

County of Jefferson
Office of the County Administrator



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TO: Robert F. Mujica, Director of the Budget Division
FROM: Robert F. Hagemann, County Administrator *R.F.H.*
DATE: September 15, 2017
SUBJECT: Submission of Panel Report

Enclosed you will find the Shared Services Property Tax Savings Plan for Jefferson County for 2018. The savings to the average tax payer of the County beginning next year of \$9.46 centers around public safety communications. From a project standpoint the cumulative savings for the year is projected by our Panel to be \$331,500. While this important exercise could now be considered concluded, many on the Panel have decided to informally continue reviewing a series of other potential shared services that have already been identified. Those items were going to take a significantly longer period of time to fully vet or the projected saving might be minimal at best but the improved operational efficiencies to local municipalities would be welcomed. Both the immediate and longer term areas are addressed in greater detail in our report.

The county-wide shared services report was unanimously approved two days ago by all Panel members in attendance. Unfortunately, there turned out to be somewhat of a "perfect storm" in terms attendance challenges that resulted in our convened Panel being three members shy of a quorum. A combination of family illnesses plus a competing fall NYCOM Conference, in which several Panel members were in attendance, added to the already known number of regularly scheduled monthly Town Meetings resulted in the unanticipated lack of a quorum. As a result, you will find that our report not only identifies the local governments participating on our Panel and how they cast their vote but it also lists those who advised us of their unfortunate absence and that a positive vote would have been cast. Our plans are to schedule a ratification vote the last week of the month and forward that information to you immediately thereafter. Obviously, with today's pending submittal deadline, your support of that approach is likely required and, therefore, respectfully requested.

Please feel free to follow up with any questions that you may have relative to our Panel report and we'd be happy to respond.

Thank you for the opportunity to participate in this important initiative.

c Richard Tobe, Deputy Director of State Operations for Special Projects
Ann Thane, Director of Local Government Services



County-Wide Shared Services Property Tax Savings Plan

APPENDIX A

County-wide Shared Services Property Tax Savings Plan Summary

| | | |
|---|--|-------------------------------|
| County of | Jefferson | |
| County Contact: | Robert F. Hagemann, III | |
| Contact Telephone: | (315) 785-3075 | |
| Contact Email: | RobertH@co.jefferson.ny.us | |
| Partners | | |
| Row 1 - 1 City out of 1 City in Jefferson County | | |
| Participating Cities | Panel Representative | Vote Cast (Yes or No)* |
| 1. Watertown | Joseph Butler | Yes |
| 2. | | |
| 3. | | |
| 4. | | |
| 5. | | |
| <small>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.</small> | | |
| Row 2 - 17 Towns out of 22 Towns in Jefferson County | | |
| Participating Towns | Panel Representative | Vote Cast (Yes or No)* |
| 1. Adams | David Kellogg | Yes |
| 2. Brownville | Richard Lane | Yes |
| 3. Cape Vincent | Debra Suller | Yes |
| 4. Champion | Bruce Ferguson | Yes |
| 5. Clayton | David Storandt | (Excused Absence) |
| 6. Henderson | John Culkin | (Excused Absence) |
| 7. Hounsfield | Timothy See | (Excused Absence) |
| 8. LeRay | Ronald Taylor | |
| 9. Lorraine | Vincent Moore | Yes |



County-Wide Shared Services Property Tax Savings Plan

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|-----|--------------|---------------------|-------------------|
| 10. | Lyme | Scott Aubertine | (Excused Absence) |
| 11. | Pamelia | Scott Allen | Yes |
| 12. | Philadelphia | Cheryl Horton | (Excused Absence) |
| 13. | Rodman | Gary Stinson | Yes |
| 14. | Rutland | Gary Eddy | |
| 15. | Theresa | Steven Marcinkowski | (Excused Absence) |
| 16. | Watertown | Joel Bartlett | (Excused Absence) |
| 17. | Worth | Judith Nichols | (Excused Absence) |
| 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 3 - 13 Villages out of 19 Villages in Jefferson County

| Participating Towns | | Panel Representative | Vote Cast (Yes or No)* |
|---------------------|-------------|----------------------|------------------------|
| 1. | Adams | Philip Chatterton | |
| 2. | Black River | Leland Carpenter | (Excused Absence) |
| 3. | Brownville | Patrick Connor | |
| 4. | Carthage | Wayne McIlroy | Yes |
| 5. | Chaumont | Valerie Rust | |
| 6. | Clayton | Norma Zimmer | Yes |
| 7. | Deferiet | Janet Zando | Yes |
| 8. | Dexter | James Eves | Yes |
| 9. | Evans Mills | Robert Boucher | |
| 10. | Glen Park | Stephen Macaulay | 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.



County-Wide Shared Services Property Tax Savings Plan

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| Row 4 - No School Districts, BOCES, and Special Improvement Districts in Jefferson County | | |
|--|---|-------------------------------|
| Participating School Districts, BOCES, and Special Improvement Districts | Panel Representative | Vote Cast (Yes or No)* |
| 1. | | |
| 2. | | |
| 3. | | |
| 4. | | |
| 5. | | |
| 6. | | |
| 7. | | |
| 8. | | |
| 9. | | |
| 10. | | |
| 11. | | |
| 12. | | |
| 13. | | |
| 14. | | |
| 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. | |
| | \$ 184,010,115 | |



County-Wide Shared Services Property Tax Savings Plan

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|---|--|
| 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. |
| | \$ 77,392,204 |
| 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. |
| | \$ 331,500 |
| 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 2019 as a percentage of the sum total in Row 6, and annually thereafter as a percentage of the sum total in Row 6. |
| | .00428 |
| 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. |
| | \$ 9.46 |
| 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. |
| | 1.52572 |
| 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. |
| | 1.52572 |



County-Wide Shared Services Property Tax Savings Plan

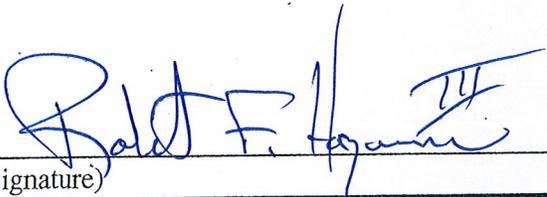
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CERTIFICATION OF PLAN AND PROPERTY TAX SAVINGS TO DIRECTOR OF BUDGET

By my signature below, I hereby certify that the County-Wide Shared Services Property Tax Savings Plan submitted herewith is final, that it was completed in accordance with the requirements of Part BBB of Chapter 59 of the Laws of 2017, and that the savings identified and contained herein are true and accurate to the best of my knowledge and belief.

Robert F. Hagemann, III
(Print Name)

County Administrator


(Signature)

9-15-17
(Date)

APPENDIX A CLARIFICATIONS

- Row 7:** The Net Savings of \$331,500 for 2018 is expected to remain consistent for the foreseeable future, inclusive of 2019, or until additional shared service programs come on line that would generate further savings to local tax payers.
- Row 8:** Given that the Net Savings for the foreseeable future will remain constant and property taxes levied by participating entities are not expected to change in any significant way, the percentage savings reported for 2018 should remain the same in 2019 and/or a couple of years beyond that point.
- Row 9:** There are 35,034 property tax payers within the County. That is the basis for how the average tax payer savings is generated. No measurable change is anticipated in the next few years.
- Row 10:** The anticipated percentage property tax increase for 2018 is 1.53. With the savings reported in Row 8 the adjusted percentage increase becomes the number reported herein. It uniformly is the desire of panel members to either maintain that minor level of increase moving forward or, ideally reduce it.
- Row 11:** The anticipated percentage property tax increase for 2018 is 1.53. With the savings reported in Row 8 the adjusted percentage increase becomes the number reported herein. It uniformly is the desire of panel members to either maintain that minor level of increase moving forward or, ideally reduce it.

REPORT OF THE SHARED SERVICES PANEL FOR JEFFERSON COUNTY

This region has enjoyed a long standing practice of shared services between neighboring communities out of necessity and to minimize costs that might be passed on to their local constituents. The challenge facing the panel, ironically, was to look beyond what has already been accomplished to identify new areas of mutual interest that could result in additional savings to the taxpayer via shared services. To that end, both immediate actions and potential future actions have been identified that could have long lasting impacts on our respective communities.

With our 90 day exercise to soon draw to a close there remains a desire of many to continue exploring certain programs for future development under a “Pilot” or “Testing the Waters” approach. Such programs, however, will be explored under our own timelines having already submitted projects for implementation in 2018 and beyond.

It should also be noted that given the complexities to be addressed within the tight timeframe established by the state legislature and carried out by NYS DOS, a conscious decision was made on the front end to not extend an invitation to participate to school districts, special improvement districts and the local BOCES. Discussions were had with key representatives advising them as to why such an approach was being taken and, given their own pressing responsibilities during graduation season, they were supportive of that decision.

With this shared services development experience involving 74% of the key local government officials within the county, a very strong feeling also emerged as to an additional “next step” to be implemented. That step, however, does not involve elected and appointed officials in Jefferson County. Rather it is strongly recommended that this very same shared services initiative be undertaken in 2018 at the state level and with the same terms and conditions imposed upon all local governments within the state during the summer of 2017.

Program Implementation Centered on 2018

I. Category: Public Safety Communications

Jefferson County has taken the lead to upgrade the current Public Safety E-911 radio system that was put into service in 1972 across Jefferson County. The new system will be replacing an

analogue based system to a state of the art, interoperable, Ultra-High Frequency (UHF) system in concert with all towns, villages, City of Watertown and NYS police, fire, EMS and highway organizations within the county. The county's intention is to both maximize its infrastructure and minimize necessary capital and operational expenses for all stakeholders and taxpayers of Jefferson County. This new system is being designed to link in with several neighboring counties as well as to allow seamless interoperability. Jefferson County is planning to make bulk purchases of the new radios that will be required in order to utilize the new system while, at the same time, allowing significant savings.

By aligning ourselves with the Central New York Interoperable Communications Consortium, this provides the opportunity to partner with centralized hardware equipment owned by Onondaga County located in Syracuse, NY. Jefferson County is committed to acquire the necessary hardware to connect to Syracuse which develops a measurable annual saving to county taxpayers in the amount of \$331,500. The total project may exceed \$20M but without taking the consolidation services approach, the amount for the project would be measurably higher.

II. Category: Intra County Service Consolidation

With the pending retirement of a full time employee who oversaw the Consumers Affairs Office (Weights and Measures Department) in Lewis County, discussions commenced with Jefferson County to expand its responsibilities for management of all such services into Lewis County. A detailed assessment ensued with the conclusion reached that a very viable program could be established that would realize a net savings in excess of \$70,000 per year. The two county Weights and Measures Budget would be combined with 62% of future costs to be covered by Jefferson County and 38% to be covered by Lewis County.

While measurable savings to both counties is taking place under a very efficient program you will not see those generated savings included within this report as the program actually commenced earlier this year. Additionally, Lewis County will not be submitting a final panel report until 2018. For the record, however, the anticipated savings for Jefferson County should exceed \$43,000 annually and for Lewis County the savings will be \$28,000 per year.

Potential Program Implementation Beyond 2018

I. Category: Real Property Tax Services

A good deal of interest was expressed by several towns to explore service consolidation between the town and county level on several fronts. Anticipated retirements of town assessors in many locations over the next couple of years certainly was generating some of that interest. Among the areas being examined is the establishment of regional or a county-wide grievance board, developing a 1537 agreement for various levels of assessment functions with a predetermined fee, forming additional coordinated assessment programs (currently two exist) and exploring a more centralized tax collection system. It is the intent of several local officials to continue that dialogue and potentially develop a few programs on a trial basis for more towns to join in at a later date. A target date for implementation has yet to be established.

II. Category: Information Technology

At the local government level the most sophisticated computer based system resides with the County as it is the largest entity among the stakeholders participating on the Panel. Interest in and a closer review of several services within the broad area of information technology has ensued. Becoming more of a "Cloud Type Provider" for local government recordkeeping such as building codes, vital records and/or official documents is being explored. Training programs in multiple fields, providing guidance in such areas as password compliance or vendor filing and acting as the host for a backup/disaster recovery site is also being examined. Given the varying level of information technology sophistication among local municipalities a considerable amount of time is anticipated before some of these initiatives might be implemented.

III. Category: Energy Conservation

The development of alternate energy sources, particularly solar, is capturing everyone's attention but remains in the early stage of development. A variety of energy consortiums available at the town and village level similar to organizations like MEGA is also being explored. While these approaches will generate measurable savings to tax payers it is going to take some time before implementation occurs.

IV. Category: Health Insurance

Exploration of alternate health insurance programs on a county-wide basis became an area of interest with several panel members. Given the varying degree of benefits offered to employees working for local governments plus the need to network with local unions representing many of those employees, the potential for realized savings is great but the complexities for developing specific new health coverage plans will require a significant investment of time and research prior to implementation.

V. Category: Court Consolidation

The Town of Champion intends to soon team up with the Village of West Carthage to consolidate the two separate courts into one at the town level. Additionally, the Town of Brownville and Village of Dexter are targeting a similar approach in 2019 with the pending retirement of a Village Judge. In both cases it is too early to determine specific savings but that is, indeed, the reason for moving forward.