

# **Evaluation of Potential Governance Structures and Shared Services**

Town and Village of Ossining, NY

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## STRUCTURAL OPTIONS

The State-approved work plan for this project requires the review of structural alternatives within the following framework:

- Consideration of a coterminous Town and Village of Ossining either by annexation of that part of the unincorporated area of the Town that is contiguous to the Village of Ossining by the Village of Ossining *or* by the dissolution of the Village, or otherwise, and the continuation of a separate Village of Briarcliff Manor; or
- Any other possible government structure permissible by law.

The work plan therefore contemplates (and the Steering Committee has requested) a review of a *range of alternatives* rather than evaluation of one specific approach *or* identification of a “preferred” option. The intent of this review is therefore to *inform the community dialogue about structural alternatives and how they compare to the status quo*, leveraging comprehensive data analysis and an objective review of facts.

### Restructuring Alternatives

The following sections present a range of municipal restructuring options applicable to the Town and Village in their current form. It should be noted that the options presented herein were identified, in the first instance, in terms of their application to *only* the area currently covered by the Village of Ossining and Unincorporated Area of the Town of Ossining. That is, the options were not derived with a primary emphasis on restructuring the Village of Briarcliff Manor. *However*, certain restructuring options that would primarily apply to the Village of Ossining and Unincorporated Area *would* create secondary impacts on – and may necessitate restructuring of – the Village of Briarcliff Manor. Those impacts and options are referenced in the following reviews, as applicable.

Three basic alternatives are considered:

- City status;
- Village dissolution; and
- Coterminous town-village.

It should also be noted that these options *do not* include the full dissolution of the Town, since New York State law does not permit village governments to exist independent of a town government. The dissolution or termination of town governments is distinct from other municipal forms in New York State. Specifically, §773 of Article 17-A of the General

Municipal Law, which governs consolidation and dissolution of municipal governments, explains that “a local government entity *other than a town* (emphasis added) may be dissolved and terminated by the procedure described in this title.” State law does not provide for the ability to dissolve a town government except where such town will be annexed into an adjoining town in the same county, as permitted under Article 5-A, §79-A of the State Town Law.

## General Assumptions re: Fiscal Estimates

Each of the fiscal impact models presented in the following sections is based on a series of assumptions regarding the delivery of municipal services, budgetary fund structure and the inclusion or exclusion of specific expenditure and revenue items. Key assumptions behind each model are presented in the respective section. The following *general assumptions* apply to all of the fiscal impact models.

### *Current-Year Budgets*

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All models are based on current-year budgets for the Town and Village of Ossining (and, where applicable, the portion of Briarcliff Manor located within the Town of Ossining). Analysis was computed at the “cost-center” level for each budget, applying assumptions as to which expenditures / revenues would be eliminated and which would remain (and for those that remain, to which budgetary fund they would apply).

### *Fiscal Impact Estimates, Ceteris Paribus*

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Impacts are presented in terms of what the effect on taxpayers *would have been had the structural alternative been in place this year*, given current year fiscal realities. Future savings, costs or changes in other variables (e.g. health insurance, pension, wages, utilities, etc.) that are otherwise indeterminate are not contemplated in the analysis.

### *Impacts on the Typical Property*

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Fiscal impact estimates are based on the current Town taxable assessed valuations for properties in the Unincorporated Area, Village of Ossining and portion of Briarcliff Manor in the Town of Ossining. As such, impacts are presented using a hypothetical property assessed at \$20,000.

### *Removal of IMA Double-Counts*

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Funds currently paid between the Town and Village of Ossining – in either direction – to underwrite costs related to shared services are eliminated

from the analysis to avoid a “double count” of dollars and permit an accurate tracking of true service delivery costs.

### *Consistent Budgetary Fund Structure*

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To the extent possible, the analysis assumes a consistent budgetary fund structure to promote ease of understanding and comparison to the *status quo*. There are exceptions, however. For example, the dissolution models envision retention of the current Town budget structure supplemented by a series of special districts that would allow existing costs / liabilities of the Village of Ossining to be contained within the former Village area, rather than spreading them townwide. These districts include fire protection, sewers, water, existing debt, refuse / garbage collection and lighting. Under certain structural alternatives (*e.g.* city status), creation of this budgetary structure may require special state authorization.

### *Shifts in Taxable Assessed Value*

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The models present different impacts based in part on the shift in taxable assessed value (TAV) that would be created by each. For example, dissolution of the Village of Ossining would *add* to the TAV of the Town’s Unincorporated Area while leaving the townwide TAV unchanged; similarly, consolidating just the Town’s Unincorporated Area and the Village of Ossining under city status would remove the portion of Briarcliff Manor’s taxable value from the resulting municipality’s assessed base.

### *Section 8 Program*

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Presently, the Village of Ossining maintains its own Section 8 Program while the Town of Ossining relies on the state program now administered in the county by CVR Associates. To facilitate the fiscal analysis, costs and revenues associated with the Village of Ossining’s Section 8 Program are removed. However, it should be noted that the Village’s Section 8 budget is largely self-funding through voucher revenue and other monies. A total of \$84,000 is contributed to the Program by the Village’s General Fund, accounting for 2.5 percent of total Section 8 expenditures. Under any of the structural alternatives, the resulting municipality may opt to retain the program (*i.e.* the current Village of Ossining approach) or shift responsibility to the third party provider in the county (*i.e.* the current Town of Ossining approach).

## Assumptions Regarding Police Costs and Method of Delivery

Both the Town and Village of Ossining expend dollars on law enforcement, but in very different ways. The Town contracts with Westchester County for coverage; the Village maintains its own full-service municipal police force. Precisely how the successor municipality would provide and fund police services in any of these models is not determinable at the present time. As such, the models present a range of funding levels regardless of whether the eventual approach is through a modified contract with Westchester County or a municipal force. The funding levels contemplated in the models are as follows:

- *High-End:* The resulting municipality would have police costs equal to the current combined police cost of the Town of Ossining and Village of Ossining. This would essentially maintain current geographic coverage and current spend, which would in theory not reduce service levels.
- *Moderate:* The resulting municipality would have police costs equal to the current Village police cost. This would essentially involve spreading the Village spending level to the geographic area including the current Unincorporated Area, resulting in some service level reduction.
- *Low-End:* The resulting municipality would have police costs equal to the current Town police cost. This would result in the largest service level reduction of any of the models.

To provide a conservative estimate of impacts under each model, revenues related to police services (*e.g.* alarm monitoring, prisoner transfer, etc.) are removed from the analysis, as they would likely cease if law enforcement services were transferred to Westchester County.

## Assumptions Regarding CETC Incentive Funding

The State of New York's Citizen Empowerment Tax Credit (CETC) is an incentive to encourage municipal consolidations. The credit provides additional annual aid to local governments equal to 15 percent of the combined amount of real property taxes levied by all of the municipalities involved in a consolidation or dissolution, not to exceed \$1 million. At least 70 percent of such incentive aid is statutorily required to be used for property tax relief. Two of the structural alternatives examined for Ossining – consolidation as a city and dissolution of the Village – would be eligible for CETC funding. In both instances, the fiscal impact models

contain those incentive monies. However, in order to provide greater perspective on the merits of each structural alternative, parallel fiscal impact models are also presented *without the CETC funding*.

## Structural Alternative: City Status

Under this option, the Village of Ossining and Unincorporated Area of the Town of Ossining would pursue incorporation as a single city government, essentially consolidating their governance and service delivery structures into a single entity. At present, there are 62 city governments in New York State. The most recent to be incorporated is the City of Rye, which was established in 1942. A recent letter from State Senator Catharine Young to the Town of North Dansville (which was exploring incorporation as a city) provides a brief summary of the researched history of the process in Rye:

*In 1939, the Village of Rye sought legislative approval of a locally drafted charter for city incorporation. This legislative request was not able to be considered by the full Legislature until the home rule approval was received from Westchester County, in addition to the Village and Town approvals that were already submitted. Specifically, passage of this local legislation was held in the Assembly until this requirement was satisfied. After home rule approvals from the County, Town and Village were received in 1940, the Village of Rye's legislative request was able to be acted upon by both Houses of the legislature.<sup>1</sup>*

Although city status is often associated with a community's size (*i.e.* many consider cities to be larger municipal entities), size is not actually a condition for pursuing city status. In fact, "the Legislature may incorporate any community of any size as a city... Most of the state's 62 cities have populations smaller than the population of the largest village, whereas over 150 of the state's 556 villages have populations greater than that of the smallest city."<sup>2</sup>

The City of Rye history referenced above is instructive insofar as it highlights the legislative process required for incorporation of a city. Notably, creation of a new city requires State legislative approval, which itself is subject to "home rule" requests from the affected communities:

*As a practical matter, the State Legislature does not create cities without clear evidence from a local community that its people desire incorporation. This evidence ordinarily is a locally drafted charter submitted to the Legislature for*

<sup>1</sup> Letter from State Senator Catharine M. Young to Dennis Mahus, Town Supervisor of the Town of North Dansville, February 10, 2011.

<sup>2</sup> *Local Government Handbook*, New York State Department of State, 2011, p 51.

*enactment and a home rule message from local governments that would be impacted by the incorporation.*<sup>3</sup>

If any portion of the Ossining community desired to pursue city status, a city charter commission would need to be established that would outline the governing structure and general policies for the new city. The incorporation would then require approval by the State Legislature.

Two key points should be noted:

- Consolidating as a city would be eligible for Citizen Empowerment Tax Credit incentive funding, providing the maximum \$1 million in additional state aid per annum; and
- Acquiring city status for just the Village of Ossining and the Unincorporated Area of the Town would force a structural change in Briarcliff Manor, since its portion located within the Town of Ossining would not be able to exist in its current form in the absence of the Town. The options available would appear to be either shifting Briarcliff Manor entirely into the Town of Mount Pleasant (via annexation or state legislative action) or Briarcliff Manor becoming its own independent unit of government (*e.g.* a separate coterminous town-village). For the purposes of this analysis, we assume the former. Notably, residents within the portion of Briarcliff Manor located in the Town of Ossining would likely have a right to certain assets owned by the Town of Ossining, since they are Town residents and taxpayers as well as Briarcliff Manor residents and taxpayers. Liquidation of those assets would have to be part of any plan to restructure Briarcliff Manor *out* of the Town of Ossining.

### ***Fiscal Impact Model Assumptions***

This model is based on certain operational and financial assumptions, including:

- Costs related to the current justice court serving the Town and Village of Ossining are assumed to be eliminated, since city courts in New York are funded by the State rather than by the municipality (with the exception of facility maintenance costs);
- Although city status would enable the resulting municipality to “pre-empt” the current sales tax sharing arrangement with Westchester County and retain all sales tax revenue generated

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<sup>3</sup> Ibid p 51-52.

within its borders, the *status quo* sharing arrangement is assumed to continue;

- That portion of Briarcliff Manor within Ossining would shift into the Town of Mount Pleasant, with the Village otherwise continuing to exist in its current form;
- Certain savings are realized through the reduction of one executive and one legislative office, but a manager’s office, personnel department, corporation counsel and safety director are assumed to be retained; and
- Creation of a new city would result in the establishment of several special service districts to contain certain Village-specific costs to the former Village and avoid them being spread to the Unincorporated Area. Among these would be fire protection, sewer, water, debt, refuse and lighting. All service districts currently in place for the Town of Ossining (and covering the Unincorporated Area) are assumed to remain intact. *It is essential to note that under current state law, the ability of cities to create such special districts is limited. Thus, implementing this option in a way that confines costs of the former Village and former Unincorporated Area to those particular taxpayers would almost certainly require special state legislation.*<sup>4</sup>

### *Caveat re: Assets and Liabilities*

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Under the city model that only includes the current Village of Ossining and Unincorporated Area, most assets and liabilities of the current Town would transfer to the successor municipality. However, it should be noted that the portion of Briarcliff Manor within the Town of Ossining would likely have a right/responsibility to certain assets (and potentially liabilities) currently owned by the Town, since those Briarcliff Manor taxpayers are also Town of Ossining taxpayers.

## **Summary of Estimated Impacts**

Assuming the resulting consolidated city received all CETC incentive funding for which it would be eligible, the typical property in the Village of Ossining would see a savings under each police cost assumption. However, properties in the Unincorporated Area would see an increase under the “high-end” and “moderate” police cost assumptions, largely as a

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<sup>4</sup> Similar legislation has been explored by the City and Town of Batavia (Genesee County, New York) as part of their ongoing exploration of merging into a single city.

result of those law enforcement costs currently borne by the Village of Ossining shifting into the General Fund of the consolidated city. Obviously, the removal of CETC incentive funding reduces savings (or increases costs), by approximately \$120 in each scenario for properties in both the Village of Ossining and Unincorporated Area of the Town. In each scenario, the primary impact to that portion of Briarcliff Manor in the Town of Ossining is estimated to be the tax rate shift of moving from Ossining to Mount Pleasant, on an equalized basis.

		Police Cost Assumption		
		Low-End	Moderate	High-End
<b>BLACK denotes tax increase</b>				
<b>RED denotes tax decrease</b>				
<b>With CETC Funding</b>	<i>Unincorporated Area</i>	(\$691)	\$314	\$635
	<i>Village of Ossining</i>	(\$1,371)	(\$366)	(\$44)
	<i>Village of Briarcliff Manor (portion)</i>	(\$179)	(\$179)	(\$179)
<b>Without CETC Funding</b>	<i>Unincorporated Area</i>	(\$568)	\$437	\$758
	<i>Village of Ossining</i>	(\$1,248)	(\$243)	\$79
	<i>Village of Briarcliff Manor (portion)</i>	(\$179)	(\$179)	(\$179)

*Note: Impacts presented in terms of hypothetical residential property with Town taxable value of \$20,000*

## Structural Alternative: Village Dissolution

Under this option, the Village of Ossining would cease as an incorporated municipality and primary service and governance responsibility would shift to the Town of Ossining. Assuming the current Town boundary remains unchanged, the Town of Ossining would be comprised of a larger Unincorporated Area and the current portion of Briarcliff Manor. No special state authorization would be required to exercise this option.

The village dissolution process can differ based upon how the effort is initiated. Under a “board initiated dissolution,” the village board can propose a dissolution plan on its own; by contrast, under a “voter initiated dissolution,” signatures are collected to petition a formal dissolution referendum.

Four key points should be noted:

- Village dissolution would be eligible for Citizen Empowerment Tax Credit incentive funding, providing the maximum \$1 million in additional state aid per annum;
- Unlike city status or the coterminous town-village option, this option can be exercised unilaterally by action of the Village of

Ossining and its voters, and does not require additional action by the Town of Ossining;

- Also unlike city status or the coterminous town-village option, this alternative would not require a restructuring of Briarcliff Manor, allowing it to continue in its current form and remain split between the Towns of Ossining and Mount Pleasant; and
- Under village dissolution, assets currently owned by the Village of Ossining would transfer to the Town of Ossining.

### ***Fiscal Impact Model Assumptions***

This model is based on certain operational and financial assumptions, including:

- Certain savings are realized through the reduction of one executive and one legislative office, other common functions (*e.g.* public works, clerk, planning / zoning, budget and treasurer/tax collection) are assumed to be combined within the resulting Town budget;
- Costs and revenues related to Village functions that are assumed to remain are allocated in the resulting Town budget on a fund-specific basis, with public works costs placed in the Highway Fund, police costs placed in the Unincorporated Area fund, Downtown Development Manager in the Unincorporated Area fund, and so on;
- Because the dissolution would vest the existing Town with exclusive structural and decision-making authority (unlike a consolidation as a city or coterminous town-village), certain “unique” functions currently provided by the Village *but not by the Town* are assumed to go away, including the manager’s office, personnel department, corporation counsel and safety director; and
- Revenue related to the Utility Gross Receipts Tax in the Village of Ossining would cease, since towns are not eligible for that revenue stream (although, Village utility customers would no longer be charged this tax, resulting in an approximately 2 to 4 percent non-property tax savings off their monthly bills).

### ***Summary of Estimated Impacts***

Assuming the Town received all CETC incentive funding for which it would be eligible after dissolution of the Village of Ossining, the typical property in the Village would see a savings under each police cost assumption. At current police cost levels (*i.e.* the “high-end” assumption),

properties in the Unincorporated Area would see an increase in taxes primarily as a result of shifting those law enforcement costs currently borne by the Village of Ossining into the Unincorporated Area fund of the Town. Savings would only accrue to properties in the current Unincorporated Area if law enforcement costs were at the “moderate” or “low-end” levels, although that would likely reduce service levels from where they are currently. Removal of CETC funding would result in a negative impact of approximately \$80 for the typical property under each scenario. Under each scenario, the affected portion of Briarcliff Manor would see a tax increase, primarily from the shifting of certain Village of Ossining costs into the new Town-wide fund (e.g. data processing, clerk / treasurer, contingency, etc.).

		Police Cost Assumption		
		Low-End	Moderate	High-End
BLACK denotes tax increase RED denotes tax decrease				
With CETC Funding	Unincorporated Area	(\$1,021)	(\$19)	\$302
	Village of Ossining	(\$1,701)	(\$699)	(\$377)
	Village of Briarcliff Manor (portion)	\$380	\$380	\$380
Without CETC Funding	Unincorporated Area	(\$945)	\$57	\$378
	Village of Ossining	(\$1,625)	(\$623)	(\$301)
	Village of Briarcliff Manor (portion)	\$456	\$456	\$456

Note: Impacts presented in terms of hypothetical residential property with Town taxable value of \$20,000

## Structural Alternative: Coterminous Town-Village

Under this option, the governance and service delivery structures of the Village of Ossining and Unincorporated Area of the Town would essentially be merged. This could occur in one of two ways.<sup>5</sup> *Under the first approach*, the new town-village entity could be created outright by special act of the State Legislature. This process requires each existing local government that is requesting the change to submit a “home rule request” to the Legislature to enact the bill. Using this approach, the legislation would delineate new boundaries for the new municipality, and other provisions would be set forth regarding governmental

<sup>5</sup> In addition to the two approaches presented in this section, there are two additional methods by which a coterminous town-village can be formed under New York State law. However, they would be precluded in Ossining because State law does not allow their application in towns that currently have more than one village. Those other methods are: a) An existing village could annex territory adjacent to it under Article 17 of General Municipal Law, and b) a new village could be incorporated using the exact same boundaries as the existing town.

administration, disposition of real property, and other assets and obligations of the existing municipalities. A formal referendum is not required using this approach, but typically the State Legislature would condition the formation upon approval from the voters.

*Under the second approach*, the Village of Ossining could first annex the Unincorporated Area of the Town of Ossining and then pursue the coterminous town-village establishment process that allows for creation of a coterminous entity that shares the borders of an existing village. In order for this to happen, the Town would have to submit a petition under Article 5 of the Town Law calling for the division of the existing Town into two towns, one of which would share the boundaries of an existing village – in this case, the expanded Village of Ossining *plus* the annexed Unincorporated Area.

The process for achieving new town status within an existing town can be rigorous. Filing an Article 5 petition starts with obtaining signatures inclusive of five percent of the total number of votes cast in the town for the office of Governor at the last gubernatorial election – but not less than 100 in a first class town or not less than 25 in a second class town. The petition then goes to the county legislative body which must hold a public hearing and make a determination whether to grant the petition. The petition must receive 2/3 of the vote from the county legislative body. Once approved, there must then be a referendum on the division of the town at which all registered town voters (including Village residents) would be eligible to vote.

Two key points should be noted:

- Shifting to a coterminous town-village structure *would not be eligible for Citizen Empowerment Tax Credit incentive funding* under the current law; and
- Creating a new coterminous town-village covering just the Village of Ossining and the Unincorporated Area of the Town would force a structural change in Briarcliff Manor, since its portion located within the Town of Ossining would not be able to exist in its current form in the absence of the Town. The options available would appear to be either shifting Briarcliff Manor entirely into the Town of Mount Pleasant (via annexation or state legislative action) or Briarcliff Manor becoming its own independent unit of government (*e.g.* a separate coterminous town-village). For the purposes of this analysis, we assume the former. Notably, residents within the portion of Briarcliff Manor located in the Town of Ossining would likely have a right to certain assets owned by the Town of Ossining, since they are Town residents and taxpayers as well as Briarcliff Manor residents and taxpayers. Liquidation of

those assets would have to be part of any plan to restructure Briarcliff Manor out of the Town of Ossining.

### ***Fiscal Impact Model Assumptions***

This model is based on certain operational and financial assumptions, including:

- Certain savings are realized through the reduction of one executive and one legislative office, other common functions (*e.g.* public works, clerk, planning / zoning, budget and treasurer/tax collection) are assumed to be combined within the resulting budgets;
- Certain savings are realized through the reduction of one executive and one legislative office, but a manager's office, personnel department, corporation counsel and safety director are assumed to be retained; and
- All current revenue streams of the Town and Village of Ossining that would be eligible to continue under coterminous status are assumed to remain in place.

#### ***Caveat re: Assets and Liabilities***

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Under the coterminous model that only includes the current Village of Ossining and Unincorporated Area, most assets and liabilities of the current Town would transfer to the successor municipality. However, it should be noted that the portion of Briarcliff Manor within the Town of Ossining would likely have a right/responsibility to certain assets (and potentially liabilities) currently owned by the Town, since those Briarcliff Manor taxpayers are also Town of Ossining taxpayers.

### ***Summary of Estimated Impacts***

The ineligibility of coterminous town-village status for CETC incentive funding has a noticeable impact, as both the Village of Ossining and the Unincorporated Area of the Town would experience cost increases under the current “high-end” police cost scenario. Even at the “moderate” police cost level, properties in the Unincorporated Area would see an increase (although the Village of Ossining would experience some reduction). As with the city status model, the primary impact to that portion of Briarcliff Manor in the Town of Ossining is estimated to be the tax rate shift of moving from Ossining to Mount Pleasant, on an equalized basis.

		Police Cost Assumption		
		Low-End	Moderate	High-End
<b>BLACK</b> denotes tax increase				
<b>RED</b> denotes tax decrease				
<b>With CETC Funding</b>	<i>Unincorporated Area</i>	n/a	n/a	n/a
	<i>Village of Ossining</i>	n/a	n/a	n/a
	<i>Village of Briarcliff Manor (portion)</i>	n/a	n/a	n/a
<b>Without CETC Funding</b>	<i>Unincorporated Area</i>	(\$492)	\$512	\$834
	<i>Village of Ossining</i>	(\$1,172)	(\$167)	\$154
	<i>Village of Briarcliff Manor (portion)</i>	(\$179)	(\$179)	(\$179)

Note: Impacts presented in terms of hypothetical residential property with Town taxable value of \$20,000

## SHARED SERVICE OPTIONS

In addition to the structural alternatives presented above, CGR also reviewed in detail the potential for capitalizing on efficiency opportunities through shared and / or consolidated services between the Town and Village of Ossining. That review is presented in this section.

The concept of shared and consolidated services has a strong foundation in the Ossining community. The Town and Village of Ossining already provide a number of critical functions collaboratively, including:

- ***Court Functions:*** On January 1, 2012, the Town and Village officially consolidated their justice courts into a single unit. The Town Court now serves the Village of Ossining and the Unincorporated Area of the Town.
- ***Town Project and DPW Administration:*** In May 2012, the Town and Village reached agreement for the Village to provide engineering administration services to the Town.
- ***Clerk Functions:*** Since 1996, the Town Clerk has also performed the duties of the Village Clerk pursuant to inter-municipal agreement (IMA).
- ***Finance and Information Technology Functions:*** Since 1994, the Village Treasurer and IT professional have provided financial, accounting, data processing and computer services functions to the Town pursuant to IMA.
- ***Parks and Recreation Functions:*** Since the mid-1990s, the Town and Village have maintained a combined recreation program pursuant to IMA, administered by a Village Superintendent and funded jointly by the two municipalities. And while parks maintenance functions are technically delivered by separate Town and Village staffs, both units report to a shared director.
- ***Fire Protection:*** The Village of Ossining Fire Department covers both the Village and a portion of the Town's Unincorporated Area (served as a fire protection district) pursuant to a fire protection contract.
- ***Emergency Ambulance:*** Since 2009, the Town and Village have collaborated to provide ambulance services through the Ossining Volunteer Ambulance Corps (OVAC).

- **Street Lighting:** Since 1992, the Village has provided street lighting maintenance services to the Town pursuant to IMA.
- **Sewers:** Since 1983, the Village has permitted the Town to convey wastewater into its sanitary sewer system pursuant to IMA and subject to established rates.
- **Water:** Since 2002, the Village has supplied water to Unincorporated Area properties pursuant to IMA, subject to a rate 50 percent greater than that paid by Village residents.
- **Veteran's Park:** Since 1998, the Town has maintained Park grounds, structures and equipment, while the Village handles policing, snow / ice removal and garbage collection. Capital improvement costs are shared between the municipalities, with the Village funding 70 percent and the Town 30 percent.

Beyond these tangible examples is the highly-visible space sharing of municipal offices that exists in Ossining. For example, the Town and Village both operate out of the same municipal headquarters (the Village-owned 16 Croton Avenue) and operations center (the Village-owned Rodrigues Operations Center on Route 9A).

And the consideration of potential shared / consolidated service opportunities does not end there. As noted in the *Overview* report, over the past several years the Town and Village have discussed furthering this collaboration with potential shared models in public works, streets and highways; building and inspections; and planning and zoning.

Building on this strong foundation, and based on CGR's review of current Town and Village services, this section reviews functions that may have the potential to enhance operational efficiency, cost effectiveness or both in the Ossining community. Those areas are:

- **Tax Collection:** General financial administrative functions are already provided in shared fashion pursuant to an IMA. Could tax collection / receiver services be similarly shared, and what would be the potential impact?
- **Public Works, Streets and Highways:** A 2010-11 study examined public works services and considered a shared approach between the Town and Village, concluding the concept had merit. How might a shared approach be structured, and what would be the potential impact?
- **Building and Inspections:** The Town and Village operate their own separate building departments, both co-located in the same

facility. Could a shared framework be designed, and what would be the potential impact?

- **Planning and Zoning:** The Town and Village operate their own separate planning and zoning functions. Recognizing the different development concerns in both parts of the community, could the services be shared, and what would be the potential impact?

## Tax Collection

Separate tax collection offices exist in both the Town (*i.e.* the Receiver's Office) and the Village (*i.e.* Treasurer's Office). While the Town has full-time staff dedicated to the collection function, the Village's tax collection function is a mix of both concentrated and sporadic work during the year (averaging out to 0.50 to 0.75 full-time equivalents, according to the Treasurer's Office), in addition to some outsourced duties. The Village office has the additional responsibility of handling a variety of general financial administrative functions, which it also provides to the Town via inter-municipal agreement.

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*In order to evaluate potential shared service benefits, CGR evaluated the existing organizational structure, volume and seasonal workflow in both offices. The following summary conclusions are based on that review, our familiarity with tax collection in other New York State municipalities, and our assessment of potential cost and / or efficiency benefits that might be realized by a shared approach in Ossining.*

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## Potential Opportunities

CGR's review finds a number of factors that suggest a shared approach to tax collection in the Town and Village of Ossining may yield benefits. They include:

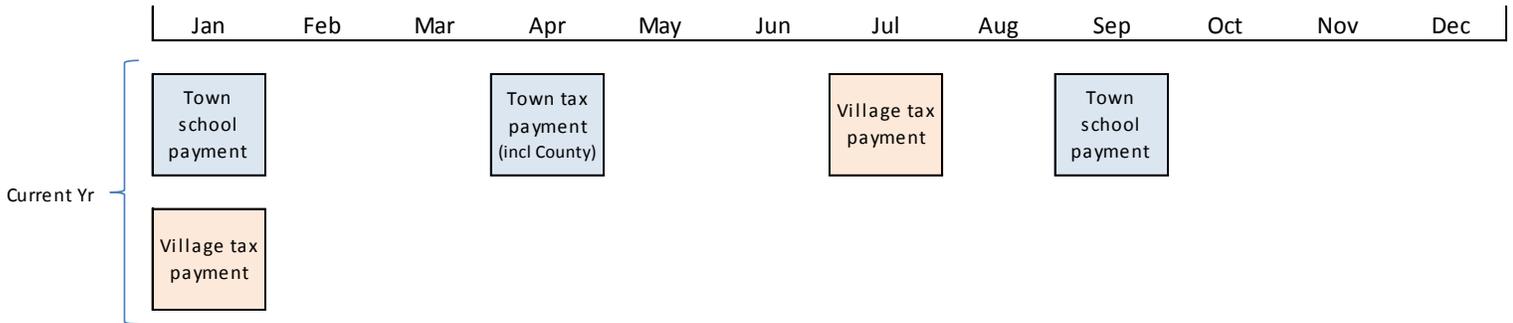
- The tax collection service in the Town and Village is ***substantially similar in process and function.***
- There is ***a degree of inherent overlap already***, as the Town of Ossining is also collecting taxes (*i.e.* Town, County and School property taxes) on all properties within the Village. The Town also re-levies delinquent Village water charges on its Town / County tax bill where applicable.
- There is ***a high degree of overlapping property tax liens between the Town and Village.*** A majority of Town tax liens are located in the Village – understandable, given that the Village is home to more properties than the Unincorporated Area of the Town. Further, when the Town runs a property foreclosure which results

in an auction and sale (albeit a process that occurs infrequently), it ultimately forces collection of Village taxes that are otherwise delinquent on those properties as a part of the sales price. In this sense, certain Village taxes would already be collected by a Town process, and *vice versa* when the Village runs a property foreclosure. The Village's foreclosure process normally begins in June and follows the same state-mandated foreclosure process. A single process for enforcing delinquent properties would allow for one foreclosure each year (rather than two), and one title search per property (rather than two).

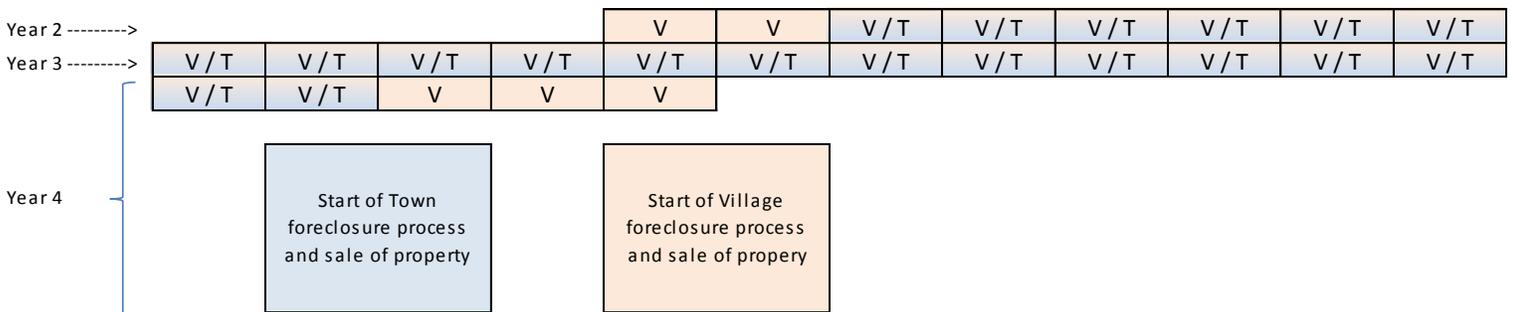
- ***Workload schedule / calendar elements are complementary*** in key ways that may permit a single office to absorb tax collection without overburdening its highest-volume times of the year. For example, in the Town, tax bills for the Town and County are sent in March / April, with a single payment due by end-April. The Town also does two school billings per year. In the Village, the property tax bill is sent in late December, with the first installment due in January and the second installment due in July. Thus, a lower-volume period in the Town corresponds with a higher-volume period in the Village, and *vice versa*. (Although, the Village's first half-bill comes at an already-busy time for the Town.)
- There is ***already some precedent for a shared system***. In 2008, the Town assisted in collecting the Village's second installment payment because the Village was temporarily short-staffed in the midst of the collection cycle. To facilitate proper accounting, the Town performed the task using the Village's computer system and bank account. (Both the Town and Village use the same computer system / architecture, KVS collection software.)
- Both the ***Town's and Village's software data element structures are able to be converted to print each other's tax bills***.

**Workflow Summary by Month of the Year**

Town of Ossining Receiver of Taxes & Village of Ossining Tax Collector



**Tax Lien Redemption Period**



*Note:* Although the Town and Village tax payments are reflected in their due-month, the bills are typically sent the previous month. For example, The April Town tax payment is billed in March; the January Village tax payment is billed in December; the September school tax payment is billed by the Town in August; and so on.

**Potential Challenges**

CGR’s review also notes certain challenges to consider in sharing the tax collection function. They include:

- The **Town Receiver’s Office and Village Treasurer’s Office are different in certain key respects**, making a simple apples-to-apples comparison and functional consolidation more difficult. For example, the Receiver’s Office primarily handles tax billings and collections; the Treasurer’s Office serves a more financial administration-type role, handling budget, accounting, cash management and investment, accounts receivable / payable, payroll, and water billings / collections, as well as Village tax billing and collection. In addition, the Treasurer’s Office also serves as general financial administrator / comptroller for the Town under an inter-municipal agreement between the two

municipalities requiring the Village to perform the majority of the same financial functions as described above for the Town, itself an acknowledgment that this function is not otherwise duplicated in the Town organizational structure. So whereas Town staff is structured to primarily address property tax billings and collections, Village finance staff is structured to perform a broader array of functions. *Ceteris paribus*, simply shifting the tax collection function to the Town would still require financial administration capacity to remain in the Village to a large degree.

- The ***Village Treasurer's Office not only handles tax billing and collection, but also administers water billing – something the Town Receiver's Office does not perform as a primary task.*** In the event of a shared arrangement, would this function remain separate in the Village? Shifting it wholly to the Town would require development of new capacity there; keeping it in the Village would require retaining capacity there, mitigating the potential benefits of a shared approach.

## Conclusion

There is potential efficiency to be gained by sharing the common tax collection function, but the benefit is likely to be more *operational* than financial. CGR estimates that savings to the Town and Village from sharing the tax collection function would likely range from a part-time position (\$15,000 to \$20,000) to no higher than a single full-time position (\$70,000 to \$80,000).<sup>6</sup> The estimates are derived from two optional models – one identified by CGR that would involve transfer of the function to the Town, and another proposed by the Village whereby it would assume responsibility for Town tax collection.

CGR's model would leverage certain overlaps, given that the Town already has a tax collection responsibility that spans every property within the Village. The entire function would be based in the Town, utilizing a model already in place in other towns / villages in New York State (*e.g.* the Town of Rye serving as tax collection agent for the Villages of Port Chester and Rye Brook). In addition to realizing potential efficiencies, a shared approach to tax collection vested in the Town of Ossining would alleviate the Village Treasurer's Office of this responsibility and enable it to focus more exclusively on the essential financial administration responsibilities it delivers on behalf of both the Village and Town.

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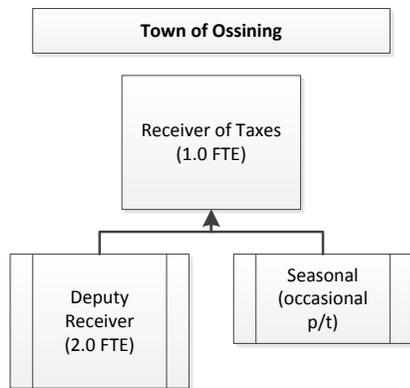
<sup>6</sup> As savings off the existing Village levy, this translates to approximately \$3 to \$14 for the typical \$20,000 property.

The Village's proposed model would base the function in the Village Finance / Treasurer's Office, which would collect Town / County and School taxes (in addition to the Village taxes it already collects). The Village notes that, as it already uses an outside lockbox service to process many of the tax and water / sewer payments, as well as an outside vendor to print and mail tax and water / sewer bills, additional collection could be absorbed and managed within a larger department where other finance department duties and functions could be shifted and shared during busy collection periods. The Village's proposed model would bring one-to-two additional employees into the Finance / Treasurer's Office from the Town Tax Receiver's office, but its implementation would require addressing the current elected status of the Town Tax Receiver position.

Potential organizational models for delivering tax collection services in shared fashion are presented below. To reflect the retention of financial administration responsibilities in the Village under the CGR model, that function is presented alongside tax collection. In order to accomplish the function in shared fashion, certain seasonal tax collection-related staff capacity would have to be added to the Town. All other financial administration-related staff capacity in the Village is assumed to remain.

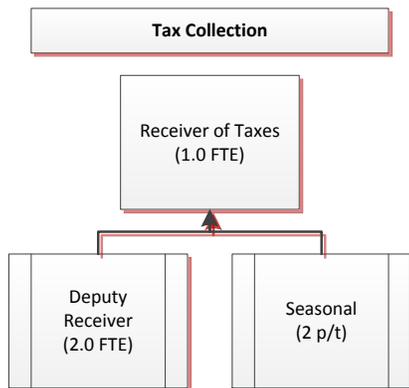
Regarding the CGR model, the Town Tax Receiver indicates that the office is adequately staffed at the current full-time level (*i.e.* with three FTEs), and that it would not require new full-time personnel to absorb tax collection functions for the Village. However, the Tax Receiver's office would expect to need the services of a second seasonal part-time clerical employee in January, July and December, during which months that position may need to work approximately full-time. The optional model reflects that staffing structure, and also retains existing staffing in the Village Treasurer's office.

Currently



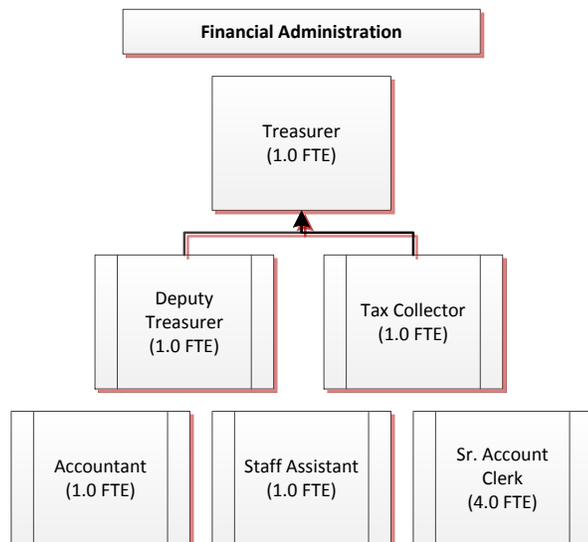
Shared

(option 1)



Shared

(option 2)



## Public Works, Streets and Highways

Not unlike most town / village pairs in New York State, the Town and Village of Ossining separately operate their own public works departments. The Town Highway Department serves the Unincorporated Area of the Town, while the Village Department of Public Works serves the Village of Ossining as well as the Town's potable water system and project administration.

Although a more detailed summary is provided in the *Overview* report, two points are worth reiterating here regarding the baseline for potential shared service opportunities between the Town and Village. The first is highway / public works-related services provided by the two, and method of delivery. The following summary chart, drawn from the *Overview* report, depicts the current arrangement and illustrates how, in most cases, the Town Highway Department and Village Department of Public Works provide substantially similar services in parallel fashion through the use of in-house personnel:

Services and Method		
Town		Village
In-house	<i>Public Works Admin</i>	In-house
In-house	<i>Road / Street Maintenance</i>	In-house
In-house	<i>Storm Water Maintenance</i>	In-house
In-house	<i>Snow Removal</i>	In-house
In-house	<i>Traffic Control</i>	In-house
In-house	<i>Organic Waste</i>	In-house
In-house <sup>1</sup>	<i>Sanitary Sewer</i>	In-house
In-house	<i>Fleet Management</i>	In-house
In-house <sup>2</sup>	<i>Building Maintenance</i>	In-house
IMA	<i>Street Light Maintenance</i>	In-house
IMA	<i>Water Maintenance</i>	In-house
Contracted	<i>Solid Waste / Recycling</i>	In-house
IMA <sup>3</sup>	<i>Engineering</i>	In-house

<sup>1</sup> The Town operates a sanitary sewer collection system, but has an IMA with the Village to allow wastewater to pass through Village sewer lines.

<sup>2</sup> Certain Town departments are located in Village Hall and the Operations Center, which are maintained by maintenance staffs from the Village Department of Public Works.

<sup>3</sup> In 2012 the Town entered into an IMA with the Village to utilize the services of the Village's DPW administration.

The second is staffing and organizational structure. The two departments are structured in ways reflective of their primary service responsibilities. It should be noted that, as with most highway / public works-related departments, these organizational assignments are not “fixed,” and personnel can / will be shifted to respond to significant events requiring “all hands on deck”-type responses (e.g. snow emergencies).

<b>Staffing &amp; Organizational Structure<sup>1</sup></b>		
<b>Town</b>		<b>Village</b>
Superintendent (1.0) Admin Asst (1.0)	<i>Administration</i>	Engineer / Dir (1.0) Admin Asst (4.0)
Foreman (1.0) MEO/Laborer (6.5) <sup>2</sup>	<i>Highway / Streets</i>	General Foreman (1.0) Asst Foreman (2.0) MEO/Laborer (19.0)
Maint Mech (1.0) Asst Mech (0.5) <sup>2</sup>	<i>Central Garage</i>	Chief Mechanic (1.0) Maint Mech (2.0)
	<i>Sanitation</i>	Foreman (1.0) Laborer (9.0)
	<i>Building Maintenance</i>	Mech Repair (1.0) Laborer (2.0)
	<i>Water / Sewer</i>	Superintendent (1.0) Chief Plant Oper (1.0) Foreman (1.0) Plant Operators (5.0) Water Distribution (5.0)
<p><sup>1</sup> On a per square mile basis the Town Highway Department has 2.7 full-time staff equivalents, compared to 18.8 in the Village Department of Public Works, reflecting in part the Village DPW’s broader service responsibility portfolio (i.e. water, sanitation).</p> <p><sup>2</sup> The half-time component reflected in these titles is filled by a single full-time employee. According to department administration, the position is split between mechanic and road maintenance duties, though spends most of the time in the garage/maintenance shop.</p>		

### Recent Considerations

The delivery of public works-related functions has been an area of increased focus in Ossining over the past several years. In particular, the Town and Village of Ossining (along with Briarcliff Manor) commissioned a 2010-11 study to examine the potential for sharing additional public works functions, up to and including full departmental consolidation. The analysis, which was completed by Springsted

Incorporated in partnership with the International City / County Management Association (ICMA), “provides observations and identifies questions that the municipalities can address to determine opportunities to increase efficiency, including sharing or consolidating services.”<sup>7</sup> In its concluding analysis, Springsted recommended “further consideration of a consolidation of the Village and Town of Ossining Public Works Departments, based on a similar mix and level of services provided and on the number of intergovernmental municipal agreements (IMAs) already in existence between these two entities.”<sup>8</sup>

The June 2010 final report concluded that “there are many factors that support an increased sharing or consolidation of services,” including:

- Their shared, compact geographic area which “could be serviced by a single public works department;”
- Their shared environmental regulatory framework within Westchester County, state and federal guidelines; and
- The municipalities’ “established history of working together,” including IMAs between the Town and Village of Ossining “that authorize the Village to provide public works services to the Town including street lighting maintenance, water, and use of a temporary transfer site for leaf disposal.”<sup>9</sup>

These opportunities notwithstanding, the report identifies certain obstacles that would have to be addressed “if the municipalities determine that it is in their best interest to consolidate public works services.” Among them:

- The facility needs of a consolidated department;
- Differences in levels of service provided by the current departments;
- Differences in pay rates among the current departments;
- Differences in approaches to asset management and infrastructure maintenance among the current departments; and

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<sup>7</sup> *Villages of Ossining and Briarcliff Manor and Town of Ossining, New York – Public Works Analysis*, Springsted Incorporated, June 4, 2010, p 2.

<sup>8</sup> *Villages of Ossining and Briarcliff Manor and Town of Ossining, New York – Public Works Analysis Addendum No. 1*, Springsted Incorporated, May 24, 2011, p 4.

<sup>9</sup> Springsted 2010, p 22.

- Differences in management philosophy among the current departments.<sup>10</sup>

Notably, the study concluded that a full consolidation of all three public works departments was not recommended, due to unique attributes of the Briarcliff Manor Department of Public Works. However, it found merit in potentially merging the Town and Village of Ossining's functions: "Consolidating the public works departments of the Village and Town of Ossining is a logical option that warrants further consideration... Creating a consolidated department provides an opportunity for the Village and the Town to define department values and priorities and determine the management and professional competencies needed to ensure an efficiency public works operation and effective management of infrastructure assets."<sup>11</sup>

In May 2011, based on the Springsted study and recommendations, the Village of Ossining submitted a proposed inter-municipal agreement to the Town of Ossining. According to the terms of the proposal, the Village of Ossining Department of Public Works would provide the unincorporated area of the Town with sanitation, highway and administrative services, as well as storm sewer maintenance and sewer / pump station services. The Village's proposal would provide organic waste, bulk metal and bulk trash collection every week, while maintaining the levels of highway, storm sewer, administrative and sewer system services. According to the Village's financial analysis, the public works consolidation would save the Town unincorporated fund approximately \$242,000, or 8 percent. Subsequent to the Village's proposal, the Town Supervisor issued a memo acknowledging the proposal as "a good jumping off place for our inter-municipal discussions," while identifying certain questions and issues warranting further consideration, including:

- The possible creation of a Town-Village Joint Authority to oversee any consolidated public works operation, rather than vesting its governing authority in one or the other municipality;
- The possible creation of a special taxing district in the unincorporated portion of the Town to account for costs;
- The need for collective bargaining to address any changes;
- Support for savings projections and level-of-service guarantees;

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<sup>10</sup> *Ibid*, p 22-23.

<sup>11</sup> *Ibid*, p 23-24.

- Procedures for handling existing debt; and
- Contract renewal procedures.

As noted in the *Overview* report, notwithstanding the studies and discussions of the past several years the Town and Village of Ossining continue to maintain separate highway and public works operations. Most recently, the Town of Ossining has initiated a community discussion of the merits of retaining an elected Town Highway Superintendent as opposed to converting the position into an appointed post. In order to convert the title from elected to appointed, a public referendum would be required. According to a proposal being vetted in community discussions currently, a referendum could be held in November 2012, with the last elected Superintendent's term expiring in December 2013 and an appointed Superintendent taking over in January 2014.

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*In order to evaluate potential shared service benefits, CGR analyzed the existing organizational structure in each department, as well as their budgets, collective bargaining agreements, and service commonalities / differentials. CGR also reviewed the findings of the Springsted study as well as the IMA proposal made by the Village in 2011. The following summary conclusions are based on that review, our familiarity with public works service delivery in other New York State municipalities, and our assessment of potential cost and / or efficiency benefits that might be realized by a shared approach in Ossining.*

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## Potential Opportunities

CGR's review finds a number of factors that suggest a shared approach to public works, streets and highways in the Town and Village of Ossining may yield benefits. They include:

- There is a ***reasonably high degree of substantive overlap in the services provided*** by the Town's Highway Department and the Village's Department of Public Works, particularly in the areas of street administration, road / street maintenance, central garage / maintenance, building maintenance and sanitary sewers;
- Although regular operational collaboration between the two departments is relatively limited, ***there is precedent for the Town and Village to pursue shared approaches in certain public works-related functions*** including the 2012 inter-municipal agreement for the Village to provide engineering services, the 2010 IMA for the Town Highway Department to utilize fuel pumps at the Village's operations center, and the 2002 IMA under which the Village handles water infrastructure maintenance and generation;

- Recognizing that existing highway / public works workload would continue regardless of structure, ***a shared or otherwise larger combined employee pool would likely provide optimal flexibility to deploy employee resources to needed functions***, especially in the event of infrastructure emergencies<sup>12</sup>;
- Notwithstanding the fact that different pieces of equipment are in place in the Town and Village (reflecting their differences in development, density, needs and other attributes), ***there is almost certainly an opportunity to coordinate capital purchases of generic items in a way that permits cost deferral and rationalizes the inventory of rolling stock required to service the entire community***; and
- A potential consolidated use of the Village’s Operations Center on Route 9A could ***help to address the significant short- and long-term space and storage constraints presented by the Town’s existing Highway Department garage*** on Old Route 100 in Briarcliff Manor.

## Potential Challenges

CGR’s review also notes certain challenges to consider in sharing the public works function, particularly under a consolidated model.

Perhaps the primary issue involves ***governance of a fully consolidated public works service***. Presently, of course, the Town and Village departments have primary responsibility for their respective jurisdiction, such that service demands in both areas can be independently prioritized by either department. Whereas two departments allow for dual “first response,” especially in the event of major service demand spikes (*e.g.* snow storms), a shared department administered by one municipality may engender concern in the other regarding service prioritization. The Town acknowledged as much in its formal response to the Village’s 2011 shared DPW proposal, noting the following:

*“Since the provision of Highway/DPW services is a critical component of the quality-of-life services provided by municipalities, it is difficult for a municipality not to have direct authority over how those services are provided and what resources get allocated to these functions. That is why I suggest that we create a consolidated department form a Joint Authority to oversee the operations of the consolidated Highway/DPW department...”*

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<sup>12</sup> Based on 2012 data, the ratios of highway / public works staff to population were reasonably close in both the Town (2.01 per 1,000) and Village (2.23 per 1,000), notwithstanding the additional services provided by the Village DPW (*e.g.* water, garbage collection, etc.).

Other challenges to resolve include the following:

- ***Service differentials (and cost apportionment):*** Notwithstanding the high degree of substantive overlap between the Town Highway Department and Village DPW, there are certain service type / level differences that could potentially complicate the apportionment of costs across the community. For example, the Unincorporated Area contains 14 sewer lift stations subject to municipal maintenance; the Village contains one.
- ***Garbage collection differences:*** There are two different approaches to garbage collection in the Village and Unincorporated Area – in-house using DPW personnel and outsourced, respectively. Absent a strategy to homogenize the approaches, challenges would arise both in terms of administration and cost apportionment. A special district approach may provide an avenue to address the cost apportionment challenge and retain the current service delivery method, but special care would be required to accurately capture the costs related to in-house garbage collection services, especially where sanitation employees might be utilized in other general public works functions.
- ***Equipment differentials (and cost apportionment):*** Partly due to service differentials and unique attributes of different parts of the Village and Unincorporated Area, there may be pieces of equipment / apparatus that would only be used in one part of the community, potentially complicating the apportionment of costs.
- ***Facility modifications:*** Although the Village Operations Center is well-suited to housing a shared public works operation, it would likely require additional space accommodation, particularly in the area of equipment storage (which the Springsted study identified as a “significant obstacle”).
- ***Collective bargaining:*** Moving to a fully shared department would likely require negotiations with affected bargaining units (*i.e.* Teamsters in the Town, CSEA in the Village).
- ***Compensation rates:*** As noted in the Springsted report, base pay rates tend to be higher in the Town Highway Department than for common titles in the Village DPW (*e.g.* automotive mechanic by approximately 12 percent and motor equipment operator by 8 percent).

## Conclusion

The substantive similarities between the Town Highway Department and Village Department of Public Works, especially in terms of general highway and street maintenance services, provide a strong foundation on which to base increased collaboration. Generally speaking, this collaboration could take a variety of forms, ranging from informal cooperation and sharing of equipment (which happens episodically and not often today); to provision of specific services via inter-municipal agreement by one or the other department (which already characterizes water, sewer and engineering services); to full sharing / consolidation of functions by a single department serving the entire community.<sup>13</sup>

With the recent Town project and DPW administration agreement between the Town and Village, there is limited *additional* opportunity for the two departments to share individual services through the use of IMAs (though as discussed below, a single shared department covering all services *is* a viable approach). The remaining general service areas provided by Town Highway not already covered by IMAs are central garage / vehicle maintenance and general highway / street maintenance.

It is feasible to envision a shared central garage function between the Town and Village that may be mutually beneficial. At present, the Town and Village departments maintain a combined total of approximately 220 vehicles / apparatus – the Town servicing approximately 70 pieces with 1.5 full-time equivalent mechanic personnel, and the Village servicing 150 with 3.0 full-time equivalents. On balance, a shared approach would not appear to enable significant staff savings from the current workforce. However, a combined approach would almost certainly enable operational efficiencies by alleviating high-volume periods through a deeper employee pool. For example, the present arrangement has the potential to result in cases where one shop (*e.g.* the Town garage) faces a vehicle maintenance backlog, while the other shop (*e.g.* the Village garage) does not, or *vice versa*. A larger shared department would not be immune to that challenge, but would be capable of more effectively mitigating these “peaks and valleys” in a way that not only gets municipal vehicles back on the road sooner, but permits an even more regular, aggressive preventative maintenance program.

As noted, the only other area (aside from central garage) not already served by an IMA is general highway / street maintenance. As this is the primary responsibility provided by both departments, any consideration of

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<sup>13</sup> Of course, this last form would most likely apply in the event any of the government restructuring alternatives discussed earlier in this report were pursued.

sharing that service would almost certainly involve a full departmental consolidation. This is essentially the model contemplated in the Springsted report and proposed by the Village in 2011. CGR's analysis finds that there is potential efficiency to be gained by this model, both operationally and financially.

Given the significant scale differences between the Town and Village operations, it would appear most appropriate that any shared operation would be based at the Village's Department of Public Works, with the Town contracting for services via IMA.

The Village's 2011 IMA proposal to the Town projected cost savings of approximately \$242,000 from a shared Department of Public Works. CGR estimates that at minimum, immediate savings could consist of \$130,000 (through the elimination of the Superintendent title, or less if the position's manpower is retained as a lower-paid title) and a fraction of the Town's current clerical costs (estimated to presently be \$70,000 fully-loaded).<sup>14, 15</sup>

As the recent Town-Village IMA regarding engineering services evidences, there are additional savings to be gained by tapping into the Village's in-house engineering expertise as well. The Village's DPW proposal estimates those savings to be approximately \$20,000 on an annualized basis. CGR finds that to be a conservative estimate.

Additional notes regarding this model are provided below.

### *Staffing*

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The shared Village-based department contemplated in this model would be administered by the Public Director / Village Engineer, obviating the need for a separate administrator (*i.e.* Highway Superintendent) in the Town. Eliminating the aforementioned position would produce savings equivalent to the all-in costs of the Town's current Superintendent. By contrast, one option could involve redeploying the Superintendent position into a lower-level title at lower cost, retaining the manpower associated

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<sup>14</sup> CGR understands that the Town recently began discussing the merits / drawbacks of transitioning from an elected Highway Superintendent position to an appointed title, as delineated in the Town-produced slide presentation located online here: <http://townofossining.com/docs/HighwaySuperintendent-pres2012.pdf>. Obviously, any change in status of the existing elected position would bear on potential shared service models between the Town and Village.

<sup>15</sup> As savings off the existing Town Unincorporated Area levy, this translates to approximately \$51 to \$73 for the typical \$20,000 property.

with this position but realizing some of the efficiency savings of the shared department only requiring a single chief administrator.<sup>16</sup>

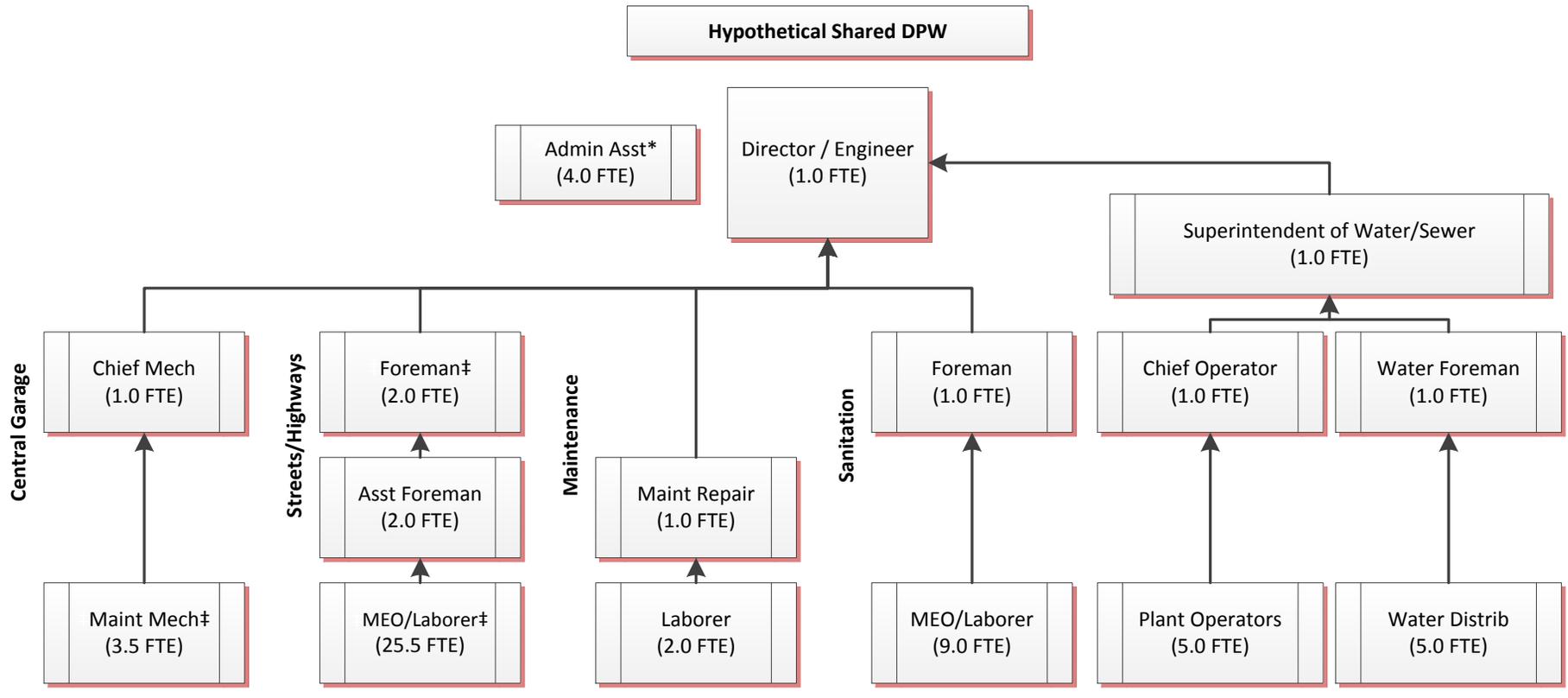
Given that the workload associated with the current Unincorporated Area would continue, it is reasonable to assume that the Town Highway workforce complement (aside from the duplicate administrator) would be retained in the shared arrangement, at least in the near-term.

The larger combined workforce in a shared public works department would provide a “deeper bench” in terms of staff deployment, affording managers more flexibility in allocating personnel *especially* in instances of major infrastructure events that require “all hands on deck”-type responses in either municipality.

A potential organizational model for delivering public works in shared fashion is presented below. The duplicate administrative position of Highway Superintendent is removed, as is its clerical support staff. All other Town Highway positions are otherwise integrated within this hypothetical structure, with existing Town Highway streets and mechanic manpower integrated within the streets / highways and central garage divisions, respectively.

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<sup>16</sup> This framework would realize one of the efficiency opportunities referenced in the Springsted report. As the report points out, “The Town of Ossining has the highest percentage of management and administrative positions (of the community’s municipalities); although its administrative demands may be less than those of the other departments because it outsources sanitation and recycling and provides other services through IMAs. Despite these differences, it would be unreasonable to expect the Town to employ a part-time Superintendent of Highways and a part-time administrative assistant based on the current department configuration. However, if the departments were consolidated, the overall number of management and administrative positions could be reduced by combining some of the management and administrative work that each department must now handle separately.”



Town Highway manpower  
integrated above

Notes:

This model removes the Highway Superintendent and the office’s Administrative Assistant, building in one of the potential efficiencies identified in the Springsted report.

\* These titles would not be exclusive to the Director’s office, but would support the Department’s primary functions (e.g. streets/highways, sanitation, water/sewer, etc.).

‡ FTE level increased in these titles to include the full current Town Highway Department workforce complement.

### *Capital Equipment*

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Just as a shared department would be better positioned to leverage a deeper (and more flexible) employee pool to deliver services, it would also be able to effectively reduce duplication in capital equipment by “flexing” the geographic reach of current and future apparatus to span both the Village and the Unincorporated Area. At present, Town Highway equipment is largely confined to the Unincorporated Area, and Village DPW assets are deployed primarily in the Village. Notwithstanding the fact that certain equipment is area-specific (*i.e.* it is not needed or would not be usable in both areas), general items would be more efficiently deployable over a broader geographic area.

Similarly, there is potential (albeit limited) in a shared approach for some cost deferral / avoidance by spreading out Village and Town apparatus needs that might otherwise be duplicative in a given year.

In the event a shared arrangement for a Village-administered DPW were established, the Town would be advised to make accommodations for its existing capital equipment. Although the specific approach would likely be delineated in the inter-municipal agreement, two options appear viable:

- The Town could sell at low cost its highway maintenance-related capital equipment to the Village for use in the shared department, or
- The Town could lease at low cost its highway maintenance-related capital equipment to the Village for use in the shared department.

In either case, the IMA should provide for which party would bear insurance costs on that equipment.

### *Facilities*

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A shared department would be best-located at the existing Village Operations Center on Route 9A. Although certain modifications would likely be required to further build-out the site to best accommodate a shared service, the potential to enhance functionality is good, especially by comparison to the Town’s existing Highway Department garage.

The Town’s facility on Old Route 100 in Briarcliff Manor creates notable challenges for the Highway Department, both in terms of storage (*i.e.* with some apparatus stored outside rather than under cover) and functionality (*i.e.* lack of bays or doors large enough to easily accommodate certain newer pieces of equipment). The inability to store major capital pieces of equipment inside compromises their useful life, exposing them to body deterioration and mechanical problems and requiring earlier replacement.

The Town's facility also contains limited administrative space. Offices consist of two double-wide trailers bolted together (approximately 24' by 60'), and they have sustained some damage (*e.g.* floor warping) since their installation a decade ago. Meeting space, office storage, break room area and locker facilities are similarly constrained at the facility.

Although the current Town facility is adequate, it is not the most cost-effective or efficient long-term highway facility solution for the Town. In the absence of a shared service or new facility plan, the Town Highway property will likely require capital reinvestment in the not-too-distant future. With that in mind, a shared service might also be viewed as capital cost avoidance for the Town.

### *Lessons from Other Communities*

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#### *Cobleskill, Schoharie County*

The shift to a single department does not have to happen all at once. An example is found in the community of Cobleskill in Schoharie County. The Town and Village co-located Highway and DPW operations and each appointed the same person as head of their respective operations, an arrangement that began in 2002 and lasted until a full merger was achieved in 2009, shifting operations to the Town. In the interim, the municipalities shared facility expenses and compensation for the joint department head. A joint Highway Committee, composed of two Town Council members and two Village Board members, reviewed the performance of the joint operations annually and made recommendations to the governing bodies.

#### *Palmyra, Wayne County*

Palmyra has had a combined department since the mid-1990s, one of a number of combined Town / Village functions, including tax assessment, code enforcement, fire and ambulance, and court clerk. The Highway / DPW function is provided from one department under the supervision of the elected Town Highway Superintendent. However, Village DPW workers continue to be employed by the Village and the superintendent oversees two crews and two budgets. The Village workers have a union and the Town workers do not, and there are some slight differences in pay and benefits. The Village contracts with the Town for management of the employees and fleet as well as equipment repair. If Town or Village workers perform functions outside their jurisdiction, the hours are tracked.

## **Buildings and Inspection**

Separate building departments exist in both the Town and Village. The Town's Building Department has permitting and code compliance

jurisdiction in the Unincorporated Area, while the Village's Building Department handles the same in the Village. Both departments have their own staff responsible for enforcement of local ordinances regulating the use and occupancy of private land and structures in the interest of guarding public safety, health and general welfare. Specifically, both departments process applications and permits; perform plan reviews and building inspections; and enforce construction and other codes as required by municipal, county and State law.

The Town's office is staffed by two part-time personnel (*i.e.* one building inspector and one administrative assistant) and a full-time employee (*i.e.* one administrative assistant). The Village's department is larger, consisting of seven full-time employees (*i.e.* director / building inspector, assistant building inspector, three code enforcement officers and two administrative assistants) and one part-time employee (*i.e.* one administrative assistant).

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*In order to evaluate potential shared service benefits, CGR evaluated the existing organizational structure in each office, as well as their budgets and service commonalities / differentials. CGR also reviewed the IMA proposal made by the Village in 2011. The following summary conclusions are based on that review, our familiarity with building and inspection service delivery in other New York State municipalities, and our assessment of potential cost and / or efficiency benefits that might be realized by a shared approach in Ossining.*

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### **IMA Proposal (2011)**

In May 2011, the Village of Ossining made an inter-municipal agreement proposal to the Town offering to provide building services, including the following:

- Administration of building applications and continuation of all current administrative duties;
- Plan review, to be performed by either the Director of Code Enforcement, part-time Building Inspector or the Assistant Building Inspector;
- All inspections pertaining to all current Town permits, to be performed by either the Director of Code Enforcement, part-time Building Inspector or the Assistant Building Inspector;
- Fire / assembly inspections of all properties mandated per New York State Code, to be performed by either the Director of Code Enforcement, part-time Building Inspector or the Assistant Building Inspector;

- Administration and enforcement of all local Town laws to be performed by the administrative staff and the entire Code Enforcement staff; and
- Code enforcement for local and NYS codes, to be performed by the entire Code Enforcement staff.<sup>17</sup>

The Village's IMA proposal estimated potential savings of approximately \$67,000, derived from removal of the Town's part-time administrative assistant title, downgrading the existing Town full-time administrative assistant position to a half-time load, and reducing certain overhead costs (including rent, as the Town Building Department is located in the Village-owned Operations Center on Route 9A).<sup>18</sup> The resulting shared function would retain the Town's part-time building inspector to supplement the Village's inspections capacity, and keep 50 percent (*i.e.* half-time) of the Town's current full-time administrative assistant position.

Before reviewing potential opportunities and challenges of a shared inter-municipal approach, it is worth noting that municipalities have the option of relinquishing certain primary code enforcement responsibilities to either the County or State, although this may not be desirable in Ossining. The "Section 381 Option" is as follows:

Although the task of developing and promulgating the Uniform Code is a State responsibility, Executive Law §381 directs that the cities, towns, and villages of the State shall be responsible for enforcing the code. Pursuant to a Department of State regulation (19 NYCRR Part 1201) counties are accountable for administration and enforcement of the Uniform Code with respect to buildings, premises and equipment in the custody of, or activities related thereto undertaken by, the respective county. Unlike the earlier State Building Construction Code and State Building Conservation and Fire Prevention Code, the Uniform Code does not need to be affirmatively adopted by a municipality. It is in effect by directive of the State Legislature.

*An individual city, town, or village cannot choose to exclude itself from the provisions of the Uniform Code. However, Executive Law §381 provides that a municipality may decline to be the entity enforcing the code within its boundaries. The municipality may adopt a local law stating that it will not enforce the code and thereafter responsibility for enforcement will pass to the county in which the particular city, town, or village is located... If a county declines to enforce the code, it may likewise adopt a local law to that effect and responsibility for code enforcement will immediately pass to the Department of State. Energy Law §11-107 provides that administration and enforcement of the*

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<sup>17</sup> Drawn from "Village of Ossining Intermunicipal Agreement – IMA Proposal to the Town of Ossining, May 2011."

<sup>18</sup> Although rental costs to the Town may be reduced slightly under the proposal, CGR notes that there would be an offsetting rental revenue reduction to the Village.

*Energy Code within a municipality shall be conducted by the governmental entity responsible for administration and enforcement of the Uniform Code... Consequently, if a municipality adopts a local law declining to administer and enforce the Uniform Code, the result is that the municipality will also relinquish responsibility for administering and enforcing the Energy Code.<sup>19</sup>*

## Potential Opportunities

CGR's review finds a number of factors that suggest a shared approach to buildings and inspection in the Town and Village of Ossining may yield benefits. They include:

- The building permit and code inspections service in the Town and Village is ***substantially similar in process and function***.
- There are likely ***operational efficiencies to be gained by combining permit application and processing operations*** that are currently performed separately by the two departments.
- Modest ***savings can be realized by combining administrative support functions*** across the two departments.
- As the Town's only inspector is part-time, ***a shared approach may offer more consistent coverage and daily capacity***.
- Given the co-location of the Town and Village building inspection offices already, ***a shared approach would not result in confusion on the part of residents and developers regarding where to file applications and obtain information***.

## Potential Challenges

CGR's review also notes certain challenges to consider in sharing the buildings and inspection function. They include:

- Although building inspection and code enforcement are substantively similar, they are potentially quite different in a shared service environment. For example, the building permit and inspection process generally involves mechanical administration of the Uniform Code (although certain municipalities may deliver these services more or less aggressively). By contrast, ***code enforcement of municipal ordinances can vary widely across communities, both because municipal ordinances typically differ***

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<sup>19</sup> "Administration and Enforcement of the Uniform Fire Prevention and Building Code and the Energy Conservation Construction Code," New York State Department of State, 2008, p 3.

*from one to another and because elected officials and / or other stakeholders may desire a greater focus on certain issues.* A shared service environment *may* encourage a “one size fits all” approach and compromise the ability for the Town and Village to “tailor” their inspection focus as officials see fit.

## Conclusion

There is potential efficiency to be gained by sharing the common buildings and inspection function between the Town and Village, although the likely savings are modest. Upon review, CGR finds the savings estimates contained within the Village’s 2011 IMA proposal to be reasonable. Under that model, merging the Town and Village function would likely generate savings of \$55,000 to \$65,000 through the reduction of one part-time administrative support position and the downgrading of another support title.<sup>20</sup> That remaining part-time support position, along with the half-time building inspector, would be retained under the proposed model.

Given that the Village’s buildings and inspection office functions at a higher scale than the Town’s, it would appear most appropriate that any shared function be based in the Village.

It is worth noting that a shared approach need not be all-encompassing. For example, the Town and Village may consider pursuing shared *permit processing* while retaining separate municipal code inspection functions. This could serve to reduce the amount of administrative overhead; also, to the extent that permit processes are provided entirely in electronic form (*i.e.* form access, submission, review and confirmation of approval), the need for a separate office presence in both municipalities could be obviated. Related, a single office could effectively consolidate the “walk in” window traffic for accepting permit applications, reducing the need for duplicate staff resources. Compared to a fully shared buildings and inspection service this mitigates potential efficiency gains, but may enable a streamlining of the application process while preserving both municipalities’ administration of local code enforcement within their territory.

### *Additional Information*

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The New York State Department of State has prepared a report examining the potential for shared inter-municipal code enforcement in greater detail:

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<sup>20</sup> As savings off the existing Town Unincorporated Area levy, this translates to approximately \$22 to \$26 for the typical \$20,000 property.

*Shared Enforcement of the Uniform Code and Energy Code: A guide to increasing efficiency by sharing code enforcement responsibilities*, New York State Department of State Division of Code Enforcement and Administration, May 2008. Readers are encouraged to consult that document, which can be found here:

[http://www.dos.ny.gov/lg/publications/CODE\\_ENFORCEMENT/How To Book - May 2008.htm](http://www.dos.ny.gov/lg/publications/CODE_ENFORCEMENT/How_To_Book_-_May_2008.htm)

## Planning and Zoning

The Town and Village handle planning and zoning responsibilities independently of one another, and using quite different approaches. The Village staffs a formal Planning Department, established in 2005 to focus on development, economic growth, environmental protection and preservation of community character. The Village's department consists of three full-time positions – a Planner, Assistant Planner and Clerk / Office Assistant. By contrast, the Town has a single planning-related staff member but otherwise relies largely on a consultant-based framework for obtaining professional planning services. Outside consultants are paid either directly by the Town or through escrow accounts from applicants with business before the Planning Board.

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*In order to evaluate potential shared service benefits, CGR evaluated the existing service delivery structure in each office, as well as their budgets and any service commonalities / differentials. CGR also reviewed the IMA proposal made by the Village in 2011. The following summary conclusions are based on that review, our familiarity with planning and zoning service delivery in other New York State municipalities, and our assessment of potential cost and / or efficiency benefits that might be realized by a shared approach.*

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### **IMA Proposal (2011)**

In May 2011, the Village of Ossining made an inter-municipal agreement proposal to the Town offering to provide planning and zoning services, including the following:

- Administration of all Planning and Zoning Board applications and continuation of all existing administrative services;
- Staffing meetings with a professional planner as required;
- Plan review services by a planner and engineer for all projects; and
- Administration and implementation of affordable housing and storm water programs.

The Village's IMA proposal estimated potential savings of approximately \$59,000, which it based on an estimated reduction in planning and storm water consulting services that could be enabled by in-housing the function at the Village.

## Potential Opportunities

CGR's review finds a number of factors that suggest a shared approach to planning and zoning in the Town and Village of Ossining may yield benefits. They include:

- The planning and zoning services in the Town and Village are *substantially similar in function*, notwithstanding the different approaches used to provide those services.
- It is possible that modest *savings can be realized by combining functions across the two departments*.
- Given the Town's consultant-based approach and limited staffing, *a shared approach may offer more consistent coverage and daily capacity*.

## Potential Challenges

CGR's review also notes certain challenges to consider in sharing the planning and zoning functions. They include:

- Not unlike code enforcement services, while planning and zoning functions are substantively similar they are potentially quite different in a shared service environment. *The presence of different densities, community characteristics, planning visions and development realities can complicate shared planning and zoning arrangements.*
- *Absent a unified governance structure (i.e. a single planning board and single zoning board serving the entire Town / Village area), a shared department would be in the position of serving two "masters."*

## Conclusion

CGR finds that there is potential for modest savings through a shared approach to staffing the planning and zoning function. As reflected in the Village's 2011 IMA proposal, any savings are likely to be derived from bringing in-house within the Village planning consultant services that the Town currently contracts out. The Village acknowledges having some capacity to absorb part of those outsourced services, but it is likely that the current Village planning staff could not absorb the *entirety* of those

functions without increasing its own capacity, offsetting any savings. For that reason, we estimate the potential savings from a truly shared approach on just planning and zoning to be approximately \$30,000 to \$40,000.<sup>21</sup>

There are synergistic benefits that could result from a shared approach. Inasmuch as the Town and Village are separate municipalities with their own planning and zoning boards, they are in many ways “one community” with shared constituencies, resources and assets with employment, residential and recreational patterns cross-cutting each other. That concept is the foundation on which explorations like the current project are based, as well as more than a dozen shared services. Having Village planning staff perform plan reviews and assist the Town Planning and Zoning Boards as necessary (and pursuant to IMA) could well result in greater inter-municipal coordination of planning and development, in keeping with the “one community” concept. Such an arrangement would create a valuable nexus between the two municipalities in terms of planning and zoning functions.

Again, given that the Village is the only one with a standalone Planning Department, any shared function would most appropriately be based there. Within this framework, however, ***it is essential that any IMA for shared planning and / or zoning services acknowledge the roles and responsibilities the Village Planning Department would have in servicing the Town Planning and Zoning Boards***, to minimize the inherent challenges of having a single department serve multiple bodies in the other municipality.

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<sup>21</sup> As savings off the existing Town Unincorporated Area levy, this translates to approximately \$12 to \$16 for the typical \$20,000 property.