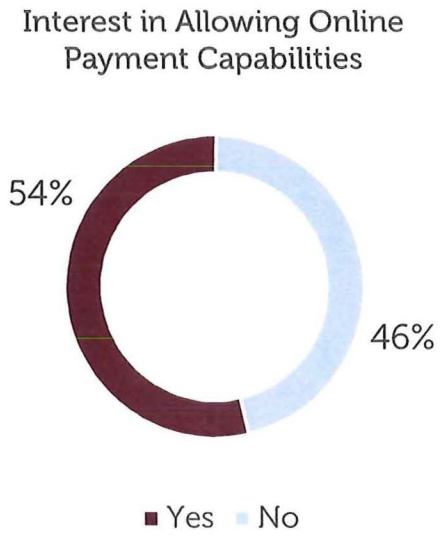
collection function into a single town operation (and potentially including school districts as well).

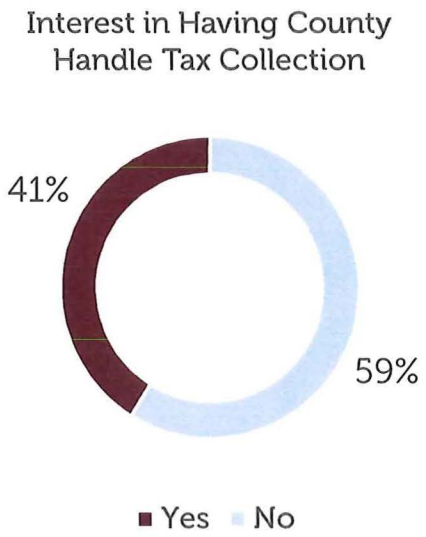
Establishing the County as the designated tax collector for all towns would build on an existing shared arrangement wherein the County prints tax bills for towns and villages. Under this enhanced model, the County would further assume the roles of mailing bills and receiving payments.

A related option that received majority support from survey respondents would be to convert all local governments to online tax collection capability. While this is achievable regardless of whether a consolidated countywide tax collection model is implemented, establishing the County as designated tax collector would ease implementation.

It is difficult to project savings that would result from a consolidated tax collection model and / or online tax payment capability. Regarding online payment, one variable that is unknown at the present time is the extent to which a percentage of taxpayers would likely still prefer to pay their bill in-person at the municipal building. A reasonable frame of reference for potential savings is approximately 3 to 5 percent of current clerk / tax collection expenditures, or $20,000 to $30,000.

More than half of municipal executives responding to the electronic survey expressed a willingness to allow online tax payment capability. A slightly smaller share expressed interest in having the County handle all aspects of tax collection through a formal shared service.





Centralized Bulk Purchasing

THERE IS INTEREST ON THE PART OF THE SHARED SERVICES PANEL AND SELECT MUNICIPALITIES TO PURSUE MORE COLLABORATIVE PURCHASING APPROACHES, THROUGH INTERMUNICIPAL AGREEMENT AND / OR CREATION OF A COUNTYWIDE PURCHASING PROGRAM.

In instances where purchasing functions are handled by administrative staff or part-time purchasing staff (which is characteristic of most towns and villages in the County), policies and practices vary widely. Issuing RFPs and gathering price comparisons is time consuming, particularly for more complex commodities or items that require detailed specifications.

Pooling purchasing resources or choosing to establish a formal purchasing cooperative are opportunities to lower the administrative and staffing burden associated with purchasing functions. Moreover, bulk purchasing of common items offers an opportunity to lower unit costs and save money. The range of benefits available through a shared purchasing approach includes:

- Reduced paperwork;
- Simplified purchasing and payment process;
- Comprehensive merchants and purchasing controls;
- Cost savings through lower transaction processing costs for each purchase;
- Better pricing through bulk procurement;
- Expedited payment and lowered risk of penalties due to delayed payments; and
- Discounts / refunds / rebates based on dollar volume.

In discussions with Allegany County's local governments, three shared models were identified. Notably, each received at least majority support among survey respondents.

The first option involves pursuing a joint / pooled purchasing function across municipalities through intermunicipal agreement. Municipalities that currently fund part-time purchasing staff (or rely on administrative staff to handle these duties) could jointly designate and support a dedicated purchasing agent to better coordinate, assemble and publish bid documents; issue bid notices; receive sealed proposals; administer bid openings and issue awards. This coordination would also allow for identification of common purchases across governments (and / or piggybacking on existing competitive bids), creating unit cost reductions through bulk purchase.

A second option involves a countywide purchasing program. Creating a purchasing cooperative through the County would allow coordinated purchasing for mutually agreed upon services, supplies and equipment. As an example, the Counties of

Dutchess, Rockland and Ulster, along with the City of New Rochelle and the Town of Cortland, created the Hudson Valley Municipal Purchasing Group (HVMPG), a purchasing cooperative. The group identified opportunities for cooperative bidding among its members, and optimized the procurement process by reducing the need for duplicative procurement contracts, establishing best practices and creating product standards.[6]

A third option emerged during conversation with the municipal clerks, namely greater intermunicipal sharing of processes, resources and best practices around purchasing. Establishing an FAQ document and list of designated purchasing coordinators for each town and village would help existing staff share cost savings ideas and help inform newly hired staff that may not have performed purchasing functions in the past.

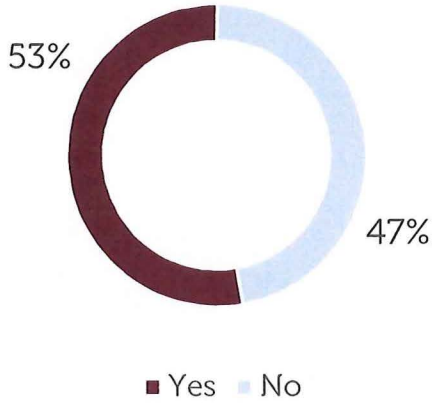
Any of the above options could be expanded in scope to include the fire districts, fire companies and independent volunteer ambulance companies that provide essential services to the County. These organizations are primarily staffed by volunteers that may have limited time to research best values. Also, pooling the demand for products from first aid supplies to specialized firefighting apparel to fire apparatus would likely lead to better pricing. A concerted effort to coordinate the types of materials purchased can also lead to greater interoperability of the organizations. A meeting with representatives of County fire services indicated interest in group purchasing and the development of standard equipment and materials inventories.

It is difficult to project savings that would result from collaborative purchasing. Certain benefits, such as greater staff capacity and reductions in process duplication, would not directly save money. But leveraging / bidding common purchases to drive down unit costs would generate some savings. As a frame of reference, note that Allegany County's towns and villages spent a total of $14.6 million on equipment, capital outlay and contractual services in 2016 (i.e. all expenditures less personal services, debt service and transfers). Though not all of those purchases would be relevant to a shared procurement model, even a 1 percent savings would generate $146,000. Fire districts spent an additional $900,000. Adding a similar level of savings from them would increase the overall potential to nearly $240,000.

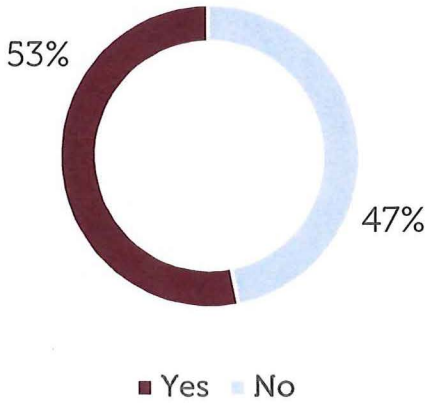
[6] See http://purchasing.rocklandgov.com/include/docs/HVMPG_Cooperative_Purchasing_Guide.pdf

More than half of municipal executives responding to the electronic survey expressed an interest in sharing purchasing functions across municipalities and sharing best practices regarding purchasing. Slightly fewer, but still half, are interested in a countywide purchasing program.

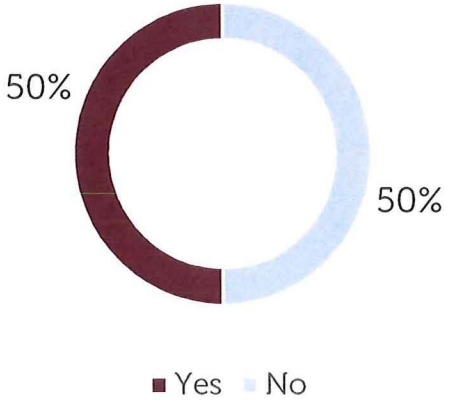
Interest in Shared Intermunicipal Purchasing



Interest in Sharing Best Practices and Approaches



Interest in Countywide Purchasing Program



Allegany COUNTY New York

Joint Tax Assessment and Property Revaluation

THERE IS INTEREST ON THE PART OF THE SHARED SERVICES PANEL AND SELECT MUNICIPALITIES TO PURSUE LOCAL COORDINATED ASSESSMENT PROGRAMS (CAP) AMONG TOWNS.

An effective and equitable tax assessment system is the basis for funding many of the municipal services in Allegany County. This is because property taxes are a critically important revenue source for local governments. Today there are 29 separate tax assessment units throughout the County, with towns serving as the service provider. There has been past experimentation with Coordinated Assessment Programs (CAPs), whereby State Real Property Tax Law permits the merging of assessment functions into a single multi-town unit. Those partnerships have included Caneadea and Rushford, Alma and Wellsville, and Allen and Birdsall.

In 2016, Allegany County's towns collectively spent nearly $490,000 on assessment related functions. And though the assessing units are largely separate (i.e. no extensive use of CAPs at the current time), there is a good degree of "sharing" occurring in the use of common assessors. Most assessors serve more than one town. Indeed, one assessor serves in that capacity for 11 towns; another does so for 6 towns. Multiple others serve as assessor for 2 towns. So although the assessing units are technically separate, this provides a natural framework for additional sharing across towns.

One concern voiced by municipal officials is the challenge in finding qualified assessors. The technical knowledge required to provide the service equitably and effectively renders the pool of available experts narrow. More formal sharing among towns – or potentially between towns and the County – may reduce the size of the staff pool required to effectively deliver assessment services countywide.

There are other potential benefits. Joint use of common assessors and / or assessment offices can enable shared training costs, greater consistency, reduced complaints / challenges, and negotiation of lower per parcel rates.

Three potential shared service models were explored. Two – a county-run model and a county-coordinated model – offer potential savings but did not receive support from a majority of survey respondents. A third – locally coordinated assessment among towns – was supported by almost half of survey respondents.

The third model, locally coordinated assessment, was most supported among survey respondents. Section 579 of Real Property Tax Law allows two or more assessing units located in the same county (or adjoining counties), having the same level of

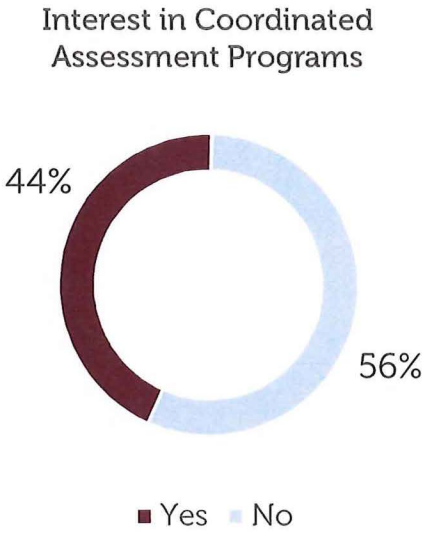
assessment, and having the same assessor, to enter into an agreement to become a Coordinated Assessment Program (CAP). Under this arrangement, the State Board establishes identical equalization rates for all of the assessing units in the CAP. In addition to yielding standardization benefits, the CAP model can be particularly useful in spreading assessment costs between or among jurisdictions.

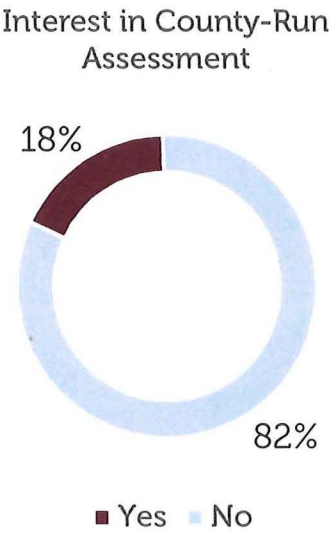
Exercising this option would allow the current utilization of Rushford's assessor by 10 different towns to become a formalized sharing agreement. This grouping currently funds one full time assessor, one part time assistant assessor, a part time data collector and a part time clerk. The total budgeted cost, including retirement expenses and contractual costs, was $131,000 in 2018, with costs projected to be offset by revenues from participating towns. Formalizing this shared service agreement can claim savings that amount to the difference between the $10-11 per parcel fee charged compared to the countywide average. That would translate to $10,000 to $20,000. Extrapolating those savings to other towns not currently using a shared model, the figure grows to $60,000 to $80,000 countywide. Additionally, it would provide a framework for shared bidding of revaluation services as they are required by separate towns.

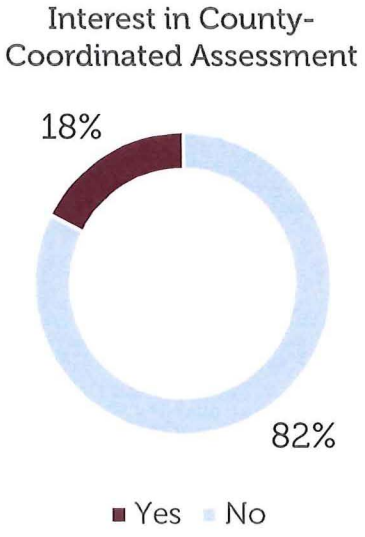
Under the county-run model, the town assessing units would effectively "get out of the business" of administering assessment, and the responsibility would shift to the County. Under the county-run system, the Director of Real Property Tax Services would be replaced by a Director of Assessment. Multiple counties in New York currently operate this model, including Nassau and Tompkins. While there would be savings at the municipal level, the County would almost certainly have to add staff capacity to absorb the additional workload. Even with the addition of a full-time assessor and additional part-time support, savings would likely result. We estimate that savings potential at $100,000 to $150,000.

Under the county-coordinated model, town assessing units would not be eliminated but the functional responsibility would shift to the County. Each town would surrender operation of their function and contract directly with the County for all assessment services. Schuyler County has used a coordinated model under contract with its town governments.

Nearly half of municipal executives responding to the electronic survey expressed an interest in pursuing Coordinated Assessment Programs (CAPs) between and among town governments. There was less interest in models that would be run or coordinated by the County.







Collaborating on Water and Sewer Services

THERE IS INTEREST ON THE PART OF THE SHARED SERVICES PANEL AND SELECT MUNICIPALITIES TO PURSUE CENTRALIZED APPROACHES TO TRAINING AND CERTIFICATION, AS WELL AS TO EXPLORE SHARED OPERATIONS CONTRACTS AMONG MUNICIPALITIES.

There are currently 16 municipalities (7 towns and 9 villages) that fund water and sewer systems in Allegany County. Their combined 2016 expense exceeded $5.2 million. Of that total, water accounted for $3.0 million; sewer, $2.2 million. Structured as enterprise funds, both water (FX and SW funds) and sewer (G and SS funds) were offset by revenues of roughly the same amount.[7]

The breakdown of costs by category are similar across water and sewer. For water, personnel costs (including benefits) represented 39 percent of expenses, followed by contractual expenses (30 percent), debt (27 percent) and equipment / capital (3 percent). For sewer, personnel was 40 percent, contractual expenses 33 percent, debt 25 percent and equipment / capital 3 percent.

Municipalities are facing a series of common challenges with respect to their water and sewer systems. These include:

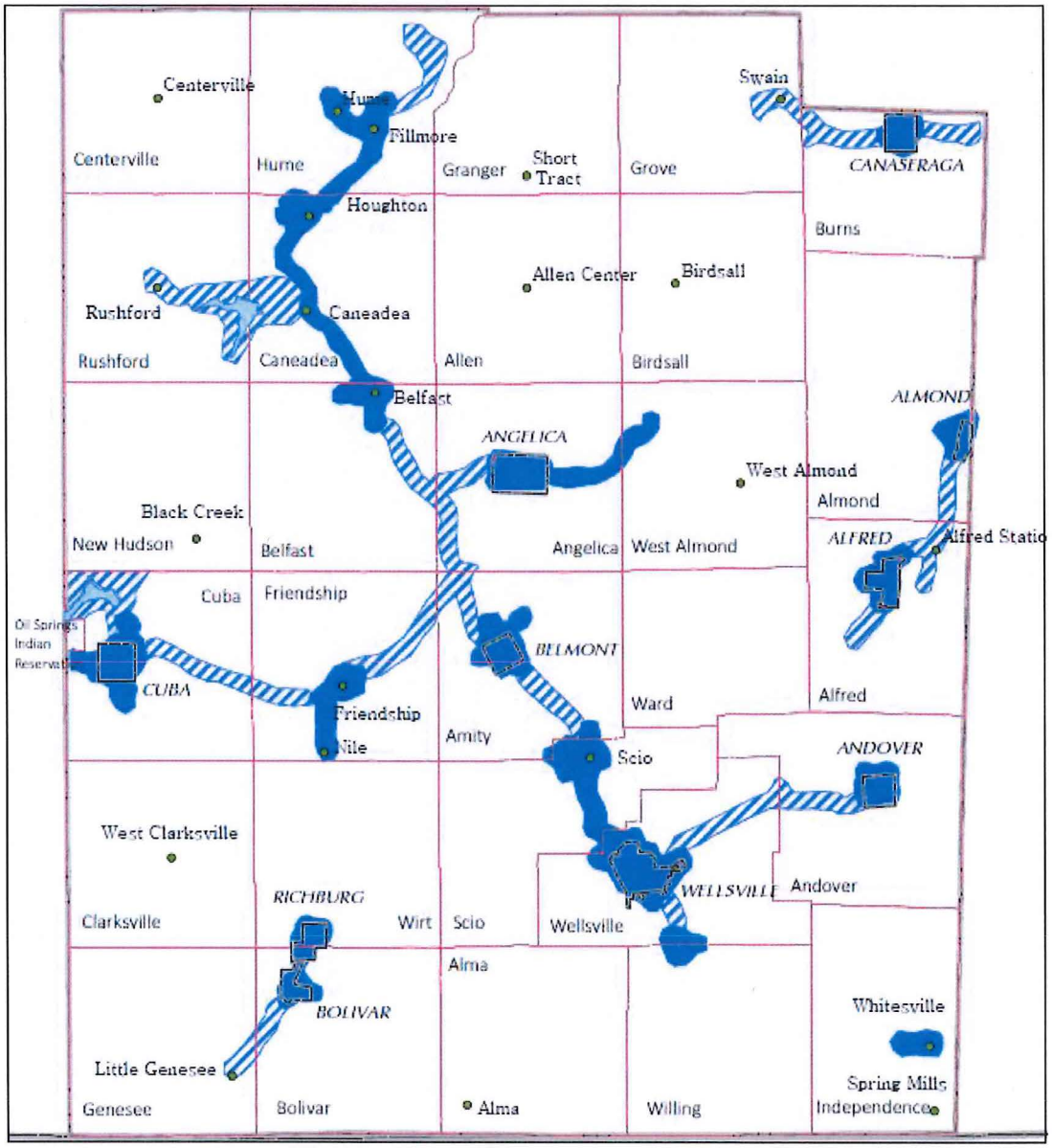
- Aging infrastructure;
- Capital reinvestment needs;
- Varied debt burdens;
- Already limited (and yet declining) user bases;
- Rate administration pressures;
- Retirement eligibility and succession planning; and
- Training needs across a range of certifications and job classes.

Since at least 2017, there have been ongoing conversations around finding ways to share water operator services, integrated staff training, sharing water and sewer capacity across municipalities, and potentially creating a countywide water authority. Challenges raised during these conversations have included how best to pay for shared staff across union and non-union operations, local availability of certified personnel, and different rate structures.

[7] Two water systems – the Village of Alfred serving Alfred State College and Alfred University, and Stannards Water, serving a subdivision of the towns of Wellsville and Willing, did not report expenses to the State Comptroller's Office for 2016 and are not reflected in the expense and revenue data.

Allegany COUNTY New York

Existing and Planned Water Service Areas, Allegany County



Legend:

- Existing Water Systems
- Proposed Water Systems
- Cuba & Rushford Lakes
- Hamlets
- Villages
- Town Lines
- County Boundary
- New York State

Existing Water Systems data based on Village & Town Southern Tier West, Allegany County GIS/GPS information.

Proposed areas are conceptual for future growth and health needs.

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0 1 2 4 Miles

N W E S

Allegany County Comprehensive Plan
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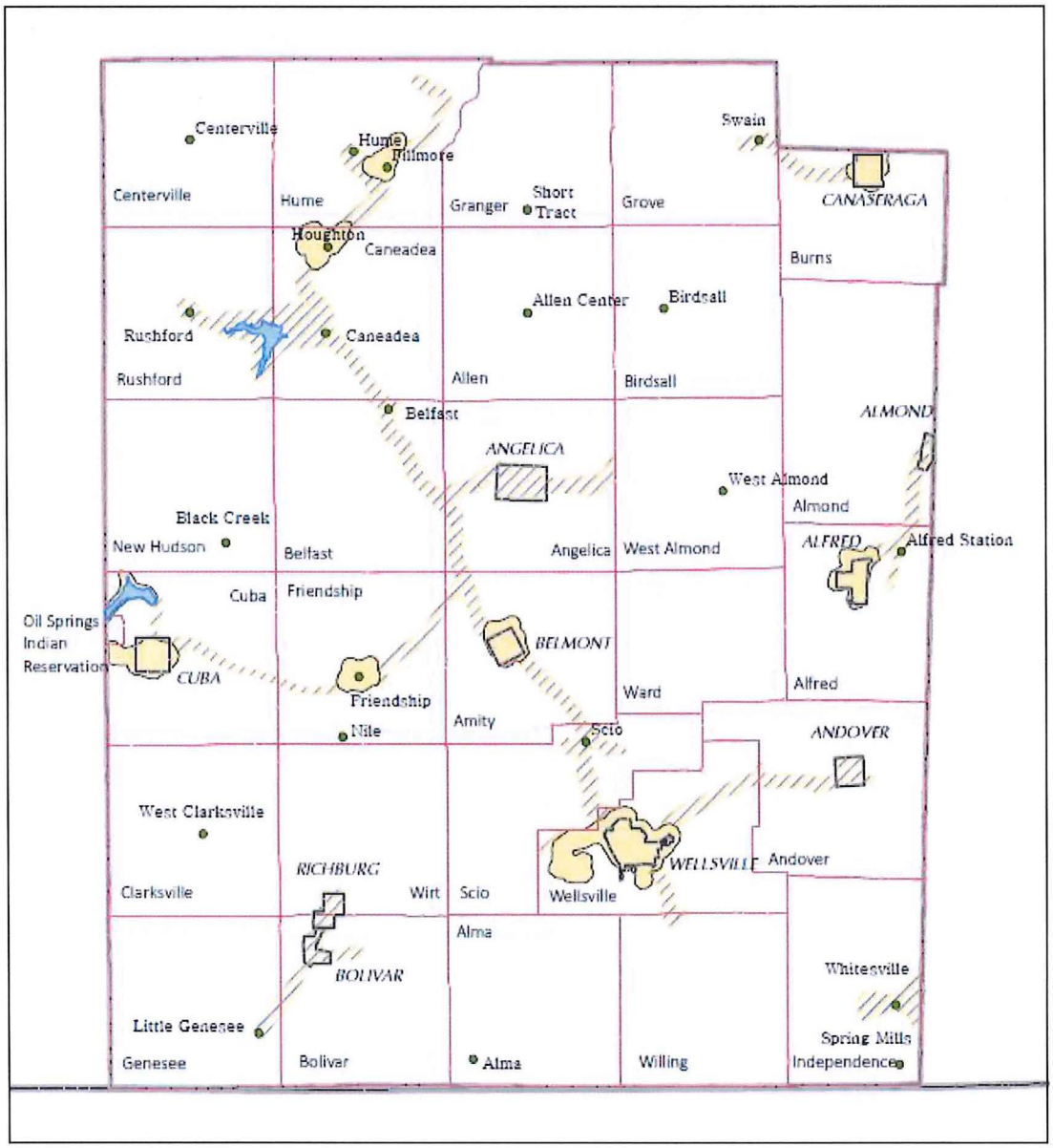
Allegany COUNTY New York

Existing and Planned Sewer Service Areas, Allegany County



Legend:

- Proposed Sewer Systems
- Existing Sewer Systems
- Cuba & Rushford Lakes
- Hamlets
- Villages
- Town Lines
- County Boundary
- New York State

Existing Sewer Systems data based on Village & Town Southern Tier West, Allegany County GIS/GPS information.

Proposed areas are conceptual for future growth and health needs.

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In discussions, a range of potential collaborative models was explored, including creating a countywide authority, centralizing training and certification needs, and establishing shared operations contracts that span multiple systems.

A countywide authority could be structured in at least two ways. Under one approach, an authority could serve as the consolidated owner / operator of all existing municipal systems. This could potentially enable efficiencies through merger of administration, billing, operations and maintenance functions across currently separate providers. It would also open opportunities for creating broader infrastructure master plans and evaluating future needs for water and sewer throughout the County. However, notwithstanding the discussions that have occurred in recent years, survey respondents generally did not support pursuing a merged authority owner-operator model. The sentiment was consistent across municipalities regardless of whether they currently operate a municipal water / sewer system.

A variant of the model could involve the county authority as a contract staff provider to individual systems. Under this approach, current systems could remain independently owned and operated, but the systems could contract for personnel through the authority. A single authority may be in a position to cast a wider net in sourcing qualified, certified water and sewer system operators, whose skills could be deployed to operate multiple municipal systems simultaneously. This approach could also serve as a stepping stone to system integration in the future if communities become interested in that model.

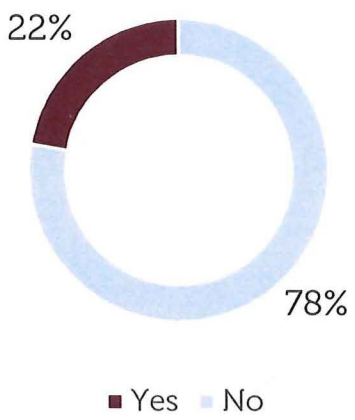
This variant appears to have greater support among towns and villages. The rate at which respondents supported centralized training / certification, although still a minority of respondents, was double the rate of those supporting the idea of combining individual systems into a larger framework.

A related approach may involve shared operations contracts among municipal providers. This would provide an opportunity to jointly operate water and sewer systems through common staff, and enable streamlining of common support functions such as billing, planning and engineering.

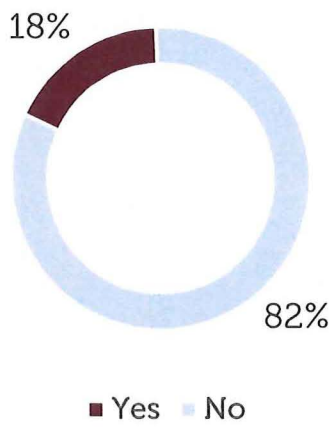
Although we believe there are efficiency opportunities to be gained through a more collaborative approach to operating the water and sewer systems in Allegany County, it is impossible to project the potential cost savings without additional and more detailed analysis.

Few municipal executives responding to the electronic survey expressed an interest in pursuing either a merged County authority or combining individual water / sewer systems. Slightly more respondents expressed a willingness to consider a centralized training / certification approach or shared operations contracts across municipalities.

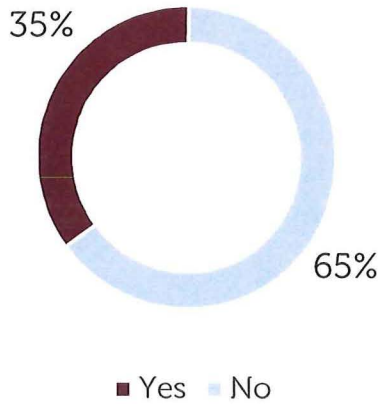
Interest in Merging into a County Authority



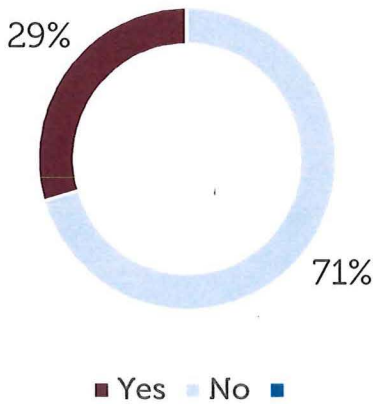
Interest in Expanding or Combining Systems



Interest in Centralized Training and Certification



Interest in Shared Operations Contracts



Allegany COUNTY New York

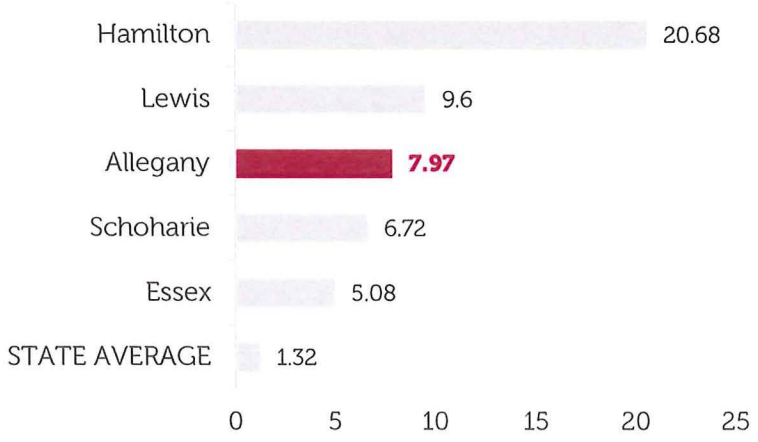
Evaluating Potential Municipal Reorganizations

INTEREST WAS EXPRESSED BY SEVERAL MUNICIPALITIES TO FUTURE EXPLORE THE POTENTIAL BENEFITS THAT MAY RESULT FROM CONSOLIDATING LOCAL GOVERNMENTS.

As part of interviews and focus groups, several town supervisors, village mayors and other elected officials expressed a desire to investigate further the potential process and impact of municipal reorganization. No commitments were reached during this phase of the CWSSI planning process, so this component of our plan does not constitute a formal roadmap to move forward with any particular municipal combination(s). However, the willingness to explore what such a combination could entail represents an important building block for future discussions.

Preliminary discussions during the CWSSI planning process focused on town consolidations. A range of hypothetical permutations was considered, including merging two, three or four towns into a single municipality or the reorganization of villages and towns. Allegany County has the third-highest density of towns and villages of any county in New York State, at 7.97 per 10,000 residents, behind only Hamilton and Lewis Counties. Related, several towns expressed concern about their ability to maintain a pool of engaged residents to run for office or serve on committees.

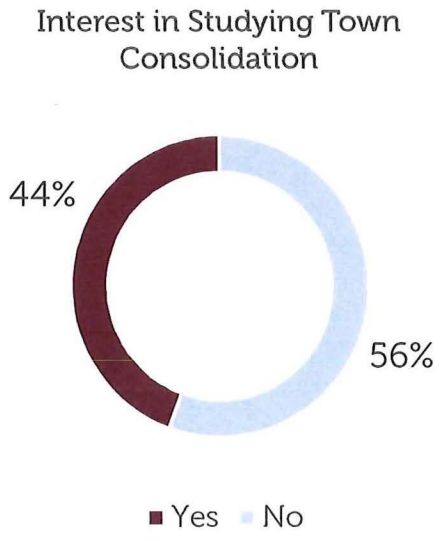
Counties in NYS with Most Town Governments per 10,000 Population



The savings potential of any municipal reorganization is entirely dependent on the participating municipalities, the services they deliver, the methods used to deliver those services, and the plan for providing services in a consolidated framework. For that reason, projecting savings is impossible at this time. As a frame of reference, however, consider that the median town government spending in Allegany County is more than $800,000. Hypothetically, if two such median towns were to combine, even a modest 3 percent savings would generate $25,000 in savings. Moreover, under the State's Citizen Empowerment Tax Credit program, a consolidation would be eligible for a 15 percent "match" of the combined tax levy of the merging governments. The median Allegany County town has a general fund property tax levy of approximately $200,000. Hypothetically, two such median towns would be eligible for annual CETC support of $60,000.

Again, calculating the true impacts of any proposed town consolidation (or village dissolution) would depend entirely on the actual towns involved.

Nearly half of municipal executives responding to the electronic survey expressed an interest in studying the consolidation of two or more towns.



Allegany COUNTY New York

Exploring Shared Highway Equipment, Offices, Staff and Contracts

INTEREST WAS EXPRESSED BY SOME MUNICIPALITIES TO PURSUE SHARED HIGHWAY EQUIPMENT AND SUPPLY PURCHASING, AS WELL AS EXPLORE INTERMUNICIPAL CONTRACTING FOR HIGHWAY FUNCTIONS.

Highway services is among the largest expenditure categories for local governments in Allegany County. A manpower- and equipment-intensive service, it is generally among the most costly. At the same time, highway services are already characterized by a relatively high level of intermunicipal collaboration.

After considering the potential to create new shared services across highway departments, the panel found no immediate opportunities to generate new savings. However, there was preliminary interest in exploring possibilities such as shared equipment purchasing and establishing a shared gravel pit / purchasing contract. Some, albeit less, support exists for exploring intermunicipal contracting for highway services or sharing a highway superintendent across towns. Another potential option involves creation of an intermunicipal mixing center which can blend a replacement and similar acting non-toxic liquid for brine for dust control and hardening of town dirt roads. The DOT de-icing mixing center in Hornell would be an example to look at. This would be an environmental and health benefit as well as economical shared service for local towns. This would replace the current use of oil and gas field brine due to the potential environmental and public health impacts from continued usage.

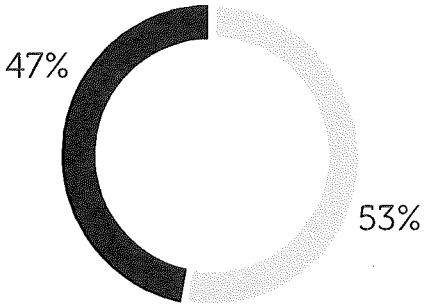
Allegany COUNTY New York

	Road Miles	Miles Unpaved	Percent Unpaved	Grand Total	2016 Expenses	Cost Per Mile
Allen	3.26	43.56	93%	46.82	$256,827	$5,485
Birdsall	0.02	34.44	100%	34.46	$252,675	$7,332
Wirt	18.33	27.84	60%	46.17	$344,588	$7,463
Granger	0.76	46.08	98%	46.84	$385,584	$8,232
Ward	0.00	32.96	100%	32.96	$283,364	$8,597
Centerville	29.56	20.23	41%	49.79	$453,041	$9,099
Scio	19.98	18.98	49%	38.96	$415,797	$10,672
Almond	13.93	40.85	75%	54.78	$605,611	$11,055
West Almond	0.32	33.06	99%	33.38	$373,637	$11,193
Caneadea	35.63	15.01	30%	50.64	$574,389	$11,343
Andover	25.86	24.73	49%	50.59	$583,803	$11,540
Independence	29.35	20.50	41%	49.85	$591,444	$11,864
Amity	28.93	3.16	10%	32.09	$392,919	$12,244
Burns	12.12	16.37	57%	28.49	$349,099	$12,253
Clarksville	11.70	22.97	66%	34.67	$434,718	$12,539
Rushford	49.81	1.70	3%	51.51	$648,243	$12,585
Town Average	**22.51**	**19.47**	**47%**	**41.99**	**$518,653**	**$12,623**
Alma	33.98	5.51	14%	39.49	$555,476	$14,066
Alfred	26.01	14.28	35%	40.29	$572,117	$14,200
Grove	3.99	34.44	90%	38.43	$546,923	$14,232
Cuba	36.30	12.11	25%	48.41	$693,301	$14,321
Genesee	23.78	5.51	19%	29.29	$423,347	$14,454
Belfast	27.77	14.18	34%	41.95	$630,153	$15,022
Friendship	23.95	12.02	33%	35.97	$549,126	$15,266
Bolivar	21.10	9.65	31%	30.75	$521,099	$16,946
Angelica	26.67	7.79	23%	34.46	$767,534	$22,273
Wellsville	49.38	4.13	8%	53.51	$1,280,163	$23,924
Hume*	44.92	3.22	7%	48.14	-	-
New Hudson*	28.89	17.61	38%	46.50	-	-
Willing*	26.58	21.82	45%	48.40	-	-

	Road Miles	Miles Unpaved	Percent Unpaved	Grand Total	2016 Expenses	Cost Per Mile
Almond	2.63		0%	2.63	$24,674	$9,382
Andover	6.58	0.30	4%	6.88	$71,727	$10,425
Canaseraga	2.39	0.37	13%	2.76	$31,753	$11,505
Angelica	10.80		0%	10.80	$170,533	$15,790
Village Avg	**7.16**	**0.25**	**2%**	**7.26**	**$178,264**	**$20,715**
Cuba	9.82		0%	9.82	$219,766	$22,379
Richburg	1.71		0%	1.71	$38,927	$22,764
Belmont	4.58		0%	4.58	$107,389	$23,447
Wellsville	22.99	0.15	1%	23.14	$761,385	$32,903
Bolivar	4.54	0.17	4%	4.71	$178,218	$37,838
Alfred*	5.53		0%	5.53	-	-

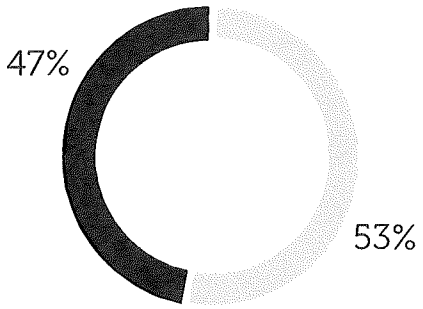
Nearly half of municipal executives responding to the electronic survey expressed an interest in exploring shared highway equipment purchasing, as well as sharing a gravel pit. There is some interest, though less, in intermunicipal contracting for highway services or sharing highway superintendents.

Interest in Sharing Equipment Purchases



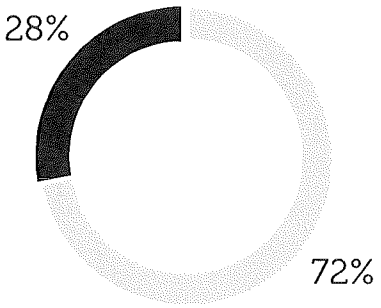
■ Yes ▫ No

Interest in Sharing a Gravel Pit and Purchase Contract



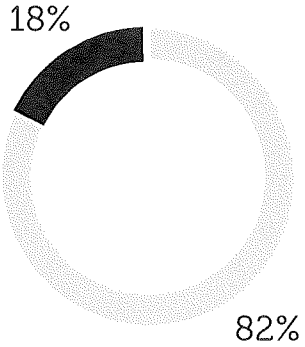
■ Yes ▫ No

Interest in Combining or Contracting Highway Svcs



■ Yes ▫ No

Interest in Sharing Highway Superintendents



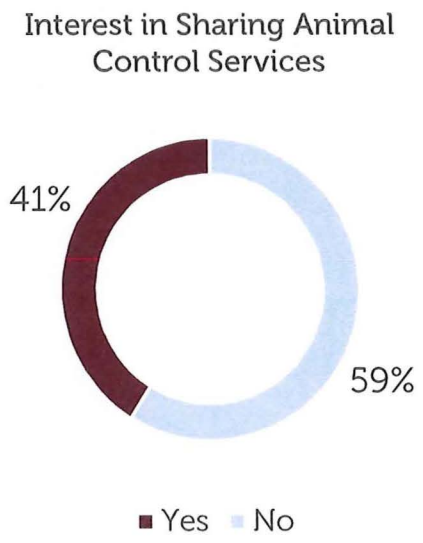
■ Yes ▫ No

Additional Possibilities

Beyond the core areas presented above, a series of additional opportunities were discussed among municipalities as part of the CWSSI planning process. They did not rise to priority level, and therefore projected savings were not evaluated. The County will continue encouraging conversation around each opportunity and consider their inclusion in a future CWSSI shared service plan. Each is summarized below, along with data from the survey of municipal executives.

Animal Control

Allegany County municipalities collectively spent more than $83,000 on animal control services in 2016. Although many towns and villages share animal control officers (ACOs) and kennels, including contracts with facilities that will accept unclaimed animals, there is more room to expand shared services in this area. Four options were considered: Utilizing County personnel for animal control, sharing animal control services via intermunicipal agreement, sharing kennels and contracts for unclaimed animals, and sharing rabies vaccination clinics. The County and its municipal partners will continue exploring the viability of expanded sharing in this area.



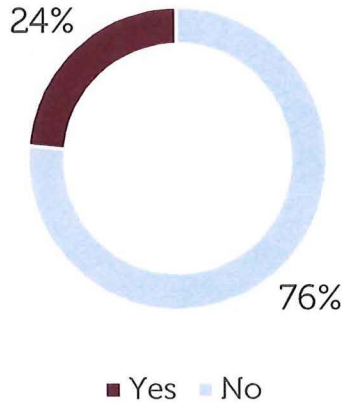
Code Enforcement

More than $300,000 was spent countywide on code enforcement, safety inspections and zoning functions in 2016. Most towns and villages provide code enforcement services through a contract or staff position serving as building inspector. Enforcement efforts vary across municipalities, based in part on the number of complaints, the government process for establishing enforcement priorities, and in some instances the discretion of the code enforcement officer. As a result, municipal standards for code enforcement are not consistent across the County. The average cost per parcel in

Allegany County is estimated to be in the range of $5 to $7, based on 2016 reported costs.

During interviews with elected officials, a number of challenges were identified including the difficulty of finding trained and qualified code enforcement officers, the gap between enforcement costs and revenues generated through permitting and other fees, and the timeliness of the enforcement process in response to specific complaints. There was some interest in continuing to explore creating intermunicipal contracts for code enforcement services, allowing towns and villages to share back office costs and staff expertise. The County and its municipal partners will continue exploring the viability of expanded sharing in this area.

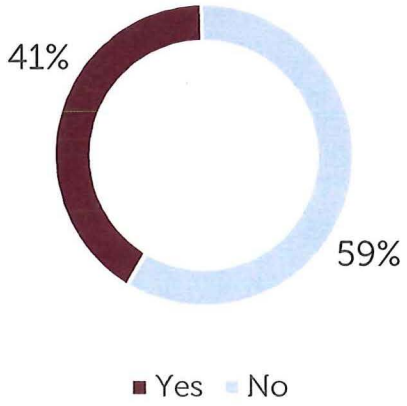
Interest in Sharing Code Enforcement Services



Document Management and Records Retention

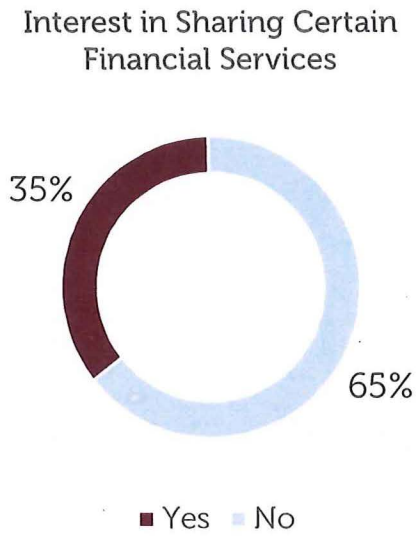
All governments have document management and records retention responsibilities. There was some interest expressed in having municipalities partner with Allegany County to take advantage of electronic data management services, such as laser fiche. Converting records to electronic form would reduce storage challenges for towns and villages. Moreover, approaching document management in shared fashion has the potential to make available technologies that would otherwise be cost prohibitive for individual towns and villages. The County and its municipal partners will continue exploring the viability of expanded sharing in this area.

Interest in Sharing Document Management



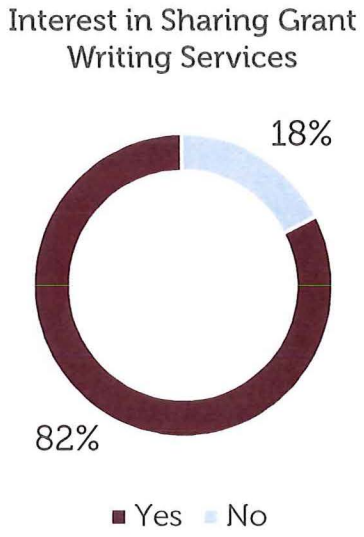
Financial Services

Discussions with municipal officials surfaced an interest in sharing certain financial functions, ranging from payroll and audit services to bookkeeping and accounting. Two specific ideas were raised: Developing shared service agreements between towns and villages to jointly procure audit and payroll services, where applicable, and having the County assist in purchasing a common financial software package and coordinating licenses for individual towns and villages. Converting the County's local governments to a common financial administration platform could be a threshold step to future sharing in other areas, including purchasing and human resources. The County and its municipal partners will continue exploring the viability of expanded sharing in this area.

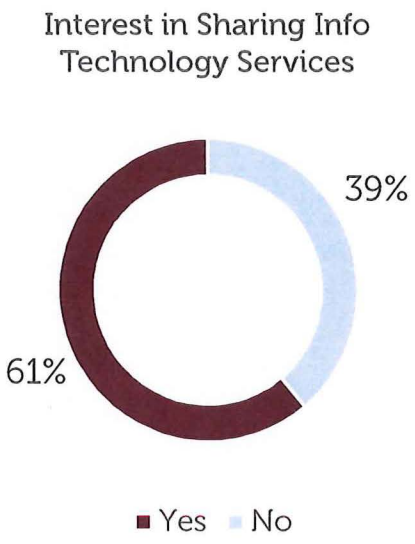


Grant Writing

There has been interest among municipalities over the past year regarding shared services in grant sourcing and writing. Discussion has focused on identifying a lead resource or liaison to pool interest on an intermunicipal basis and coordinate the application process. In addition to providing greater capacity to shepherd the grant process, a shared approach would potentially improve compliance, reporting, outcome measurement and budget management, which individual towns and villages acknowledge is a burden. Two options were broadly discussed: Coordinating municipal grant writing services with Allegany County (which employs its own grant writing firm on retainer), or sharing grant writing



services across towns and villages. The County and its municipal partners will continue exploring the viability of expanded sharing in this area.

Information Technology

Allegany County's local governments employ a variety of information technology approaches. Their level of complexity and sophistication often mirrors the size of their budget and workforce. Some larger towns and villages have more developed IT infrastructure and staff capacity to manage data needs and system functionality; others, especially smaller ones, use IT-savvy staff or board members to troubleshoot issues on an as needed basis. One opportunity that was discussed and merits further consideration involves joint IT purchasing. Allegany County's IT office has offered assistance to towns and villages in purchasing technology equipment and software, as well as basic computer training. The County is also willing to explore the possibility of hosting town and village websites, which would both enhance online presence and better integrate the user experience across the County. The County and its municipal partners will continue exploring the viability of expanded sharing in this area. The Cattaraugus-Allegany BOCES is another potential partner for assisting with solutions for information technology.