



**County-wide Shared Services
Initiative
Guidance Document**

Table of Contents

Program Overview.....	1
Participants.....	1
Plan Development and Submission.....	2
Plan Contents.....	4
State Technical Assistance	5
State Matching Funds - Application Guidelines and Parameters.....	5
County-wide Shared Services Property Tax Savings Plan Summary.....	10

Program Overview

The FY 2018 State Budget includes a new initiative designed to generate property tax savings by facilitating operational collaboration between local governments. The County-wide Shared Services Initiative (the "Initiative") establishes a Shared Services Panel (the "Panel") in each county, chaired by the Chief Executive Officer of the County. The Panels will work to help develop, and ultimately approve a County-wide Shared Service Property Tax Savings Plan (the "Plan"), through intergovernmental cooperation to find new opportunities to share and coordinate services.

Plans that create actual and demonstrable property tax savings may be eligible for a one-time match of the net savings resulting from new actions implemented pursuant to the Plan.

Participants

The Panel Chair and Panel Members are required to participate in the development of the County-wide Shared Services Property Tax Savings Plan, as described in the table below. Panel meetings should comply with the New York State Open Meetings Law.

Panel Participants	Composition	Duties
Panel Chair (the Chief Executive Officer (CEO) of the County)	The county executive, county manager, county administrator or other chief executive of the county, or, where none, the chair of the county legislative body.	Responsible for the proper creation, development and submission of the County-wide Shared Services Property Tax Savings Plan. The CEO is permitted to identify and invite the participation of Optional Panel Members (see below).
Required Panel Members	Mayors of every city and village, and supervisors of every town, within the county.	Participate in development of the Plan. Vote on the Plan.
Optional Panel Members	One representative from the governing body of any school district, board of cooperative educational services (BOCES), and/or special improvement district in the county, upon receipt and acceptance of an invitation to participate on the Panel from the Panel Chair (CEO).	Participate in development of the Plan. Vote on the Plan.

The goal of the county-wide planning process is to save property taxpayers money, by identifying collaborative opportunities for shared services between as many local governments as possible.

Plan Development and Submission

The following Plan development timeline outlines responsibilities and important dates. It is intended to help facilitate the creation of the County-wide Shared Services Plan.

Plan Development Timeline	
Starting Immediately	
Action	Explanation
<u>Creation of the Panel</u>	
<input type="checkbox"/> <u>CEO shall</u> convene a Shared Services Panel within the county.	The CEO shall serve as chair of the Panel. In addition to the CEO, the Panel must consist of the mayor of every city or village within the county, and the supervisor of every town within the county.
<input type="checkbox"/> <u>CEO may</u> invite to participate on the Panel: School Districts, BOCES, and/or Special Improvement Districts.	Upon invitation by the CEO, the governing body of the invited entity may accept the invitation by selecting, by a majority vote, a representative of the governing body to serve on the Panel.
No Later Than August 1, 2017	
<u>Development of the Initial Plan</u>	
<input type="checkbox"/> <u>CEO shall</u> consult with, and take recommendations from Panel representatives.	The CEO shall regularly consult with, and take recommendations from all the representatives of the shared services Panel as well as the representative of each collective bargaining unit of the county and the cities, towns, and villages and other optional invited panel members.

Submission to the County Legislative Body



CEO shall submit the plan to the county legislative body. The plan must be accompanied by a certification as to the accuracy of the property tax savings.

CEO shall submit the plan to the county legislative body. The plan must be accompanied by a certification as to the accuracy of the property tax savings. The following certification may be used: *“By my signature below, I hereby certify that the savings identified and contained herein are true and accurate to the best of my knowledge and belief”*. Thereafter, the county legislative body shall review the Plan, and may, by a majority of its members, issue an advisory report with recommendations to the CEO.

No Later Than September 15, 2017



The CEO may modify the Plan in response to any advisory report issued by the county legislative body.

Upon receipt of an advisory report from the county legislative body, the CEO may modify the Plan.

If modified, the CEO shall produce an updated certification as to the accuracy of the property tax savings.



CEO shall arrange three or more public hearings to occur within the county.

The CEO, the county legislative body, and the Panel shall accept input and testimony on the Plan from the: public, civic, business, labor, and community leaders. To facilitate such input, a minimum of three public hearings shall be held within the county. All such public hearings shall be conducted prior to the submission of the county-wide shared services property tax savings plan to a vote of the shared services Panel. Public notice of all such hearings shall be provided at least one week prior in the manner prescribed in subdivision 1 of section 104 of the Public Officers Law. This process should begin as early as possible, as at least three public hearings must be conducted prior to the Panel vote.



Panel shall vote on the Plan submitted by CEO.

A majority vote of the Panel is required for approval of the Plan. Each Panel Member must state in writing the reason for his or her vote. However, prior to the vote each member of the Panel may remove any proposed action that affects their local government. Written notice of the removal will be provided to the CEO prior to the Panel-wide vote.

If the Plan is Approved:



The CEO shall finalize the Plan.



The CEO shall submit to the Director of the Division of the Budget a certification of the Plan and its property tax savings plan.

<input type="checkbox"/>	The CEO shall disseminate the Plan to residents of the county in a concise, clear, and coherent manner using words with common and everyday meanings.
<u>If the Plan Fails or is not Voted on:</u>	
<input type="checkbox"/>	The CEO shall release, to the public, a report on the proposal, including the vote of the Panel, the vote of each Panel Member and the reasons for their vote.
<input type="checkbox"/>	The CEO shall then follow the same procedures defined in this section to attempt to produce an approved county-wide shared services property tax savings plan by the deadlines required for 2018 (which are the same dates as in 2017).
No Later Than October 15, 2017	
<input type="checkbox"/>	The CEO shall conduct a public presentation of the Plan, if it was approved. Public notice of such public presentation shall be provided at least one week prior in the manner prescribed in subdivision 1 of section 104 of the Public Officers Law.

Plan Contents

County-wide Shared Service Property Tax Savings Plans should include, but are not limited to, shared and coordinated actions that can be implemented during the subsequent calendar year.

The proposals in the Plan must be among: the county, cities, towns and villages within the county, as well as any participating school districts, BOCES or special improvement districts.

The Plan must contain new recurring property tax savings to be achieved through actions such as, but not limited to, the elimination of duplicative services, shared services, the reduction of back-office administrative overhead, and the improved coordination of services.

If the Plan contains a proposed action that by law is otherwise subject to a procedural requirement such as a public referendum, then the planned action will not be operative until said procedural requirement occurs.

The Plan must begin with the summary document (APPENDIX A) when it is publicly disseminated and when it is submitted to the Director of the New York State Division of the Budget (DOB). There is no prescribed format for the individual proposals contained within the plan, but they must be in a concise, clear, and coherent manner using words

with common and everyday meaning. A certification of the Plan and the property tax savings set forth therein is required when the final Plan is transmitted by the CEO to DOB (APPENDIX A, Certification). The Panel Chair may obtain individual certifications from any local governments within which savings will be attributed from such local government.

State Technical Assistance

The Department of State will provide technical assistance to local governments engaged in this Initiative. Please check regularly at www.dos.ny.gov for updates and assistance opportunities. In addition, the Department of State has established an email address (countywidesharedservices@dos.ny.gov) through which questions and requests may be submitted.

State Matching Funds - Application Guidelines and Parameters

To commence the process to receive State matching funds, each county CEO must submit a completed application to the Department of State ("the Department"). A formal application for State matching funds is currently being developed by the Department in conjunction with the Division of the Budget. Initial guidance regarding State matching funds is provided below to assist local governments as they develop and implement their Plans. The actual and specific requirements for State matching funds will be fully established in the formal application.

The Initiative authorizes funding from the State to match one calendar year (2018 or 2019) of net savings achieved from the implementation of qualified actions that are included in an approved Plan (State matching funds). Prior to applying to the State, each county CEO must have already met the specific thresholds and statutory requirements, which include, at a minimum:

- creation of the Panel;
- development of the Plan;
- holding a minimum of three public hearings;
- Achieving a Panel-approved and finalized Plan by September 15th of the year of submission;
- Submission of the final, approved Plan to the Division of the Budget; and
- presentation of the Panel-approved Plan to the public by October 15th of the year of submission.

Counties are eligible to receive State matching funds for net savings achieved in one match year, either from: 1) new shared service actions included in approved 2017 Plans that have been implemented between January 1, 2018 and December 31, 2018; or 2) new shared service actions included in approved 2018 Plans that have been implemented between January 1, 2019 and December 31, 2019. As such, the Department does not

anticipate receiving applications from counties until after December 31, 2018, when the first match year has concluded and county CEOs have calculated and reconciled the various savings and expenditures for each new action in the approved Plan where State matching funds will be requested. This application timeline will allow counties to provide savings for the match year that are “actually and demonstrably realized.”

The minimum statutory requirements each county must meet to comply with the County-wide Shared Services Initiative and to receive State matching funds are regularly clarified through Q&As and guidance made available at http://www.dos.ny.gov/lg/countywide_services.html. The following represents a summary of the various statutory requirements with clarifications provided to date for shared service actions to qualify for State matching funds:

- 1. Any application for State matching funds must be submitted by a county CEO.** The CEO for each of the 57 counties outside of the City of New York with a Plan that has been approved by the Panel and submitted to the State Division of the Budget by September 15, 2017 or September 15, 2018 can apply for State matching funds if net savings have been achieved from the implementation of one or more Plan action(s) in the applicable match year.
- 2. Only the first year/applicable match year of net savings achieved from each new implemented action are eligible for matching funds from the State.** For Plans approved by the 2017 statutory deadlines, only net savings achieved from each new Plan action implemented during the first year/ applicable match year of January 1, 2018 through December 31, 2018 are eligible for the one-time match of net savings from the State. For Plans approved by the 2018 statutory deadlines, only net savings achieved from each new Plan action implemented during the first year/ applicable match year of January 1, 2019 through December 31, 2019 are eligible for the one-time match of net savings from the State.
- 3. Any savings resulting from a county’s match calculation for each new implemented action must be “actually and demonstrably realized” to be eligible for the match.** Actual and demonstrable net savings achieved in the applicable match year may be different than what was expected in the approved Plan that was submitted to the State Division of the Budget by September 15, 2017 or September 15, 2018.
- 4. Savings that can be matched by the State must be from new actions included in an approved Plan that were implemented.** For Plans approved by the 2017 statutory deadlines, the Plan action is new if the action was implemented after January 1, 2018 but before December 31, 2018. For Plans approved by the 2018 statutory deadlines, the Plan action is new if the action was implemented after January 1, 2019 but before December 31, 2019.

If a Plan includes an expansion of an existing action (e.g., a new local government joins a purchasing cooperative that existed before January 1st following the Plan's approval), only the net savings achieved during the match year from the expansion of the action are eligible; the base savings, regardless of whether a new agreement (or renewal) is formed, would not be eligible for State matching funds.

5. **Savings included in the calculation must be from shared services between two or more participating local government entities.** Plans may include actions that are not shared services between two or more participating local government entities. However, net savings from internal efficiencies or any other action taken by a local government without the participation of another local government entity are not eligible for matching funds.
6. **Only net savings are eligible for matching funds.** For example, if Town A saved \$5 million by discontinuing a service and transferring the service to Town B, and Town B increased its programmatic costs by \$4 million, the net savings would be \$1 million, not Town A's \$5 million gross savings.
7. **One-time costs and one-time savings are to be reasonably amortized.** For example, if a shared services agreement requires a one-time cost of \$500,000 for purchasing equipment that is expected to last 10 years, the savings would only be reduced by \$50,000 - reflecting one-tenth of the cost.

Conversely, if a shared services agreement would enable a one-time savings of \$500,000 by not having to purchase equipment that is expected to last 10 years, the savings should only be \$50,000 - reflecting one-tenth of the savings for the applicable match year only.

8. **Implementation costs covered in-part or fully by State (or Federal) government funding or "efficiency grants" that are incurred during the applicable match year must be properly accounted for in calculating net savings.** Receipt of such funds does not preclude or disqualify the county from applying for State matching funds. However, the local government must account for the project's full implementation costs, regardless of whether they were offset by any outside grants.

For example, two local government entities will combine water department operations. Amortized first year/applicable match year costs are \$400,000 for equipment and consultants, and first year savings are expected to be \$900,000. The initiative also received \$300,000 in State "efficiency grant" funds. Net savings must be calculated as follows: the full \$400,000 in costs must be netted against the \$900,000 in year one savings, for net savings of \$500,000. Net savings should

not be calculated using \$100,000 in costs (\$400,000 minus the \$300,000 State grant) for net savings of \$800,000.

9. Savings from each new Plan action implemented in an applicable match year must be related to activities supported by property taxes. Net savings from services supported by fees are not eligible for matching funds from the State.

10. Net savings from each new, implemented Plan action do not need to reduce property taxes, but can reduce what property taxes would have otherwise risen to if not for the implemented action. If an application for State matching funds can reasonably demonstrate that the net savings achieved through implementation of a new shared services action has enabled a local government entity's levy to remain stable or that the percentage growth for the levy is less than it otherwise would have been absent implementation of that action (even if the levy is still increasing year to year), the difference in estimated/potential levy versus actual levy can be counted as savings. Documentation would need to be provided to the Department showing that the levy would have increased without implementation of the Plan action(s).

11. Avoided costs may be eligible for State matching funds, however, the application to the State for such funds must clearly demonstrate that the avoided costs certified as savings would have been incurred but for the action's implementation. For example, if one local government entity assumed that costs for asphalt were going to increase by five percent annually and the local government entity enters into a shared service agreement with other local government entities that would allow for asphalt purchase at a two percent cost increase, the local government entity that anticipated a three percent cost increase must conclusively demonstrate that it would have paid the additional three percent (five percent less the two percent increase) but for the shared services agreement.

12. The county and all the local government entities within the county that are part of any action to be implemented as part of an approved Plan must collectively apply for the matching funds and agree on the distribution and use of such funds.

The county and each local government entity that is part of any action to be implemented as part of an approved Plan must enter into an agreement for distribution and use of State matching funds. The county CEO's application to the Department for State matching funds must attach the applicable use and distribution agreement(s).

If the county is notified by the Department that a use and distribution agreement is no longer valid, if for example the amount of funds that the State approved as a one-time match is less than the savings the county applied for (potentially due to

the disqualification of individual actions and savings that do not meet the statutory and administrative criteria), the county will be required to resubmit an updated use and distribution agreement to reflect the new match amount that was approved by the State.

- 13. The application for state matching funds will require documentation demonstrating the achievement of any claimed net savings among local governments from the implementation of each new shared services action included in the application, and will include one or more attestations from the involved entities as to the accuracy of the savings amounts claimed.**



County-Wide Shared Services Property Tax Savings Plan

APPENDIX A

County-wide Shared Services Property Tax Savings Plan Summary

County of			
County Contact:			
Contact Telephone:			
Contact Email:			
Partners			
Row 1 – (total # of) Cities in County			
	Participating Cities	Panel Representative	Vote Cast (Yes or No)*
1.			
2.			
3.			
4.			
5.			
6.			
<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 – (total # of) Towns in County			
	Participating Towns	Panel Representative	Vote Cast (Yes or No)*
1.			
2.			
3.			
4.			
5.			
6.			
7.			
8.			
9.			



County-Wide Shared Services Property Tax Savings Plan

APPENDIX A

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 3 – (total # of) Villages in County			
	Participating Villages	Panel Representative	Vote Cast (Yes or No)*
1.			
2.			
3.			
4.			
5.			
6.			
7.			
8.			
9.			
10.			

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

APPENDIX A

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.			
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.		



County-Wide Shared Services Property Tax Savings Plan

APPENDIX A

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.
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.
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.
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.
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.
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.



County-Wide Shared Services Property Tax Savings Plan

APPENDIX A

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.

_____ County Chief Executive Officer

(Print Name)

(Signature)

(Date)