

Broome County Shared Services Summit

Final Report

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Executive Summary

On April 26, 2005 Broome County Executive Barbara Fiala and Binghamton Mayor, Richard Bucci convened the first Shared Services Summit in the Broome County Legislative Chambers. In all, 22 of Broome County's 24 municipal governments attended the two hour session conducted before an audience of over 100 people. The Summit was intended to identify opportunities for local governments to share services with each other.

Among the most pertinent findings:

- Twenty one of the twenty two elected officials responded that meaningful cost savings or cost-effectiveness was a condition for sharing services.
- In all, the participating officials identified 170 different instances of shared services, an average of nearly eight services per local government.
- In addition to sharing highway equipment other frequently mentioned shared services were; snow removal, parks and recreation, dog control and fire services.
- Half (21) of the services were only mentioned by one or two local government officials. Therefore, local government officials in Broome County may have many more opportunities for intergovernmental service sharing.
- There is no intergovernmental clearinghouse to facilitate the establishment and evaluation of shared government agreements.
- Officials identified twenty seven candidate services for sharing, and thirteen services were identified by more than one government. Courts were most frequently mentioned (by 9 officials), followed by health insurance (7), parks and recreation (6), and highways (5).
- Every official present at the Summit identified at least one service as a candidate for intergovernmental service agreements.

The report recommends that local government officials take a series of collaborative steps to advance a shared services agenda in Broome County. Among them are:

- Designate a person or office to serve as a clearinghouse of local information and facilitator of new agreements.
- Generate public participation and involvement in developing and carrying out an agenda for shared services.
- Work with the local government employees who will be directly affected by service sharing agreements.
- Commit to specific action items as soon as possible.

The Shared Services Summit demonstrated that Broome County's local governments are committed to improving the quality and cost-effectiveness of the services that they provide to their citizens. The Summit also showed that the public has an interest in how their services are provided. The long-term prosperity of the region depends building better and more efficient governmental services from that foundation.

Introduction

On April 26, 2005 Broome County Executive Barbara Fiala and Binghamton Mayor, Richard Bucci convened the first Shared Services Summit in the Broome County Legislative Chambers. In all, 22 of Broome County's 24 municipal governments attended the two hour session conducted before an audience of over 100 people. The Summit was intended to identify opportunities for local governments to share services with each other. This report presents the findings of that session and offers recommendations for proceeding with a shared services agenda in the coming months.

Background

Local government in New York is highly decentralized. According to the 2002 United States Census of Governments, New York had 3,421 governmental units including counties, municipalities, school districts and other special districts ranking it ninth in the nation in the total number of governmental entities.¹ Of this total, 1,545 are general purpose local governments or cities, towns and villages, again ninth among all states.² With one city, sixteen towns and seven villages, serving a population of just over 200,000 Broome County's local government reflects the statewide pattern.

Some observers have noted that this structure produces fragmented and/or costly duplication of services and have advocated for the consolidation either of local governments or services. This issue has been debated in the region for many years. For example, in 1974, the Economic Growth Institute published a report which reviewed twelve locally provided services and recommended the consolidation of police, property tax assessment, parks and recreation, some fire services, hospitals, data processing, and some planning functions while noting that landfill disposal, some public works and bus transit operations were already consolidated to some degree.³ In 2003, the County Executive appointed a Charter Commission tasked to, "Examine all local government to determine, what, if any, transfers of function are feasible." The Commission drafted an advisory referendum that would have placed the idea of a consolidated local government on the November 2003 ballot, but the proposal never reached the area's voters.

Planning for the Shared Services Summit began with the assumption that acquiring the approval of a majority of voters in every affected jurisdiction⁴ to consolidate local

¹ The states with more governmental units than New York are: Illinois (6904), Pennsylvania (5032), Texas (4785), California (4410), Kansas (3888), Ohio (3637), Minnesota (3483), and Missouri (3423). Source: *Governmental Units by State: Census Years 1942 to 2000*. U.S. Census Bureau. 2002 Census of Governments, Volume 1, Number 1. Accessed from <http://www.census.gov/prod/2003pubs/gc021x1.pdf>.

² Source: *General-Purpose Local Governments by State 1952-2002*. U.S. Census Bureau. Ibid.

³ Economic Growth Institute. 1974. *Summary and Implementation Report for Local Public Services in Broome County*. State University of New York at Binghamton. From the Binghamton University Library Collections.

⁴ See Elliot Spitzer, 2005. *Making Government Work: Intergovernmental Cooperation, Partnering and Consolidation in New York State*. Office of the Attorney General. New York. Accessed from: http://www.oag.state.ny.us/press/reports/making_government_work.pdf.

jurisdictions was not politically feasible. In contrast, Article 5-G of the General Municipal Law of New York authorizes municipalities to enter into any joint agreements when the participants have the authority to carry out the activity or service on their own. Depending on the circumstances of each government, there may be compelling circumstances for sharing services. Among them:

- Increased efficiencies from economies of scale. Combined service provision may be less costly than separate activities.
- A higher level of service (or more services) for the same resources.
- Greater expertise and professionalism for service delivery.

Thus the conveners of the Shared Services Summit hoped that by focusing upon ways that services can be shared or consolidated, the county and municipal governments will be able to build upon successes that they have already experienced.

The Process

During the Shared Services Summit, all the local governments in Broome County except the town of Triangle and the village of Deposit were represented by their principal elected administrator (the mayor or supervisor) or their representative. These twenty two participating local government officials were asked to answer the questions on three cards that were provided to them. The cards were worded as follows:

Card 1. What conditions must be met before you decide to share a service with another local government? Please be as specific and complete as possible.

Card 2. Briefly describe one service that your government shares with at least one other government. Please use a separate card for each service. Please circle the number that summarizes how effective this service has been. -5 is very ineffective, 0 is neutral, and 5 is very effective.

-5 -4 -3 -2 -1 0 1 2 3 4 5

Card 3. Briefly describe one governmental service that you would consider sharing with at least one other government. Please use a separate card for each service.

On a scale of 1 (lowest) to 5 (highest) rank the priority that you would place on sharing this service.

1 2 3 4 5

After taking 10-20 minutes to write their answers, the officials discussed their answers with each other and their cards were collected for this report. These results should not be interpreted as a comprehensive listing of currently shared services or services that local governments might want to share in the future. Instead, they summarize the thoughts of

the mayors, and town supervisors at the time of the Summit and should serve as a starting point for developing an agenda for future joint efforts.

Findings

Necessary Conditions for Sharing Services

Local government officials offered twenty three different criteria in answer to the question, “What conditions must be met before you decide to share a service with another local government?” (See Table 1). Twenty one of the twenty two elected officials responded that meaningful cost savings or cost-effectiveness was a condition for sharing services. Perhaps the most important issue facing Broome County’s local governments as they evaluate whether or not to share a service is the potential for cost savings.

After cost, the need for the service and the possibility of enhancing services were mentioned by eight and five officials respectively. Meeting these criteria may produce higher costs for some governments than the current mix of services that they provide in exchange for significantly better services, or they may be able to enhance services without adding to their costs.

Five government officials noted that public demand for a service is an important condition as they consider whether to enter into shared service agreements with other governments. Three other criteria were mentioned by at least three government officials: the effect on taxes, avoiding a reduction in services, and mutual benefit.

The local government officials’ responses to question one suggest that after cost-savings, there is not a high degree of consensus about what conditions would generate support for sharing services. For example, while some governments would use shared services as a strategy for enhancing services, others might share in order to avoid service cuts.

Currently Shared Services

The Shared Services Summit demonstrated that local governments are engaged in service sharing arrangements with each other. In fact, the elected officials identified forty one different types of services and activities that they currently share with other governments, ranging from frequently shared services such as highway equipment and snow removal, parks and recreation activities, fire fighting, and dog control to rarely noted activities such as economic development, police records and investigations, and financial and legal services. In all, the participating officials identified 170 different instances of shared services, an average⁵ of nearly eight services per local government. The officials volunteered that they had agreements with Broome County, the State of New York, other municipalities, and school districts. Consequently, local government in Broome County can be characterized as a complex web of intergovernmental arrangements and agreements.

⁵ Throughout this paper, the reported average is the mean value.

Table 3 displays the local government officials' expressed level of satisfaction with each of the services they shared.⁶ They noted that they were generally quite satisfied with their shared service agreements with an overall average value of 3.8 where 5.0 is very satisfied, 0 is neutral and -5 is very unsatisfied. In fact, police patrol was the only service to receive an overall negative average score (based on the negative response of one participating official).

The information provided by the local government officials leads to three noteworthy conclusions. First, there is an informal intergovernmental network of service sharing, especially in capital intensive services such as highway departments. Second, while many governments are engaged in shared services, only the sharing of highway equipment is mentioned by a majority (13 of 22 officials). Four other services were shared by at least half the governments: snow removal, parks and recreation, dog control and fire services. In contrast, half (21) of the services were only mentioned by one or two local government officials. Therefore, local government officials in Broome county may have many more opportunities for intergovernmental service sharing. Third, most of the shared service arrangements appear to be the product of informal contacts between local government officials, there is no intergovernmental clearinghouse in place to facilitate the establishment and evaluation of shared government agreements.

Opportunities for Additional Shared Services

Perhaps due to their reported success with current cooperative relationships, Broome County's local government officials expressed interest in exploring additional service sharing. As Table 4 shows, the participating local government officials targeted sixty six services for further investigation. Perhaps more importantly, the local governments averaged three potential services for sharing, and all the officials identified at least one service that they would like to share with other governments. Officials seem to believe that service sharing is a worthwhile strategy for improving the cost effectiveness of their governments or improving the services that they provide to residents.

In total, the officials identified twenty seven candidate services for sharing, and thirteen services were identified by more than one government. Courts were most frequently mentioned (by 9 officials), followed by health insurance (7), parks and recreation (6), and highways (5). The cell values in Table 4 show the reported priority that each of the local government officials placed on sharing a service.⁷ While some services are not identified by a large number of local governments, a shared service agreement could have a significant impact on the service provision for some governments, such as fire protection for Binghamton and Johnson City.

⁶ In some cases an official either marked several numbers on one card, or left the satisfaction portion blank. In calculating an average (mean) score, these cases were assigned a neutral value of 0.

⁷ Barker did not provide a priority value for sharing health insurance costs, and Conklin did not provide a priority value for water and sewer services. A moderate value of 3 was assigned to these cases.

The services identified in Table 4 give local government officials a starting point for further discussions. While those items identified by several governments may set a group agenda, less frequently mentioned items on the list may also generate ideas that officials will want to explore further.

Next Steps

The Shared Services Summit identified a possible agenda for advancing intermunicipal cooperation and collaboration among Broome County's local governments. While this is an important early step, the critical work of moving from an agenda to action will require focused attention from local government officials and other stakeholders. Cooperation and collaboration require careful consideration of what the costs and benefits of the new arrangements are likely to be and that, in turn, requires a careful examination of existing service delivery arrangements. It will also be vital for the municipal elected officials to continue their momentum by meeting regularly and periodically evaluating their progress. This presumes the formation of a team, or committee to set the direction for future shared service activities.

As Broome County's municipal officials move ahead with a shared services agenda, they should begin by making use of their neighbors' experiences. For example, four local governments (the Towns of Maine and Nanticoke, and the villages of Port Dickinson and Windsor) reported that they shared court services with other governments. The nine governments that are considering shared court services should review these established agreements and determine whether they are applicable to their governments' needs. This sharing of expertise can be facilitated by designating an established organization to collect existing intermunicipal agreements and to serve as a clearinghouse for Broome County governments as they explore shared service opportunities. This office or person also can begin benchmarking progress on shared services, and coordinate the shared services activities of individual governments. Councils of Governments, regional planning boards, municipal or county planning departments, and university centers have all fulfilled this function in other areas. An immediate decision facing local government leaders is determining the degree of coordination that will take place, and who will be responsible for it.

Mechanisms for involving the public and other key actors such as the business community, good government groups such as the League of Women Voters and not-for-profit service providers should be organized as soon as possible. Likewise, as the groups who may be most directly affected by service sharing arrangements, local government employees should be encouraged to participate, and their expertise should be considered as shared service agreements are negotiated. The Shared Services Summit provided an excellent venue for local government leaders to continue their discussions about cooperative activities, and to begin thinking about how those discussions can become more focused and formal. Involving other interested groups will build support for the process and promote better decision making and outcomes.

Finally, carrying out an agenda to increase the number of shared local government services will require a commitment of time and resources by all the participating local governments. Local governments will need to assign specific people with decision-making authority to the task of estimating the costs and benefits of shared service alternatives. While grant funds may be available to conduct some of these activities, local governments may need to invest financial resources to support the activities of a coordinating office or to provide matching funds.

As financial constraints and the desire to meet the needs of constituents continue to press local governments in Broome County, the development of new shared service arrangements among them is likely to continue. The promise of the Shared Services Summit is that local governments will be able to learn from each other, and improve the efficiency and effectiveness of their service delivery.

Summarizing the next steps, as a group, the Shared Services participants should:

- Designate a person or office to serve as a clearinghouse of local information and facilitator of new agreements.
- Generate public participation and involvement in developing and carrying out an agenda for shared services.
- Work with the local government employees who will be directly affected by service sharing agreements.
- Identify resources that can aid the effort. In particular, the New York State Comptroller's Office has prepared written materials and can provide technical assistance to local governments.⁸
- Commit to specific action items as soon as possible.

Individual local governments should be prepared to:

- Assign specific local government personnel with decision-making authority to participate in discussions and decision making.
- Share information regarding the costs and activities associated with their current service delivery.
- Implement shared service agreements when they meet their established criteria for doing so.

Conclusion

The Shared Services Summit demonstrated that Broome County's local governments are committed to improving the quality and cost-effectiveness of the services that they provide to their citizens. The Summit also showed that the public has an interest in how their services are provided. It is up to local governments to show measurable progress at

⁸ See Division of Local Government Services and Economic Development, 2003. *Intermunicipal Cooperation and Consolidation: Exploring Opportunities for savings and Improved Service Delivery*. Office of the New York State Comptroller, Albany, NY; and 2003, *Local Government Management Guide: Intermunicipal Cooperation*, Office of the New York State Comptroller, Albany, NY.

a time when many citizens believe that government does not deliver needed services effectively and efficiently, and when partisanship often interferes with mutually beneficial action. The Summit's participants showed that collaborative action is possible. The long-term prosperity of the region depends building better and more efficient governmental services from that foundation.