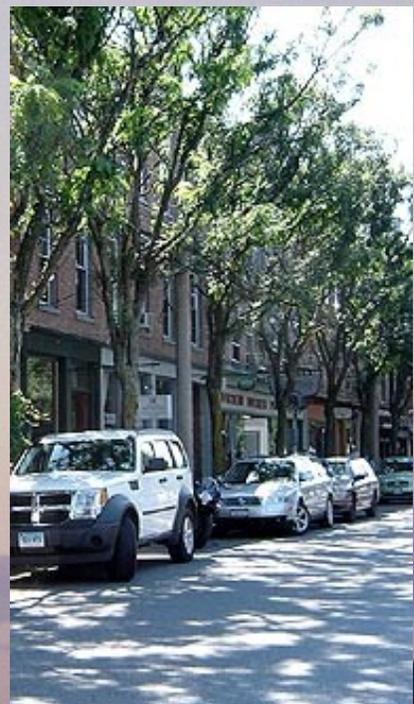


# EXAMINING SHARED SERVICES POTENTIAL IN DUTCHESS COUNTY

A DISCUSSION BRIEF ON MUNICIPAL EFFICIENCY



April 2011

## HUDSON VALLEY PATTERN FOR PROGRESS

Improving Hudson Valley Quality of Life Through Regional Solutions Since 1965

# Dutchess County Collaborates

## Challenges = Opportunities



The Dutchess County Association of Supervisors and Mayors asked Hudson Valley Pattern for Progress to conduct a study to examine areas to enhance government efficiency and the potential for shared services and collaboration. Pattern was commissioned through the Dyson Foundation in 2010 for this initiative.

Based upon the current economic climate and the fiscal condition of the federal, state and local governments, improvements to service delivery and reduction of taxes to the residents and businesses is no longer a luxury, but a necessity.

In Dutchess County alone, there are 189 units of government and special districts. With shrinking revenues from the state and no real growth in population over the past 5 years, it is imperative for the County, towns, villages and special districts to collaborate, share services and potentially look at county-wide solutions.

All levels of government are being asked to do more with less. Reductions in school and municipal aid exacerbate this problem. To help address the growing need, Pattern research will offer best

practices and case studies to assist in the development and adoption of more efficient service delivery systems.

Restructuring service delivery often raises local

fears about losing control of services, but can also result in many benefits. Taxpayer savings and effective services are simply too important in today's environment, and citizens and local leaders are increasingly willing to question the status quo as a means of achieving these gains.

### Layers of Government In Dutchess County

County	1
City	2
Town	20
Village	8
Schools	13
Fire Districts	26
* Drainage	1
* Fire Protection	7
* Lighting	25
* Park	1
* Refuse and Garbage	1
* Sewer	34
* Water	42
* Other	8
<b>TOTAL SPECIAL DISTRICTS</b>	<b>119</b>
<b>TOTAL ALL UNITS</b>	<b>189</b>

Source: NYS Office of State Comptroller

\* Special Districts are included in the Total Districts

“ We cannot pass the cost of unfunded mandates to anyone but our taxpayers... Municipal Leaders are quite receptive to “out of the box” thinking to solve our collective economic problems...”

Jon J. Wagner

Supervisor,  
Town of LaGrange

President,  
Dutchess County  
Supervisors & Mayors  
Association

### FISCAL OPPORTUNITY

At the state level, the new Administration is interested in rewarding local communities that successfully reorganize, consolidate services or dissolve local governments. Incentives for municipal merger or dissolution now promise continuing relief for taxpayers on top of efficiencies realized, and new competitive grants for local and school efficiencies up the ante for local savings initiatives. However, this study focuses on the potential desire to share services.

# Growth in Dutchess – Skidding to a Halt?

	Census 2000	2005*	2006*	2010
Dutchess County	280,153	291,586	291,471	297,488
T. Amenia	4,062	4,143	4,140	4,436
T. Beekman	13,698	14,748	14,723	14,621
T. Clinton	4,011	4,155	4,169	4,312
T. Dover	8,562	8,803	8,824	8,699
T. East Fishkill	25,588	28,324	28,589	29,029
T. Fishkill	19,261	20,158	20,342	22,107
T. Hyde Park	20,837	20,611	20,455	21,571
T. Lagrange	14,926	15,849	15,808	15,730
T. Milan	2,359	2,582	2,616	2,370
T. North East	3,002	3,116	3,135	3,031
T. Pawling	7,521	8,252	8,230	8,463
T. Pine Plains	2,559	2,666	2,684	2,473
T. Pleasant Valley	9,063	9,592	9,712	9,672
T. Poughkeepsie	42,492	44,249	44,069	43,341
T. Red Hook	10,394	11,292	11,305	11,319
T. Rhinebeck	7,774	8,083	8,062	7,548
T. Stanford	3,553	3,700	3,697	3,823
T. Union Vale	4,521	5,056	5,061	4,877
T. Wappinger	26,272	26,484	26,409	27,048
T. Washington	4,736	4,865	4,846	4,741

% change from 2000 to 2010	% change from 2000 to 2005	% change from 2006 to 2010
6.19%	4.08%	2.06%
9.21%	1.99%	7.15%
6.74%	7.67%	-0.69%
7.50%	3.59%	3.43%
1.60%	2.81%	-1.42%
13.45%	10.69%	1.54%
14.78%	4.66%	8.68%
3.52%	-1.08%	5.46%
5.39%	6.18%	-0.49%
0.47%	9.45%	-9.40%
0.97%	3.80%	-3.32%
12.52%	9.72%	2.83%
-3.36%	4.18%	-7.86%
6.72%	5.84%	-0.41%
2.00%	4.13%	-1.65%
8.90%	8.64%	0.12%
-2.91%	3.97%	-6.38%
7.60%	4.14%	3.41%
7.87%	11.83%	-3.64%
2.95%	0.81%	2.42%
0.11%	2.72%	-2.17%

V. Fishkill	1,740	1,729	1,712	2,171
V. Millbrook	1,429	1,537	1,521	1,452
V. Millerton	925	918	910	958
V. Pawling	2,233	2,283	2,263	2,347
V. Red Hook	1,805	1,800	1,781	1,961
V. Rhinebeck	3,052	3,063	3,046	2,657
V. Tivoli	1,163	1,155	1,148	1,118
V. Wappingers Falls	4,929	5,012	5,073	5,522

24.77%	-0.63%	26.81%
1.61%	7.56%	-4.54%
3.57%	-0.76%	5.27%
5.11%	2.24%	3.71%
8.64%	-0.28%	10.11%
-12.94%	0.36%	-12.77%
-3.87%	-0.69%	-2.61%
12.03%	1.68%	8.85%

C. Beacon	14,805	14,686	14,636	15,541
C. Poughkeepsie	30,157	30,172	29,959	32,736

4.97%	-0.80%	6.18%
8.55%	0.05%	9.27%

Source: United States Census Bureau. Town populations include their respective Villages.

\* 2005 and 2006 are based on Census estimates.

In the past decade, Dutchess County grew by more than 6%. However, most of this growth occurred in the first half of the decade and may have been temporary – a result of 9/11 and the housing boom of that period.

As the data at left indicate, the period of rapid growth for most areas ended in 2005. From 2006 to 2010, Dutchess County population growth dropped to 2% – one half the growth rate between 2000 and 2005. Between 2006 to 2010, three of the eight villages declined in population. The City of Beacon and Poughkeepsie grew by over 6% and 9%, respectively. During that same period, 11 of the 20 towns declined. The average growth rate for the towns that showed an increase in population was 3.45%, from 2006 to 2010.

Birth rates are falling as well. From 2002 to 2008 the number of live births declined in 10 of the 13 school districts. The overall number of live births countywide declined by almost 7.5% during the same period. Furthermore, student enrollment has declined by over 4% from 2005 to 2010.

Residential building permits have also decreased by 67.6% falling from 1,003 total units in 2000 to 325 in 2009. Most of this decline occurred after 2005.

# Gauging levels of interest in shared services from all

DUTCHESS COUNTY MUNICIPALITIES															
Highway	●	●	●	●	●	○	○	●	○	○	●	○	○	●	●
Police	●	●	○	●	○	●	○	●	○	○	●	●	○	○	○
Recreation	●	○	●	●	○	○	○	○	○	○	●	●	●	○	○
Tax Collection	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○
Tax Assessment	●	●	●	●	●	○	○	○	●	○	●	●	○	○	○
Sewer/Water	○	○	●	●	●	○	○	●	○	○	○	○	○	○	○
Code Enforcement	○	○	●	●	○	○	○	○	○	○	●	○	○	●	○
Courts	○	●	○	○	○	○	○	●	○	○	○	○	○	○	○
Garbage Collection	○	○	○	○	○	○	○	○	○	○	○	○	○	●	○
Animal Control	●	●	●	○	●	○	●	●	●	○	○	○	●	○	●
Health Insurance	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○
Electric Purchasing & Green Alternatives	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○
Back Office	●	○	○	○	○	○	○	○	○	○	○	○	○	○	○
Cable/Broadband	●	○	○	○	○	○	○	○	○	○	○	○	○	○	○
Fire	●	○	○	○	○	○	○	○	○	○	○	○	○	○	○
Ambulance	●	○	●	○	○	●	○	●	○	○	○	○	○	○	○
Relationship w/Schools	○	●	●	●	○	○	○	○	○	●	○	○	○	○	●

Key: ○ = No opportunity    ○ = Not a priority    ○ = Desire to engage    ● = Active Effort

## ANALYSIS OF INTEREST IN SHARED SERVICES

The data presented above were obtained directly from the chief elected official in each of the 30 municipal governments through a survey and interview process. Chief elected officials of all 30 municipalities in Dutchess County were both surveyed and interviewed to discuss every issue on the chart detailed above.

The interviews were conducted between June and October 2010, representing a specific snapshot in time. In order to obtain candid responses, local officials were as-

ured that the interviews would be confidential and that their municipalities would not be identified. The chart does not include specific municipal names; each column represents a municipality.

Results show that for some services there is a strong willingness to share, for others not, and for still others the results are mixed.

For example, there is a strong willingness to share services for Tax Assessment. Eighteen of the 30 municipalities are already engaged in shared assessment or planning to do so. Conversely, 17 of the 30 municipalities are coded ○ in Tax

Collection, which indicates no desire for sharing these services. Only 4 municipalities indicated any desire for these services to be shared.

Twenty four of the 30 municipalities indicated either a strong desire or are already involved in the sharing of Highway Services.

Shared services can save a substantial amount of money, and even improve delivery of services, as many studies and local initiatives have shown.

Somewhat surprisingly, however, 23 of the 30 municipalities ranked

# 30 Chief Elected Officials of Dutchess Municipalities

	CONTINUED														
Highway	●	○	○	○	○	○	○	○	○	○	○	○	○	○	○
Police	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○
Recreation	○	●	○	○	○	○	○	○	○	○	○	○	○	○	○
Tax Collection	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○
Tax Assessment	●	○	○	○	○	○	○	○	○	○	○	○	○	○	○
Sewer/Water	○	●	○	○	○	○	○	○	○	○	○	○	○	○	○
Code Enforcement	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○
Courts	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○
Garbage Collection	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○
Animal Control	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○
Health Insurance	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○
Electric Purchasing & Green Alternatives	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○
Back Office	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○
Cable/Broadband	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○
Fire	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○
Ambulance	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○
Relationship w/Schools	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○

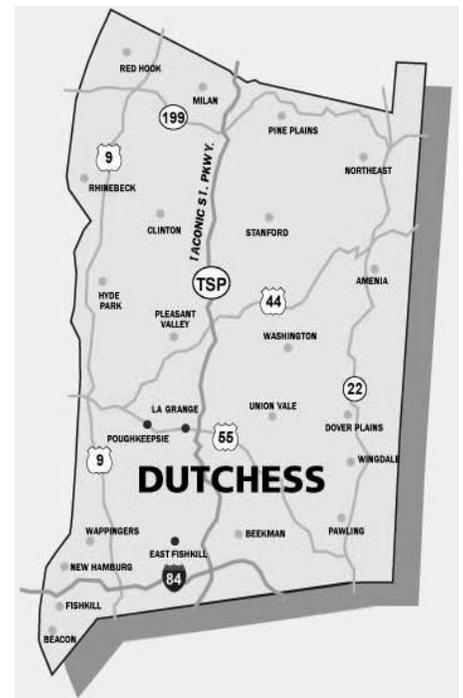
back office as a ○ or a ⊙ (low priority/possibility), six ranked it as a desire to change and only one ranked it as a high priority.

This area of back office services represent an opportunity for local governments to save significant amounts of money in ways that should not be difficult for residents to accept. However, Dutchess officials often viewed this as a loss of control. Additional savings could also occur in areas such as public safety, capital improvements and construction.

There is an overwhelming desire to engage in shared purchasing of

electricity. Of the 30 municipalities, 23 are prepared to explore this opportunity for savings.

Health Insurance is one of the largest expenses for municipalities. Of the 30 municipalities that were interviewed, 27 have a desire to engage in an effort to reduce costs in this area. Impediments in Dutchess County include the necessity of negotiating employee contributions and benefits in Union contracts and that there are multiple unions within and among municipalities, which make an effort to collaborate. Prior research in Ulster County also showed this issue as a top priority.



# SELECTED OBSERVATIONS FROM THE MUNICIPAL INTERVIEWS

## Countywide Assessment - Maybe?

Many of the 30 municipalities in Dutchess County currently have a shared assessor or have had discussions about creating “sub-regions” of similar sized towns working together. Could a countywide restructuring of the assessment function be far behind? As one town supervisor suggested, a more concentrated approach to assessing will improve the likelihood of recruiting stronger qualified individuals and provide them with the professional tools to do their jobs. Highly qualified assessors can cover much more than one jurisdiction. Even under a countywide approach allowing for a more effective division of labor, assessors would likely specialize in particular areas or types of property, and towns and villages of similar size may well be assessed by the same individuals.

## Countywide Tax Collection - Not Likely

Countywide tax collection was not seen as likely, with the overwhelming majority of municipalities seeing the function of collecting their money as sacrosanct. While sometimes hard to understand as we pay federal and state taxes through the mail and on-line and our personal banking is done on-line, the notion of sharing this service and losing personal contact was not received warmly. Possibly this has to do with the tax collection function traditionally handled through an elected office.

## Dissolution of Villages?

Some of the best examples of shared services exist between towns and the villages within them. From police, to assessment, to public works, you can find many excellent examples. However, the notion of going a step further was met with strong resistance as village mayors insist that they needed to protect the identity of the community and that, in general, people like the government closest to them.

## Emergency Services

Police, fire and ambulance services are all in need of close scrutiny, but are among the hardest discussions. The mere suggestion of sharing these services, especially fire, was often met with “I won’t touch that”. Local officials acknowledge that many of the emergency service responders are among the best employees and volunteers. Municipalities should study whether the staffing levels, location of the facilities, response times, departmental structures and dispatch function are designed to maximize efficiency.

County Executive William Steinhaus proposed that countywide taxes or specific charge-backs for services are the best way to fund the County’s road patrol. Towns and Villages were largely opposed to this idea, but the service patterns of the State Police, Sheriff and individual municipal police departments are in need of further study in order to maximize shrinking revenues.

Fire Departments were often cited by municipal leaders as needing greater oversight – not because they weren’t valued but because the total value of equipment purchased is growing unsustainably. They often felt that this was an area where the state could assist. EMS and ambulance services seem the closest of the emergency services to the possibility of a new approach. In some communities volunteer coverage is increasingly difficult to achieve during parts of the day. A few leaders suggested moving to a countywide or regional system for coverage. There have been prior attempts to bring multiple towns together to provide this service and it needs to be revisited.

## Areas Ripe for Cooperative Purchasing

The purchase of health care insurance and energy stand out as areas where municipalities are overwhelmingly interested in learning more about new collaborative strategies to reduce costs.

## Highway Services

While often informal, there are many examples of town–county, town-town, and town–village sharing of services and equipment. In some circumstances the local government does not even maintain a department of public works, relying on a neighboring municipality to provide services. Additional collaborative discussions may lead to new levels of shared services.

# WORKING TOWARD BEST PRACTICES

## BUILDING MOMENTUM for Efficiencies In Dutchess County

Efficiencies range from small scale services such as animal control, to larger scale services such as highways. Although some of the small scale services may not have a large scale fiscal impact, all savings are important to municipal budgets.

Here are a few examples:

- Village of Millbrook voted to abolish Village Court and Town of Washington hear calendar.
- Animal Control shared informally between the Towns of Clinton, Milan, Stanford.
- Towns and Villages provide services directly for each other and coordinate services such as water & sewer infrastructure and billing and tax assessment. City of Beacon treats sewage from Town of Fishkill.
- The Town of LaGrange Dog Park is provided on a fee for service to neighboring towns of Poughkeepsie, Pleasant Valley, Union Vale, Beekman, East Fishkill and Wappinger.
- Winter highway snow plowing are shared between some Towns, Villages and the County.
- Highway equipment is shared between some towns and villages, e.g. Town of Washington and Village of Millbrook.
- PANDA—Public Access Northern Dutchess Area brings five town and villages shared programming for public access television.
- The Town and Village of Rhinebeck and the Town and Village of Red Hook have established shared services committees.
- The Village of Millerton closed its court and the Town of Northeast handles its caseload.
- The Town of Amenia needed a new Town Hall. The local elementary school closed and the town purchased the building for an adaptive reuse of the structure.

Send us *your* examples of shared services. Visit [www.Pattern-for-Progress.org](http://www.Pattern-for-Progress.org).

## IMPEDIMENTS TO CHANGE: Overcoming Local Barriers

Some of the best ideas can languish if there is no one willing to fight for them, and someone must step up to “own the change.” However, local leaders do not always agree. A town supervisor may have one opinion, the town board another, and if it impacts a key official (e.g., a police chief or an independently elected highway superintendent), there is yet another opinion leader to consider.

While the economy and fiscal situation may demand change, some stakeholders are more comfortable sticking to what they know. It is critical to build a constituency for change, and citizens and other stakeholders – particularly the business community – need to be brought into the process.

Barriers can be as simple as organizational culture, or can extend to potential loss of jobs, changes in status or in benefits. It can be difficult for people to cut back on services provided by their neighbors, or to transfer them away from the government they feel closest to. Communities also often fear the loss of identity and do not want to give up direct control of certain services. Often these reactions are strongest for highly visible services, such as police protection, fire or maintenance of roads.

## REFORM LEADERSHIP NEEDED

Usually behind each successful restructuring effort there is a champion or group that promotes reform and helps move opinion to implement changes. **Reform leadership** often comes from local government officials, but may also come from community or business stakeholders. What can you do to develop the local reform leadership?

- Ask your local officials about shared services.
- Refer to Pattern’s studies and other resources.
- Envision things that might be, and ask why not?
- Bring up local reform as a topic at every opportunity, e.g. Town or Village meetings.

## Project Managers and Implementers

Cities, towns and villages have many great ideas, but may lack staff capacity and time. A critical element to reform is the project manager or implementer who has the ability to move the project from “Point A to Point B”. Typically, groups assemble on a monthly basis, but then no one can move the strategy to its conclusion on a “day-to-day” basis. The project manager must be part of any shared service strategy.

**SUSTAINABLE SOLUTIONS THAT ENHANCE THE GROWTH AND VITALITY OF THE HUDSON VALLEY.**

## Looking to the Future

# Working with local governments to create new ways to become more effective and efficient

“ *Hudson Valley Pattern for Progress is dedicated to providing leadership and assistance to the region’s municipalities as they wrestle with the challenges of how to make government more efficient while delivering savings to the taxpayer.*

*Our Local Government Efficiency Task Force is developing new ways to help Hudson Valley municipalities find those solutions.* ”

*Jonathan Drapkin  
President & CEO*

Providing the Hudson Valley’s local governments with ideas and resources with which to face the challenges of today’s economy has long been a priority for Hudson Valley Pattern for Progress.

Using independent research, available data, and information on best practices, Pattern works at the local, county and regional level to explore, evaluate and help implement alternatives — from shared services to consolidation — that are best suited to local needs.

Pattern and the new Government Efficiency Task Force will focus on providing support, technical assistance and advocacy:

1. Increase citizen awareness of the benefits of restructuring government with information on cost savings and other benefits.
2. Support leaders who wish to embrace change.
3. Identify and support restructuring initiatives in high-impact areas.
4. Support state government incentives, initiatives and actions that can bring the Hudson Valley to a more competitive position.
5. The newly renovated Pattern website offers a unique source of news and best practices in local government efficiency, an idea supported almost unanimously by those interviewed in the study.
6. Conduct training to provide local officials with ideas, tools and resources to contend with today’s fiscal challenges.

AN INITIATIVE OF HUDSON VALLEY PATTERN FOR PROGRESS

Pattern for Progress website

### Local Government Efficiency

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Hudson Valley Local Government Efficiency > Shared Services

Patch - Sean Roach - Jan 20, 2011

#### Signs of Friction Over Shared Services

The Union Free School District of the Tarrytowns should take over programming and maintenance of all parks and recreation in the villages, according to a report presented by The LaBerge Group.

News Tracker Map View

*AT LEFT: Pattern’s new web-based initiative, the Local Government Efficiency NEWS TRACKER, will provide news on shared services, consolidations and much more. Visit us at [www.Pattern-for-Progress.org](http://www.Pattern-for-Progress.org).*

*Your thoughts on the issues? Contact Hudson Valley Pattern for Progress at (845) 565-4900 or email [jdrapkin@pforprogress.org](mailto:jdrapkin@pforprogress.org)*

Hudson Valley Pattern for Progress is the policy, planning and advocacy organization that creates regional, balanced and sustainable solutions to quality-of-life issues by bringing together business, nonprofit, academic and government leaders to collaborate on regional approaches to affordable/workforce housing, municipal sharing and local government efficiency, land use policy, transportation and other infrastructure issues that most impact the growth and vitality of the regional economy.

Become a member of Pattern and be part of the solution!

# HUDSON VALLEY PATTERN FOR PROGRESS

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