

Shared Services: Data to Consider

Two sets of data inform this document. In 2013, Cornell University surveyed New York cities, counties, towns and villages on shared services. Additionally, the state Comptroller tracks annual revenue for certain categories of shared services. The following information may be of value to local officials who are exploring shared services.

Learning from the Experiences of Others

Survey data shows the following levels of activity in select categories. Lower levels of sharing often reflect lower cost savings and revenue, as seen in the Comptroller data further down:

Public Safety

Dispatch/911	69%
Ambulance/EMS	58%
Fire	53%
Police	29%

Administrative and Support Services

Tax Assessment	39%
Energy	25%
Health Insurance	12%
Tax Collection	12%
Professional Staff	8%
Information Technology	8%
Building Maintenance	8%
Liability Insurance	6%
Payroll/Bookkeeping	4%

Public Works & Transportation

Public transit or paratransit	55%
Roads and highways	48%
Water	38%
Sewer	38%
Refuse, garbage, landfill	26%

Economic Development and Planning

Administration and Promotion	37%
Building Code Enforcement	22%
Planning and Zoning	11%

Recreation and Social Services

Library	52%
Youth Recreation	49%
Youth Social Services	45%
Senior Services	37%
Parks	17%

Local governments were asked about the obstacles they encountered when seeking to share services:

Liability/risk concerns	85%
Accountability concerns in sharing arrangements	85%
State rules/legal regulations	83%
Local control/community identity	81%
Loss of flexibility in provision options	76%
Job loss/local employment impact	70%
Elected official opposition/politics	66%
Restrictive labor agreements/unionization	65%
Personality conflicts	55%

When asked why shared service arrangements ended, local officials noted:

Problems with accountability	30%	Cheaper to do in-house	19%
Lack of cost savings	25%	Risk/liability concerns	19%
Partner ended relationship	24%	Easier to administer in-house	18%
Change of leadership	24%	Service cut	17%
Problem with service quality	19%		

The survey revealed that forty percent of shared services were in the form of informal understanding. Participants may want to consider converting existing hand-shake arrangements into intermunicipal agreements.

Not all shared service agreements result in dollars saved. Local officials realized savings in the following categories:

Administrative Support/ Services	70% of those sharing these services realized savings
Public Works & Transportation	53% of those sharing these services realized savings
Economic Development & Planning	51% of those sharing these services realized savings
Public Safety	48% of those sharing these services realized savings
Recreation & Social Service	44% of those sharing these services realized savings

Revenue

The state Comptroller tracks revenue from 7 general categories of shared services. Here is an explanation of the elements in each of these categories:

1. General Government: general services, election service charges, civil service charges, data processing and equipment cost charge backs to other governments.
2. Public Safety: police services and dog control services.
3. Transportation: snow removal, road services and bridge repairs.
4. Recreation: events, playgrounds and recreation centers, parks, and special recreation facilities.
5. Utility: revenues from charges for utility services rendered to other governments, which may include water services and water rents.
6. Sanitation: providing collection, separation, processing and disposition of solid waste, but may also involve sewer charges.
7. Miscellaneous, capital projects and apportioned charges for joint activities.

When revenue is adjusted for inflation, only 3 of these categories provide positive growth:

