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New York Towns' New Deal: We'll Make Your Signs, You Sweep Our Streets.

HAUPPAUGE, N.Y. — In Suffolk County, officials are trying something that would be sort of a Craigslist for municipalities: an online municipal store that will allow local mayors and supervisors to save money by shopping for common services.

For example, if some towns had a robust road-resurfacing army or a graffiti-removal machine, they might be able to offer such services to smaller towns, which otherwise would have to spend far more money to replicate those services.

Suffolk County has other ideas: sharing services like recycling or youth programs; cooperative bidding on everything from uniforms to desks to asphalt.

"We make this and you make that," said Jon Kaiman, Suffolk County's shared-services czar. "Why don't we work together and be more efficient?"

Across New York State, counties are coming up with ways to achieve economies of scale through municipal cooperation — a mandate last spring from Gov. Andrew M. Cuomo and state lawmakers through a so-called [Shared Services Initiative](#).

The new statute, enacted into law when the state budget passed in April, laid out a timeline by which leaders in every county outside New York City had to appoint a panel of local elected officials, brainstorm ideas for sharing services, draft a plan and hold a vote. As an incentive, the state said that in 2018, the first full year of implementation, it would match any savings the towns and counties achieved.

Nearly three dozen counties approved such plans earlier this month, for a total savings to taxpayers next year of \$220 million, state officials said. The other counties decided to punt the initiative to next year, when they will have to follow a similar timeline. If panels reject a shared-services plan, the law requires any members who cast nay votes to explain their decisions to constituents.

The goal of leaders in Albany is to reduce taxes — a formidable task, given that New York State makes up a taxable kingdom. There are county, city, town and village governments, along with school districts, each with their own budgets and taxing authority. Then there are fire districts, water districts, sewer districts, park districts and on and on.

The layers of services, and taxes, have made the tax bill an object of dread, particularly in suburbs like Westchester and Nassau, which frequently top rankings for the nation's highest property taxes. Yet historically, the push to consolidate by regionalizing a high school, say, or merging two police departments has been anathema to many residents who are loath to even share their snowplows.

In announcing passage of the state budget, Mr. Cuomo, a Democrat, called high property taxes "the single greatest problem in this state," pointing out that the median state income tax was \$1,800, compared to the median property tax of \$4,700. In 2011, the governor and the Legislature approved

a cap on property taxes in an effort to limit the annual growth to 2 percent or the rate of inflation.

"We've tried attacking property taxes in all different ways," he said. "But you need structural changes on the local and county level if you're going to make a real difference in property taxes. This budget empowers citizens to say to their local governments, 'Enough is enough. We need you to make structural changes and we need you to do it now.'"

The new statute stopped short of making local governments combine village halls or even municipal departments, avoiding the unpopular term "consolidation" altogether. Nonetheless, some county officials still viewed the initiative with skepticism, even cynicism.

Steve Bellone, the Suffolk County executive, saw it as an opportunity.

A few years ago, Mr. Bellone oversaw the merger of the county comptroller and treasurer departments. "It's human inclination to want to keep things the same," he said. "These were two departments within county government and that was a massive challenge. So getting separate and distinct governments working together is a monumental task."

Mr. Bellone immediately appointed Mr. Kaiman to become the shared-services czar; Mr. Kaiman, a former supervisor of North Hempstead, had managed to swap services and streamline government functions in that sprawling town, which has no fewer than 30 incorporated villages and 11 school districts.

"This wasn't a volunteer scenario," Mr. Bellone said from his 12th-floor office in the county government complex here. "But I viewed it as an opportunity to have leaders in our region communicate and collaborate in a way that we never have before, with the idea that positive things could come from that."

Getting a majority of the 48 mayors, supervisors and school leaders on the shared-services panel to a yes vote was not easy, however.

In fact, in the days before the shared-services statute became law, the Suffolk County Village Officials Association passed a resolution opposing it. In a letter to Mr. Bellone, the association said the initiative "poses a serious threat to home rule, restricts village budgets and jeopardizes the ability of local municipalities to adequately govern."

Mr. Kaiman's first priority was to meet with mayors and town supervisors to reassure them that the state initiative was more about sharing than consolidating.

"It's about identity," said Mr. Kaiman, explaining the resistance. "I identify with my local school and my local village or town. People don't want to lose that. But we can still come up with ways to benefit from our common resources, our excess capacity."

After meeting throughout the summer, the panel drafted a plan that is projected to save a potential \$37 million over two years.

As an example, Mr. Kaiman said that if one municipality had a graffiti-cleaning truck, but only used it part of the year, officials could rent the truck to towns and villages that don't have one. "I can call up Islip and ask to rent their graffiti truck," he said. "Otherwise, I would have to hire some company or dedicate 10 workers to scrape off graffiti. The town with the resource is making money. The town that's getting the resource is saving money by not going to the private sector."

When Mr. Kaiman led North Hempstead, the town's sign shop made 2,000 signs for local schools

and governments. “Villages and schools were getting estimates of \$1,250 for one sign, so we did it for \$450,” he said.

Robert Mujica, the state budget director, praised Suffolk’s plan. “It’s robust,” he said. “They took it very seriously. They looked at not only sharing services but using technology and auditing processes to make sure the savings are there. All the things you should be doing — it looks like they did.”

State officials said that some 400 initiatives were included in the plans approved by counties this year. In Montgomery County, changes to the way records are retained is expected to yield \$1.5 million in taxpayer savings. Nassau County’s plan included more than a dozen ideas for sharing services among villages, from pothole repair to code enforcement. The initiative should save \$130 million over a number of years.

Virtually all of the savings in the Nassau plan — \$128 million — would result from the conversion of Long Beach’s antiquated sewage treatment plant to a pump house, diverting the city’s wastewater to a county plant.

In Suffolk, its shared-services plan was passed unanimously on Sept. 12. Mr. Kaiman believes the key to securing the panel’s support was the emphasis on autonomy. In other words, no one will be forced to share or buy or barter.

“If it’s not exactly the product you want, go use the local sign shop,” he said. “You never lose your independent authority as a municipality. We believe in local government too. We don’t believe in waste and inefficiency.”

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By LISA W. FODERARO

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