

**Organizational Assessment of
Cayuga County Government**
Opportunities for Improvement

March 2018



Promising Solutions

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Organizational Assessment of Cayuga County Government Opportunities for Improvement

March 2018

Prepared for:
Cayuga County, NY



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CGR improves the quality of communities through impactful research, analysis, consultation and data management for the public, nonprofit and philanthropic organizations that serve them

Our Vision

CGR makes communities strong, thriving and competitive

Our Values

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Ever-improving
Innovative
Collaborative
Communicative
Applied
Inclusive

Executive Summary

Project Background

In 2017, the Cayuga County Legislature initiated an organizational assessment to look for opportunities that would streamline, refocus and reorganize operations. Facing stagnant revenue growth from a limited number of sources and having completed several cost cutting efforts in recent years, the County sought to take a comprehensive look at how departments are structured to conduct public business. With an eye towards generating savings through efficiency, economies and synergism, the County sought opportunities to combine departments and operations where they are currently unproductively siloed.

Following a public request for qualifications, in late July 2017 Cayuga County selected CGR, the Rochester, New York-based Center for Governmental Research Inc., to complete the assessment.

The effort proceeded in two phases. The first phase involved an existing conditions review, intended to inform a baseline of current resource allocation and service delivery frameworks across County departments, and to inventory challenges to (and begin exploring opportunities for) increased innovation and collaboration. The second phase focused on evaluating improvement opportunities and their potential to impact process efficiencies, financial savings and organizational culture.

The Context for Improvement

Opportunities to improve Cayuga County's operations build on a strong foundation. Throughout this project, and particularly in our interviews with County leaders, department heads and staff, CGR noted Cayuga's strong commitment to improve. That commitment is evidenced not only by officials' consistently stated willingness to consider alternative approaches, but by demonstrated actions the County has already taken in recent years in an effort to innovate, improve service responsiveness and address fiscal sustainability.

At the same time, Cayuga County – like many of its Upstate peers – faces pronounced headwinds – demographic, economic and fiscal. Effectively meeting those headwinds will require continued commitment to improvement and responsible stewardship. In some cases, it will require changes in the way the County has traditionally done its business. That was the basis for this project.

Recommendations

Consistent with the objectives for this review, CGR **examined** the County's current structures to identify policies, procedures and approaches that impede its productivity and effectiveness, **explored** alternative ways to organize, and **recommended** options for County reorganization. In CGR's view, these recommendations represent the most promising and immediate opportunities for improvement and impact across Cayuga County government. Each recommendation has been informed based on our project team's evaluation of how the County currently conducts its business, as well as how efficiently and effectively it is serving its internal and external "customers."

Recommendations include cross-organizational items and department-specific actions. In CGR's view, they offer opportunities to enhance one or more of the following: culture and organizational capacity, process efficiencies, and financial savings. The opportunities identified by CGR are not all "equal" in their potential impact. Nor are they all capable of producing direct savings. Indeed, some of the recommendations call on the County to make strategic investments that will improve its capacity in core areas. But in CGR's view, taken together, the recommendations offer opportunities to improve and move Cayuga County closer to a "best practice" organization.

It should be noted that for certain recommendations where future cost savings opportunities are anticipated, savings will likely be available only through up-front strategic investment in better, more efficient approaches. For this reason, opportunities identified as having cost savings potential should not necessarily be expected to produce savings immediately. Indeed, they may require additional spending in the near term to achieve a more efficient state long-term.

A summary of the recommendations appears below, by area.

Administrator

Empower the County Administrator to serve the role of Chief Operating Officer

Further resource the Administrator's office through the addition of a deputy

Create a budget director position within the Administrator's office; alternatively, convert to a Finance Department model

Clarify reporting lines among department heads, the Administrator and Legislators, particularly Legislative Committees

	End the practice of using Committees as the County Budget's core organizing principle
Human Resources	Centralize onboarding, benefits administration and recruitment
	Complete a comprehensive salary study of County positions
Purchasing	Create a more centralized purchasing system across all departments
	Adopt a purchasing card (P-Card) program for small-dollar or high-volume purchases
Information Technology	Complete a comprehensive technology needs assessment including gap analysis and evaluation of training opportunities
	Establish an information technology task force to support the needs assessment and enhance organization-wide buy-in
	Enhance County website, with specific focus on increasing online transaction capabilities
Payroll	The County should explore options to streamline and improve the efficiency of the current payroll system, as well as strengthen internal controls around payroll processing.
Capital Planning	Establish and adhere to a rigorous, consistent and comprehensive annual capital planning process
Public Works	Create a single department spanning highway, parks & trails, buildings & grounds and weights & measures
Criminal Justice	Explore alternative to incarceration (ATI) strategies to reduce corrections costs

	<p>Provide support to the Probation Department through additional staffing</p> <p>Adopt a modern case management software system for Probation</p>
Legal	Consolidate the County's legal resources into a more integrated structure
Assigned Counsel	<p>Align positions and funding such that costs better reflect the amount of work required to successfully manage the office</p> <p>Evaluate performance of the model and consider whether an in-house public defender model may be more cost effective</p>
Youth Bureau and STOP-DWI	Consider moving both functions into the County Health Department; alternatively, group with Aging, Veterans and Health in an HHS office
Social Services	<p>Implement the Northwoods Software package in the Child and Family Services area</p> <p>Reorganize and renovate DSS workspace to match peak workflow efficiency</p> <p>Evaluate fleet utilization to reduce trips by Social Service workers to the motor pool</p> <p>Consider flexible hours to assist in improving customer / resident access and satisfaction</p>
Facilities	The current County Office Building does have a negative impact on efficiency and productivity, something which improved or new space would be able to address. CGR makes <u>no</u> recommendation as to whether the County should renovate or build a new County Office Building, but we encourage the County to consider opportunities to co-locate departments, vacate spaces used by small departments, split larger ones into functional units where it can create capital efficiencies, leverage reimbursement opportunities and create "satellite" service flexibility.

Communication

Enhance the County's external communication capacity through better coordination and regular outreach; consider adding a director of communications

CGR Project Team

CGR's primary project team consisted of **Paul Bishop, M.P.A.** (Principal), **Steven Hanmer, M.P.A.** (Senior Associate) and **Joseph Stefko, Ph.D.** (President and Chief Executive Officer). Additional data, analytical and mapping support was provided by **Kate Bell** (Manager of Information Systems), **Amelia Rickard** (Research Assistant), **Yiwei Wang, Ph.D.** (Data Analyst) and **Hafiz Akram** (Fellow).

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Introduction

Project Overview

In 2017, the Cayuga County Legislature issued a Request for Qualifications seeking assistance with a comprehensive organizational assessment to look for opportunities that would streamline, refocus and reorganize operations. Facing stagnant revenue growth from a limited number of sources and having completed several cost cutting efforts in recent years, the County sought to take a comprehensive look at how departments are structured to conduct public business. With an eye towards generating savings through efficiency, economies and synergism, the County sought opportunities to combine departments and operations where they are currently unproductively siloed. Following a public request for qualifications, in late July 2017 Cayuga County selected CGR, the Rochester, New York-based Center for Governmental Research Inc., to complete the assessment.

Project Objectives

The County's project scope articulated three main goals. First, to examine current county organizational structures to identify policies, procedures and other factors that impede productivity and effectiveness. Second, to explore alternative ways to organize that would enable the County to deliver services in the most efficient and effective manner possible. And third, to recommend options for County reorganization.

About Cayuga County

Located in Central New York, Cayuga County is home to nearly 79,000 residents (ranked 34 among NY counties) and spans a land area of 692 square miles (ranked 29). When watered areas are included, the County's total land area is 864 square miles. The County's municipal government structure includes one city, 23 towns and nine villages. With a population of approximately 27,000, the City of Auburn is the County's largest municipality, accounting for 34 percent of the countywide total.

Cayuga County's population has declined in recent years, falling more than 4 percent since its 1990 peak. Projections from Cornell University suggest that decline is likely to continue over the next two decades. The change since 1990 has not been evenly spread throughout the County, however. Towns with over 3,000 residents have increased in population by 16 percent since 1990; by contrast, smaller towns have declined 6 percent and the City of Auburn has fallen 13 percent.

The County's all-funds budget for fiscal year ending (FYE) 2017 totaled \$143.1 million. Budgeted spending has decreased over recent years, with expenditures falling \$3.4

million (2.3 percent) from FYE 2014 through 2017. Over this period, the County reports having implemented several cost-cutting measures in an attempt to more efficiently deliver services to the public.

About CGR

Since 1915, CGR has delivered results to the municipal, education, nonprofit and business-civic sectors through objective analysis, mission critical data and strategic counsel. Trusted for its independence and breadth of experience spanning more than a century, CGR delivers expert solutions in government and education, economics and public finance, health and human services, and nonprofits and communities. Headquartered in Rochester, New York, CGR has served communities throughout more than a dozen states including New York, New Jersey, Ohio, Pennsylvania, Massachusetts, Maine and Connecticut. More information is available at www.cgr.org.

Project Methodology

CGR's review proceeded in two phases. The first phase involved an existing conditions review, intended to inform a baseline of current resource allocation and service delivery frameworks across County departments, and to inventory challenges to (and begin exploring opportunities for) increased innovation and collaboration. The second phase focused on evaluating improvement opportunities and their potential to impact process efficiencies, financial savings and organizational culture.

Baseline Review

CGR relied on a variety of data elements to inform its baseline review. Fundamental to our data collection were dozens of in-person interviews with department heads, agency leads and staff. CGR project staff conducted more than 40 primary source interviews at County and agency offices, with most of those interviews occurring between August and October 2017. Interviews focused on a range of issues, including:

- How departments are currently structured and allocate resources;
- Organizational culture and "sense of direction";
- Challenges faced in delivering essential services, both to internal and external "customers";

PHASE ONE INVOLVED AN EXISTING CONDITIONS REVIEW TO DOCUMENT HOW THE COUNTY CURRENTLY OPERATES. PHASE TWO FOCUSED ON IMPROVEMENT OPPORTUNITIES AND THEIR POTENTIAL IMPACT.

-
- Specific policies, procedures and other factors that department and agency leaders view as impediments to departmental (and inter-departmental) productivity and effectiveness;
 - Functions and processes that are common to multiple departments; and
 - Potential improvement alternatives within and across departments, and their likely service / financial / cultural impacts.

CGR interviewed leaders and / or managers of the following County departments:

- Aging
- Assigned Counsel
- Attorney
- Board of Elections
- Buildings and Grounds
- Clerk
- Coroner
- E-911
- Emergency Management and Fire Coordinator
- Employment and Training
- Health Services / Public Health
- Highway
- Human Resources and Civil Service
- Information Technology
- Mental Health
- Parks and Trails
- Planning and Economic Development
- Probation
- Real Property Tax Services
- Sheriff
- Social Services

-
- Treasurer
 - Veterans Services
 - Weights and Measures
 - Youth Bureau

Additionally, CGR interviewed the four-member “Management Team” that, as of the start of this project, was filling the role of the vacant administrator position. That team included three members of the Legislature and one department head (County Treasurer).

In certain cases, CGR project staff conducted multiple interviews with departments to gather additional and / or more detailed information, perspective and context.

CGR also conducted interviews with the lead official (or their designee) of four agencies that, while outside the formal County organization, regularly work with the County and / or are funded by it:

- Cayuga Economic Development Agency
- Cayuga County Soil and Water Conservation District
- Cayuga County Convention and Visitors Bureau
- Cayuga County Water and Sewer Authority

CGR made multiple unsuccessful attempts to schedule an interview with the District Attorney.

Interviews were supplemented with a series of other data elements. At CGR’s request each department provided a listing of workload indicators documenting their key functions and their flow throughout the year; an inventory of key services, responsibilities and processes; a summary of interactions with other County departments and agencies; a departmental annual report (where available); and an organizational chart illustrating current deployment of staff resources. CGR also reviewed staffing levels by department and County budgets (for the past three fiscal years) to contextualize both the services provided and overall resource allocation.

In an attempt to gather additional feedback on information technology, CGR conducted an electronic survey of County staff. That survey generated 93 unique responses (14 percent response rate) from across 23 different County departments.

During the course of the baseline review, CGR made a series of site visits to spaces occupied by County departments and agencies.

A public forum was held on September 26, 2017 at Cayuga Community College to discuss the project, objectives and timeline. Approximately 60 people attended, including both internal stakeholders (i.e. County employees, elected officials and department heads) and members of the general public. In addition to a presentation by CGR, the event provided an opportunity to ask questions and make suggestions to the project team for consideration as part of the project.

Options Review

Following development of this existing conditions baseline, CGR's review pivoted to an examination of opportunities that, in our view, represent the most promising areas for improvement and impact in Cayuga County government. Additional quantitative and qualitative data (including follow-up interviews) were collected throughout the options review, allowing more detailed perspective and analysis. Each opportunity was evaluated across three dimensions:

First, improving culture and organizational capacity (e.g. addressing shared frustrations and gaps in core functional supports); second, creating new process efficiencies (e.g. shifting core departmental functions, combining departments); and third, generating financial savings (e.g. cost reductions, economies of scale).

Opportunities are not all "equal" in their potential impact. Some would impact all three dimensions; others would impact one or two. But in CGR's view, each opportunity would represent an improvement over the approach, structure or process currently in place and move Cayuga County closer to a "best practice" organization.

Project Context

This section presents important context for this project, summarizing the County's fiscal position, demographic trends, governance structure and the administrative / service delivery framework within which Cayuga manages its operations.

It should be noted that during the course of CGR's review, Cayuga County filled the County Administrator position that had been vacant at the project's inception. During the period in which the role was vacant, a four-member "Management Team" served in that capacity. The new Administrator is the County's fifth since 2009.

Fiscal

Cayuga County's adopted budget for fiscal year 2018 totals \$146.4 million, a 2.3 percent increase over the previous year. The vast majority of budgeted appropriations (\$131.3 million, or 89.7 percent) is in the General Fund. Secondary funds in the budget

include the County Road Fund (\$11.7 million), Road Machinery Fund (\$2.7 million) and Employment and Training (\$0.7 million).

The County's real property tax levy for 2018 is \$39.8 million, a 2.0 percent increase over last year. Over the past two years combined (2016 through 2018), the County's overall property tax levy increase has been modest, remaining slightly below 3.0 percent. The County's full value tax rate for 2018 is \$8.34, an increase of 1.4 percent over 2017. The increase follows two consecutive years of rate decreases. The average annual rate increase since 2011 has been slightly less than 1.9 percent.

Countywide full valuation of property has grown in each of the past 5 years. Following decreases in both 2012 and 2013, valuation has increased annually since. That growth amounted to 0.5 percent in 2018, a lower rate of increase than in 2016 (4.1 percent) and 2017 (1.8 percent).

OVER THE PAST SEVERAL YEARS, PROPERTY VALUATION HAS GONE UP, TAX LEVIES HAVE GROWN MODESTLY, FUND BALANCES HAVE REMAINED POSITIVE AND DEBT LEVELS HAVE FALLEN.

The 2018 budget does rely on fund reserves to achieve balance in its three largest funds. Collectively, the General Fund, County Road Fund and Road Machinery Fund use more than \$1.3 million in unappropriated fund balance for 2018. In total this represents a 9.1 percent increase in fund balance utilization compared to last year, but notably, a 29.9 percent reduction compared to 2016. In fact, the General Fund's reliance on reserves to is down nearly \$1.2 million, or 66.6 percent since 2016.

Fund balances are, in a sense, "savings accounts" for governments, and can be applied in different ways depending on the fiscal approach of elected officials, budgetary conditions or long-term planning. As of the close of the 2016 fiscal year, the County reported a positive General Fund balance of \$26.4 million, a \$0.3 million (1.2 percent) increase over the previous year. The figure represents about 20.6 percent of the total County General Fund. Of the General Fund balance, the largest share (\$21.9 million, or 83.0 percent) was unassigned. This means the County ended 2016 with an unassigned fund balance of approximately 17.1 percent of its full-year budgeted General Fund expenditures. As of the time of this report, the recently completed 2017 fiscal year has not yet been audited.

The County reported total outstanding debt of \$34.1 million as of December 31, 2017. The majority of that – \$28.6 million – is attributed to public improvement serial bonds issued between 2010 and 2015. The remainder relates to a Certificate of Participation for Auburn Community Hospital (\$4.7 million) and the capital lease for Cayuga Community College (\$0.7 million).

Outstanding debt balances fell considerably from 2016 to 2017, decreasing \$4.6 million overall and \$2.9 million among serial bonds. In the 2018 fiscal year, the County has budgeted total principal and interest payments of \$4.0 million and \$0.9 million, respectively.

CAYUGA COUNTY'S POPULATION HAS DECLINED APPROXIMATELY 4% SINCE ITS PEAK IN 1990. ESTIMATES FROM CORNELL INDICATE THAT TREND IS LIKELY TO CONTINUE.

Demographic and Economic

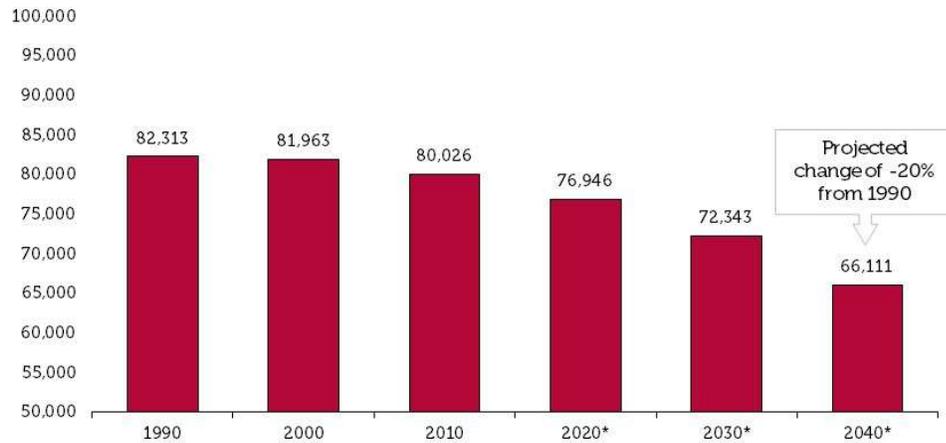
Cayuga County was home to nearly 79,000 residents in 2016, according to Census Bureau estimates. Total population has declined approximately 4 percent since its peak in 1990. That decline is projected to continue. Estimates from Cornell's Program on Applied Demographics show project Cayuga County's population in 2040 at slightly more than 66,000, which would be down 20 percent from 1990.

The City of Auburn has seen the greatest population decline in sheer numbers, falling more than 4,000 (13 percent) over the period. The City and smaller towns (i.e. with populations under 3,000) have contributed the most to the decrease since 2000, at a rate more than double that of towns with populations of over 3,000.

Change in Population, 1990 to 2016
Source: Census Bureau

Municipality	1990	2000	2016	% Change from 1990
City of Auburn	31,258	28,574	27,101	-13%
Towns larger than 3,000	15,661	19,248	18,245	16%
Towns smaller than 3,000	35,394	34,141	33,437	-6%
Total	82,313	81,963	78,783	-4%

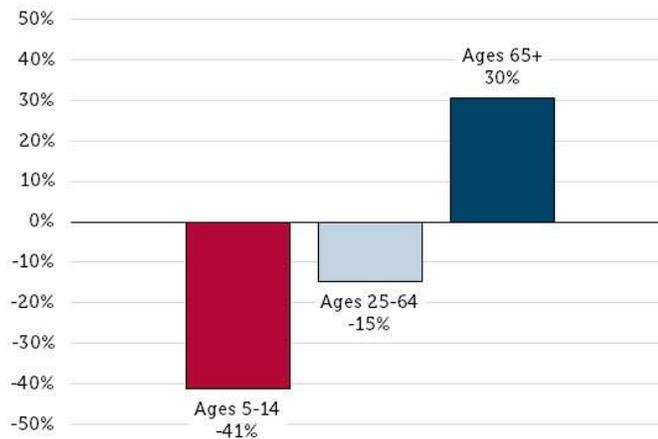
Change in Population, 1990 to 2040 Source: Census Bureau and Cornell University



Source: 1990-2010 Decennial Census and projections (*) by Cornell Program on Applied Demographics

Cornell's projections suggest that the population decline in Cayuga, as with many smaller Upstate counties, is likely to be concentrated among younger and working age residents.

Change in Population by Age Group, 2000 to 2040 Source: Census Bureau and Cornell University



Source: 2000 Decennial Census and projections by Cornell Program on Applied Demographics

A majority of Cayuga County's housing stock consists of single-unit detached homes, 40 percent of which were built prior to 1940. From 1940 to 2010, new homes were built at an average of 3,000 per decade. This rate is not likely to continue into 2020, as there have only been an estimated 402 units built since 2010.

Housing Characteristics
Source: Census Bureau

Total housing units	36,418
Occupancy Rate	85%
1-unit, detached	68.70%
Built 1939 or earlier	39.40%
Built Since 2000	8.10%
Median Home Value (inflated to 2016 dollars)	\$117,800
Rent over 30% of HH income	44%*
Housing Affordability Ratio	2.2

* The U.S. Department of Housing and Urban Development (HUD) guideline for affordability is that rent should consume no more than 30 percent of household income

Cayuga County's two largest economic sectors (by employment) are Educational Services / Health Care / Social Assistance (26 percent of total employment) and Manufacturing (14 percent). According to the Bureau of Labor Statistics, five of the County's employment sectors have experienced growth since 2000.

Employment Share by Sector
Source: Bureau of Labor Statistics

	2016	Change since 2000
Educational services, and health care and social assistance	26%	4%
Manufacturing	14%	-4%
Retail trade	12%	0%
Arts, entertainment, and recreation, and accommodation and food services	8%	2%
Construction	7%	-1%
Public administration	7%	-1%
Professional, scientific, and management, and administrative and waste management services	6%	1%
Other services, except public administration	5%	0%

Transportation and warehousing, and utilities	5%	-1%
Agriculture, forestry, fishing and hunting, and mining	4%	0%
Finance and insurance, and real estate and rental and leasing	3%	0%
Wholesale trade	2%	-1%
Information	1%	-1%

Cayuga County's unemployment rate was 5.0 percent as of December 2017. Mirroring the state / US economy, the rate has dropped over recent years. Following the recession, it peaked at 10.4 percent in February 2010. The annual average unemployment rate has fallen each year since 2012. Most recent poverty data peg the County's rate at 11.4 percent overall, and 16.3 percent for children under the age of 18. Despite a five-point decrease in child poverty within the City of Auburn since 2000, rates in the City remain 3-to-9 points higher than the County overall. Notably, both the total and child poverty rates for the overall County were among the lowest of its peer group and less than the statewide average. For reference, Cayuga's median household income ranks fourth among the peer group. Putnam County, with the highest median income of the peer group, had the lowest poverty rates overall.

[Note: The Peer group is referenced repeatedly in this report to benchmark Cayuga's operations and measures.]

Share in Poverty, 2012-16
Source: Census Bureau

Peer group comprised of the 5 counties ranked immediately above Cayuga in total population and the 5 ranked immediately below	Overall	Under 18
Cattaraugus County	17.5%	25.5%
Sullivan County	17.1%	25.1%
Clinton County	16.1%	22.0%
Chemung County	15.9%	22.5%
STATE	15.5%	21.9%
Steuben County	15.1%	22.7%
Livingston County	14.9%	19.4%

Madison County	11.9%	16.7%
Wayne County	11.9%	17.0%
Cayuga County	11.4%	16.3%
Warren County	11.1%	16.0%
Putnam County	5.2%	4.5%

Governance

Cayuga County operates under a legislative administration form of government. It is governed by a 15-member County Legislature, with members elected across 15 districts in staggered terms. Of the current legislators, 8 were elected in 2017 and have terms than run through 2021; the other 7 were elected in 2015 and have terms running through 2019.

CAYUGA COUNTY OPERATES UNDER A LEGISLATIVE ADMINISTRATION FORM OF GOVERNMENT, WITH SIX STANDING COMMITTEES EACH OVERSEEING A SPECIFIC PORTFOLIO OF DEPARTMENTS.

Under the legislative administration structure, the County Legislature maintains six working committees, each with a chairperson and six additional members. Each committee has a departmental / service area portfolio it monitors, both in developing the annual budget and throughout the fiscal year. The committees and their respective portfolios are as follows:

- **Ways and Means:** Auditor, Budget, Data Processing, Finance, Insurance, Real Property, Salaries / Personnel, Taxes and Treasurer;
- **Health and Human Services:** Animal Protection, County Auction Program, Health Department, Long Term Care, Mental Health, Nursing Home, Office for the Aging and Youth Bureau;
- **Public Works:** Buildings and Grounds, Building and Fire Code Inspection, Highway Department, Parks and Recreation, Weights and Measures, and Water / Sewer Authority;
- **Government Operations:** Board of Elections, County Administrator, County Attorney, County Clerk, Department of Motor Vehicles, County Legislature and Rules, Education, Information Technology, Records Retention and Veterans;
- **Planning and Economic Development:** Agriculture, Cayuga Economic Development Agency, Cooperative Extension, Employment and Training, Energy,

Environmental Management, Planning, Publicity, Soil and Water Conservation, Tourism and Water Quality Management;

- **Judicial and Public Safety:** Assigned Counsel, Commissioner of Jurors, Communication System (911), District Attorney, Emergency Management, Emergency Medical Services, Fire, Grand Jury, Justices and Constables, Probation and Sheriff / Jail.

The Legislature also maintains 15 boards, commissions and other quasi-independent agencies to take up other topics and issues deemed to require additional and / or ongoing attention:

- Alcohol and Substance Abuse
- Board of Health
- Cayuga County Public Utility Service Agency (CCPUSA)
- Community Services Board
- Convention and Visitors Bureau
- Deferred Compensation
- Health Insurance Advisory Committee
- Health Insurance Consortium Board of Directors
- Human Resources and Civil Services Commission
- Mental Health
- Parks Commission
- People with Development Disabilities
- Soil and Water Conservation District
- Traffic Safety
- Water Quality Management Agency (WQMA)

In addition to the Legislature, 5 department heads are also directly elected by County voters: Sheriff, Treasurer, District Attorney, County Clerk and Coroner.

Administrative and Service Delivery

The County's service lines are organized according to a series of departments – some are led by appointed department heads (e.g. highway, social services), while others are led by elected officials (e.g. sheriff, treasurer). The County Administrator is expected to serve as the day-to-day lead of operations. Pursuant to the County's organizational operating framework, appointed department heads report directly to the Administrator; elected department heads, while primarily accountable to County voters, are to have a dotted line reporting relationship to the Administrator.

As of August 2017, Cayuga County's workforce included 842 active positions. More than 69 percent of those were filled full-time positions, with the remainder being part-time (20 percent) and seasonal (11 percent).¹

Opportunities to Improve Building on a Strong Foundation

Opportunities to improve Cayuga County's operations build on a strong foundation. Throughout this project, and particularly in our interviews with County leaders, department heads and staff, CGR noted Cayuga's strong commitment to improve. That commitment is evidenced not only by officials' consistently stated willingness to consider alternative approaches, but by demonstrated actions the County has already taken in recent years in an effort to innovate, improve service responsiveness and address fiscal sustainability. Indeed, even commissioning this review of County operations – from top to bottom, with no part of the County structure "off limits" – is clear evidence of that commitment.

CGR NOTED A STRONG COMMITMENT TO IMPROVEMENT THROUGHOUT THE ORGANIZATION, EVIDENCED BY STEPS ALREADY TAKEN AND A WILLINGNESS TO CONSIDER NEW ALTERNATIVES.

It is further evidenced by the recent appointment of a new Administrator, and a stated desire by some elected leaders to ensure the position has the resources and authority necessary to effectively serve as the County's chief operating officer; by the team of department heads the County has assembled, whom CGR found to be capable and committed to improving Cayuga's operations; and by the County's responsible

¹ It should be noted that County staffing data lists members of the Legislature, including the Chairperson, as full-time appointments. Legislator salaries are not commensurate with full-time employment, however. Individual legislators earn \$10,100. Committee chairs earn a stipend of \$2,000. The Chairperson earns \$30,000.

stewardship of its own fiscal health over the past several years. Budgeted spending and tax rates have been held to modest increases, reserves have shown improvement, and outstanding debt levels have fallen over recent years.

At the same time, Cayuga County – like many of its Upstate peers – faces pronounced headwinds. Demographic projections portend a County population that is likely to continue getting smaller and older. Most of its employment sectors, with the exception of education / health / social assistance, have witnessed stagnant growth (or in several cases, decline) since 2000. The state property tax cap constrains the County’s ability to generate new revenue to offset recurring cost increases. And there are facility challenges that have prompted the County to explore options for renovating or replacing its 1960s-era main office building in Auburn.

CAYUGA COUNTY FACES PRONOUNCED DEMOGRAPHIC, ECONOMIC AND FISCAL HEADWINDS THAT REINFORCE THE IMPORTANCE OF ITS EFFORTS TO CONTINUE INNOVATING.

Effectively meeting those headwinds will require continued commitment to improvement and responsible stewardship. In some cases, it will require changes in the way the County has traditionally done its business. That was the basis for this project – in the County’s words, to identify opportunities to “streamline, refocus and reorganize operations.”

It will also require the County to redouble its emphasis on investing in the development of its people – the talented workforce that manages and delivers County services each day. Ensuring employees have opportunities to deepen their skills and contribute to a healthy organizational culture is critically important to the County’s continuous improvement.

Developing Recommendations

Consistent with the objectives for this review, CGR has **examined** the County’s current structures to identify policies, procedures and approaches that impede its productivity and effectiveness, **explored** alternative ways to organize, and **recommended** options for County reorganization. Those recommendations form the core of the following section.

In CGR's view, these recommendations represent the most promising opportunities for improvement and impact across Cayuga County government. Each recommendation has been informed based on our project team's evaluation of how the County currently conducts its business, as well as how efficiently and effectively it is serving its internal and external "customers."

Recommendations are of two basic types.

The first is inter-departmental or "cross organizational." These are recommendations that transcend any individual department in focus, implementation or potential impact. Generally speaking, they will require partnership of multiple leaders and departments to successfully implement, but in CGR's view offer opportunities to create broad, organization-wide improvements for the County organization and those it serves.

OPPORTUNITIES WERE EVALUATED BASED ON THEIR POTENTIAL TO IMPROVE CULTURE AND ORGANIZATIONAL CAPACITY, CREATE PROCESS EFFICIENCIES AND GENERATE FINANCIAL SAVINGS.

The second is intra-departmental or department specific. These are recommendations that by and large focus on an individual functional area, and the likely impacts of which (though material) are generally confined to a specific constituency, whether internal or external.

CGR's presentation of each recommendation includes a discussion of the "current state" approach or structure and articulation of the improvement opportunity, followed by CGR's rationale, a summary of anticipated impacts, and (where applicable) implementation considerations.

Regarding impacts, CGR evaluated opportunities through three lenses. First, the extent to which they can improve culture and organizational capacity. Second, their potential

IMPROVEMENT OPPORTUNITIES INCLUDE RECOMMENDATIONS THAT ARE BOTH ORGANIZATION-WIDE AND DEPARTMENT-SPECIFIC IN NATURE, AND CONSIDER HOW THE COUNTY SERVES BOTH INTERNAL AND EXTERNAL CUSTOMERS.

for creating process efficiencies in the way the County provides services, both to internal and external "customers." This includes opportunities for service or administrative enhancement through more efficient structures and approaches. And third, their likelihood of generating financial savings through cost reductions, economies of scale or other means.

The opportunities identified by CGR are not all "equal" in their potential impact. Nor are they all capable of producing direct savings. Indeed, some of the recommendations call on the County to make strategic investments that will improve its capacity in core areas. But

in CGR's view, taken together, the recommendations offer opportunities to improve and move Cayuga County closer to a "best practice" organization.

It should be noted that for certain recommendations where future cost savings opportunities are anticipated, savings will likely be available only through up-front strategic investment in better, more efficient approaches (e.g. IT, probation, facilities). For this reason, **opportunities identified as having cost savings potential should not necessarily be expected to produce savings immediately**. Indeed, they may require additional spending in the near term to achieve a more efficient state long-term.

		Culture & Org	Efficiency & Enhance	Financial Savings
Administrator	Empower the County Administrator to serve the role of Chief Operating Officer	✓	✓	
	Further resource the Administrator's office through the addition of a deputy	✓	✓	
	Create a budget director position within the Administrator's office; alternatively, convert to a Finance Department model		✓	
	Clarify reporting lines among department heads, the Administrator and Legislators, particularly Legislative Committees	✓	✓	
	End the practice of using Committees as the County Budget's core organizing principle	✓	✓	
Human Resources	Centralize onboarding, benefits administration and recruitment	✓	✓	
	Complete a comprehensive salary study of County positions	✓	✓	
Purchasing	Create a more centralized purchasing system across all departments		✓	✓
	Adopt a purchasing card (P-Card) program for small-dollar or high-volume purchases		✓	✓
Information Technology	Complete a comprehensive technology needs assessment including gap analysis and evaluation of training opportunities	✓	✓	✓
	Establish an information technology task force to support the needs assessment and enhance organization-wide buy-in	✓	✓	✓

	Enhance County website, with specific focus on increasing online transaction capabilities		✓	✓
Payroll	Explore options to streamline and improve the efficiency of the current payroll system, as well as strengthen internal controls around payroll processing.		✓	✓
Capital Planning	Establish and adhere to a rigorous, consistent and comprehensive annual capital planning process	✓	✓	✓
Public Works	Create a single department spanning highway, parks & trails, buildings & grounds and weights & measures	✓	✓	✓
Criminal Justice	Explore alternative to incarceration (ATI) strategies to reduce corrections costs		✓	✓
	Provide support to the Probation Department through additional staffing		✓	✓
	Adopt a modern case management software system for Probation		✓	✓
Legal	Consolidate the County's legal resources into a more integrated structure		✓	
Assigned Counsel	Align positions and funding such that costs better reflect the amount of work required to successfully manage the office		✓	
	Evaluate performance of the model and consider whether an in-house public defender model may be more cost effective		✓	✓
Youth Bureau and STOP-DWI	Consider moving both functions into the County Health Department; alternatively, group with Aging, Veterans and Health in an HHS office		✓	
Social Services	Implement the Northwoods Software package in the Child and Family Services area		✓	

	Reorganize and renovate DSS workspace to match peak workflow efficiency	✓		
	Evaluate fleet utilization to reduce trips by Social Service workers to the motor pool	✓		
	Consider flexible hours to assist in improving customer / resident access and satisfaction	✓		
Facilities	The current County Office Building does have a negative impact on efficiency and productivity, something which improved or new space would be able to address. CGR makes <u>no</u> recommendation as to whether the County should renovate or build a new County Office Building, but we encourage the County to consider opportunities to co-locate departments, vacate spaces used by small departments, split larger ones into functional units where it can create capital efficiencies, leverage reimbursement opportunities and create "satellite" service flexibility.	✓	✓	✓
Communication	Enhance the County's external communication capacity through better coordination and regular outreach; consider adding a director of communications	✓	✓	

Administrator

Current State

Cayuga County's governance and policymaking responsibilities are vested in the County Legislature, a 15-member body elected on a district basis. Operational responsibilities are vested in a County Administrator and department heads, who collectively manage the County organization on a day-to-day basis. Cayuga is one of a handful of New York State counties that operate under a "legislative administration" model, whereby the chair of the legislative board, as elected by the full legislature, is delegated administrative responsibilities on behalf of the board. Another characteristic of the model is a "strong committee" system, where legislative committees are delegated responsibility for oversight of departments.² Cayuga has six standing committees serving this role:

- Ways and Means
- Health and Human Services
- Public Works
- Government Operations
- Planning and Economic Development
- Judicial and Public Safety

Notably, Cayuga County recently filled its Administrator position following a formal search process. The position had been vacant for 10 months, and was so at the beginning of CGR's review. The new Administrator is the County's fifth in the past decade. During the period when the position was vacant, the role was served by a four-member "Management Committee" comprised of three legislators and one department head.

The Administrator's office has limited staff capacity, with only the Administrator position and a full-time confidential secretary. Two other staff functions are technically assigned to the Administrator's organization, though their roles are not directly supportive of the office's administrative function. One is an administrative assistant; the other is a part-time budget director role filled by a staff member housed in the Social Services Department. The Administrator serves as the County's budget official.

² *County Organization in New York State*, New York State Association of Counties and the Dennis A. Pelletier County Government Institute, Inc. February 2015.

Improvement Opportunity and Recommendations

CGR's review found Cayuga's legislative administration model – specifically the strong committee system – creates pointed challenges to the administration of County services, management of County personnel, establishment of clear lines of authority and accountability, and implications for organizational culture and morale. This is reinforced by the limited capacity of the Administrator's office. In CGR's view, opportunities to improve focus primarily on five areas.

Recommendation: Empower the County Administrator to serve the role of Chief Operating Officer.

Recommendation: Further resource the Administrator's office through the addition of a deputy.

Recommendation: Create a budget director position within the Administrator's office; alternatively, convert to a Finance Department model.

Recommendation: Clarify reporting lines among department heads, the Administrator and Legislators, particularly Legislative Committees.

Recommendation: End the practice of using Committees as the County Budget's core organizing principle.

Rationale and Impacts

Cayuga County is a \$143 million organization providing a broad range of services across approximately 30 departmental cost centers. It is critically important that any organization of this scale have a clear, accountable central command point, both for managing the County's broad range of functions on a day-to-day basis and as a central administrative link that integrates those functions into a coherent organizational unit.

In theory, the County Administrator position is vested with that responsibility. Appointed by the County Legislature, the Administrator is expected to serve essentially as "Chief of Staff," or Chief Operating Officer, sitting atop the County's staffing structure and providing management oversight of department heads and operations. In practice, however, the role of Administrator in Cayuga County has had neither the authority nor resources to capably carry out the responsibilities the County needs from it.

CGR FOUND THAT THE COUNTY'S LEGISLATIVE ADMINISTRATION MODEL CREATES POINTED CHALLENGES TO THE ADMINISTRATION OF COUNTY SERVICES AND ESTABLISHMENT OF CLEAR LINES OF AUTHORITY AND ACCOUNTABILITY.

For the County to function optimally and for its varied departments and agencies to operate as a single coherent organization, it is essential that the County take steps to empower and resource the County Administrator.

The County should consider resourcing the Administrator role at a level commensurate with its required degree of responsibility and span of control. There is no one “right” approach to determining appropriate staffing level in an Administrator’s office. Actual staff size and position breakdown should reflect the desired structure, assignment of duties, and desired qualifications across support staff. Still, CGR believes the addition of a Deputy within the Administrator’s office would be a significant positive step toward providing the Administrator with the capacity needed to effectively manage County operations. A review of the administrative staff capacity of Cayuga’s peer counties (i.e. the 5 counties ranked immediately above / below Cayuga in population) finds six that have a formal deputy position – four in manager / administrator forms and the others in a county executive form.

FURTHER RESOURCING THE ADMINISTRATOR’S OFFICE ALSO PROVIDES AN OPPORTUNITY TO ENHANCE THE COUNTY’S BUDGET AND FINANCIAL ADMINISTRATION OUTSIDE OF THE TREASURER’S OFFICE.

Related, the County should consider leveraging that added deputy position to deepen the financial administrative capacity of the Administrator’s office. The County does not have a Budget Department. The Treasurer’s Office, led by the elected Treasurer, comes closest in that it administers the County’s day-to-day financial activities. These include managing cash flow and short-term investments, collection of property and occupancy taxes, maintaining the County’s asset inventory, managing County payroll, overseeing health insurance benefits for employees and retirees, administering sales tax and handling all financial accounting for the County. The Office also manages the annual independent audit (conducted most recently by Insero & Co.) and, to the extent the County goes to the bond market, serves as the lead agency.

Still, the accounting function is different from the budgeting and financial management function. While the County is well served by the roles played by the Treasurer’s Office, there is an opportunity to enhance Cayuga’s budget and financial administration capacity outside of the Treasurer’s Office.

Despite housing the majority of Cayuga’s financial data, the Treasurer’s Office does not have a formal role in the process of developing or managing the annual budget. This is understandable – in most governments the size of Cayuga or larger, the accounting function is distinct from the budgeting function. Within Cayuga County, the budget function falls to the County Administrator (who is technically the County’s

Budget Officer) and a part-time budget director. As noted earlier, the part-time role is based in the Department of Social Services.

Between the Administrator-as-Budget-Officer and a part-time budget director, the County's overall capacity to develop and administer the annual spending plan is limited. Adding a deputy / budget director within the Administrator's office would provide greater capacity not only for the annual budget development process, but to monitor implementation and track budget status throughout the year.

An alternative to a budget director role in the Administrator's office is to create a separate standalone Finance or Budget Department that reports to the Administrator. To provide a frame of reference for how other county governments structure this function, CGR examined in detail the organizational frameworks of Cayuga County's peer group (i.e. the 5 counties ranked immediately above Cayuga in total population and the 5 ranked immediately below). Only one has a Department of Management and Budget alongside a Treasurer's Office; two others have Finance Departments, but in the absence of a Treasurer's Office (i.e. the Finance Department serves as the Treasurer with added budget responsibilities). The remaining counties are structured like Cayuga, without a separate Finance Department.

Should Cayuga County opt to have a Finance Department, CGR believes the most cost-effective approach would be to convert the current Treasurer's Office to a Finance Department, moving all non-statutory responsibilities to that Finance Department. As shown in the following graphic, this model is employed in Putnam and Steuben Counties. In both, the Finance Department is headed by a Commissioner who serves the role of Treasurer.

A Finance Department would also be a logical place to house a more centralized purchasing function, as discussed later in this report.

Peer Counties without a Finance Department



Peer Counties with a Finance Department but no Treasurer



Peer Counties with a Finance Department and Treasurer



Beyond staff capacity, empowerment of the Administrator role also depends largely on a clarification of reporting lines across the Administrator, department leaders, Legislators and Legislative Committees. During the course of CGR's review, we noted a number of instances where department leaders expressed a view of the Chair of their respective Legislative Committee as their "manager," blurring the line between governance and operations. In CGR's view, this is a function of three things.

A MORE CENTRALIZED REPORTING LINE THAT RUNS THROUGH THE ADMINISTRATOR WILL YIELD BETTER ADMINISTRATIVE COHERENCE AND MORE CLEARLY DEFINE THE LINE BETWEEN GOVERNANCE AND MANAGEMENT.

First, the legislative administration model used by the County: Department heads regularly present directly to their Legislative Committee, often in the absence of the Administrator, in a way that blurs the governance-operations line and invites legislators into more management-level decisions. The effects were likely exacerbated during the period in 2017 when the Administrator position was vacant.

Second, presenting budget cost centers by committee: Cayuga's budget format reinforces the Legislative Committees as an organizing principal in a way Cayuga's peer legislative administration counties do not. Organizing departmental budgets primarily by Committee of jurisdiction rather than by department / service area further blurs the lines between governance and operations, minimizes the role of the Administrator in managing the overall County operation, and contributes to a symbolic segmentation of the County into subunits organized around legislative oversight.

A CLEARER DISTINCTION IS NEEDED BETWEEN GOVERNANCE ROLES AND OPERATIONAL / MANAGEMENT ROLES. COMMITTEES HAVE AN IMPORTANT OVERSIGHT RESPONSIBILITY, BUT IT SHOULD NOT BE CONSTRUED AS MANAGEMENT.

Third, the absence of a formally centralized reporting line that runs through the Administrator between the department head and their respective Legislative Committee. Prior to the appointment of the new Administrator, department heads were regularly interacting outside of their Committee reports in a way that bypassed the Administrator. This is understandable during the period in which the Administrator position was vacant.

County leaders are aware of the importance of clarifying the reporting relationship among the Administrator, department heads and Legislative Committees. A recent process to establish a "County Organizational Operating Framework" resulted in a formal articulation of the respective roles of the Legislative Chair, Committee Chairs, County Administrator and department heads. Among the general key points were that

appointed department heads should report directly to the County Administrator, and even elected department heads should have a dotted line reporting relationship to the County Administrator.

In an effort to explicitly address blurred lines of responsibilities, the exercise also articulated “specific boundaries” for each position – that is, roles that each should not play. Those elements reinforce the Legislature’s role as the County’s governing and policymaking arm, and the Administrator / department heads as the day-to-day management authority.

Specific boundaries established for Legislative Committee Chairs included:

- “In all cases respect authority of Administrator and defer to him / her on any day-to-day operations issues.”
- “Support, recommend and advise. Do not interface on day-to-day operations.”
- “In general, Committee Chairs and individual Legislators do not work directly with department heads on an operational level, but work through and with the Administrator.”
- “Committee Chairs or members do not attend County Administrator or department head meetings unless requested to do so by County Administrator.”

The operational framework further reinforces the Administrator’s authority, noting that “the Administrator is the final authority on day-to-day operations (which is) defined as anything that is not law, policy or regulation.” Presentations to relevant Legislative

MANAGEMENT AND THE LEGISLATURE CAN PARTNER IN THE COUNTY’S BEST INTEREST MOST EFFECTIVELY WHEN EACH SERVES ITS OWN RESPECTIVE ROLE.

Committees are to be done with the Administrator present, along with the department head to provide more detailed information. CGR’s review finds that the parameters of the County’s operational framework are correct, but that they run counter to recent past practice and will therefore require a conscious effort to ensure adherence. The strong committee system, reinforced by a vacant Administrator position in 2017 (and even prior to that, by the under-resourcing of previous Administrators), has resulted in a legislative role that has an occasional tendency to go beyond simply governance and oversight. Asserting a clearer line between governance and operations would empower the Administrator to serve more effectively as the head of Cayuga County’s operations – from a planning, management, information and accountability standpoint. The Administrator and Legislature can partner in the County’s best interest most effectively when each serves its own respective role.

CGR views these recommendations as opportunities to create positive impacts in the areas of organization / culture and process efficiencies.

Organization and Culture

As noted, CGR's baseline review of County operations found instances of blurred lines between governance and operations responsibilities. In some cases, Legislative Committees' oversight went beyond traditional governance and assumed almost managerial-level functions. More than one department head saw their respective Committee Chair as their "manager." This was reinforced by the Administrator role being vacant for much of 2017.

THE ADMINISTRATOR SHOULD ATTEND COMMITTEE MEETINGS TO HELP ENSURE A MORE CONSISTENT VISION ACROSS AGENCIES, BUT THE EXPERTISE AND PERSPECTIVE OF DEPARTMENT HEADS REMAINS ESSENTIAL TO PROVIDING COMMITTEES WITH INFORMATION TO SUPPORT THEIR OVERSIGHT ROLE.

The recent appointment of a new Administrator is a significant step forward and offers the County an excellent opportunity to improve its functionality. With the Administrator empowered to serve as Chief Operating Officer, the County Legislature now has a primary point of contact. This will serve not only to streamline the flow of information from County departments to the Legislature, but will contribute to greater administrative coherence across departments. Regular department head meetings with the County Administrator will also reinforce the "team" nature of the County's departments, something that was noted as lacking during a number of interviews. Shifting away from the Legislative Committees as an administrative organizing principle will help the County evolve to a more appropriate structure where Legislators govern and provide oversight, department heads manage, and the Administrator oversees operations and acts as primary conduit between operations and elected officials.

Process Efficiency

Taking steps to empower and resource the Administrator, while at the same time clarifying and adhering to reporting lines, would also yield important process efficiencies. In general and on a day-to-day basis, legislators' contact with departments would be through the Administrator, reinforcing the Administrator's authority and clearly demarcating governing responsibilities from managerial ones.

The Administrator's appointment also provides an opportunity to reconstitute formal department head meetings among key staff leaders – that is, without legislators being present. CGR understands that this has already begun. It will improve coordination across departments and deepen the collective planning capacity of the County's staff leadership team.

Additionally, information delivered by staff to the County Legislature can be better streamlined. Rather than individual department heads presenting independently to their Legislative Committee, having the County Administrator attend those meetings and participate in departmental reports will contribute to a more consistent message, vision and direction that spans all functional areas. Note that CGR is not recommending departmental reports be made to committees in the absence of the department head – indeed, their expertise and understanding of functional details is essential to providing the Committees with information necessary to support their oversight role.

Implementation Considerations

In CGR's view, empowering the new Administrator and adhering to clear reporting lines is more cultural change than policy change. Past practice has been defined by an under-resourced Administrator's office and, in 2017 at least, blurred lines between governance / oversight and operational management. The appointment of a new County Administrator, alongside a willingness to empower that role, suggest the County is moving in the right direction.

Building the Administrator's staff capacity – perhaps through the addition of a Deputy that can also lend budget / finance skills – would require a financial commitment from the County. While the actual compensation level would be dictated by qualifications and experience desired, a recurring fully loaded cost of \$75,000 to \$100,000 is a reasonable estimate.

To reinforce the Administrator's role as conduit between departments and the Legislature, it is critical that the Administrator attend and participate in all Legislative Committee meetings with department heads.

As noted, CGR recommends the County shift away from the practice of organizing its budget presentation according to Legislative Committee, as it reinforces a symbolic segmentation in the County's organization. Alternatives used by other counties include organizing the budget into cost centers by related functional grouping (rather than Committee purview), or simply presenting the budget sections in ascending order according to the standard Chart of Accounts. Regardless of the alternative, shifting away from a budget structure that is organized strictly around Committees would further reinforce the important distinction between governance / oversight and operations.

Human Resources

Current State

Cayuga County's human resource and Civil Service functions are essentially combined. The HR Administrator reports to the Civil Service Commission, which in turn reports to the County Legislature. Because the HR and Civil Service elements are served by a single organization, departmental services and processes blend the two. Core responsibilities include administering County Civil Service Law, which involves exams, monitoring employment transactions for compliance, public employee record

THE COUNTY LACKS CENTRALIZATION AROUND CERTAIN CORE HR TASKS, CREATING CHALLENGES TO STANDARDIZATION, EFFICIENCY AND ORGANIZATIONAL CULTURE.

keeping, conducting Civil Service meetings and providing guidance to County agencies and partner jurisdictions regarding the Civil Service process.

Civil Service is a regional function in Cayuga County. The County's Commission serves the role not only for County departments, but for all towns and villages (excluding the City of Auburn),

all school districts (excluding the Auburn City School District), Cayuga Community College, and all special districts (e.g. Soil and Water Conservation District, Water and Sewer, Seymour Library and BOCES).

In total, County HR and Civil Service process approximately 4,000 transactions annually. In 2016, nearly 40 percent of those were on behalf of County departments. The remainder were for school districts (27 percent), towns (13 percent), BOCES (9 percent) and villages (6 percent). The College and special districts accounted for a small additional portion. The department also administered nearly 50 Civil Service examinations in 2016.

The Civil Service Commission consists of three members – a Chair and two Commissioners. Staffing consists of five personnel – the HR Administrator, a Deputy HR Administrator and three HR associates. Responsibilities are split across the associates such that one handles County business, one handles all other jurisdictions (i.e. towns, villages, schools, etc.) and one supports processes, examinations, advertisements and general human resource functions.

Improvement Opportunity and Recommendations

CGR's review found that the lack of centralization around handling certain human resource functions creates challenges to standardization, efficiency and organizational culture. Furthermore, the County has an opportunity to improve its recruitment and

retention of high quality staff by ensuring its compensation structure is competitive and appropriate. In CGR's view, opportunities to improve focus primarily on two areas:

Recommendation: Centralize HR functions like onboarding, benefits administration and recruitment.

Recommendation: Complete a comprehensive salary study.

Rationale and Impacts

Although HR handles onboarding processes for most departments located in the main County Office Building, larger departments (and those located in satellite facilities) generally handle their own onboarding and benefits administration. This can contribute to dissonance and inconsistencies in how employment policies are applied. Related, the decentralized approach occasionally places non-HR experts (i.e. County employees for whom human resource functions are not their primary responsibilities) in the position of administering personnel processes.

The County should consider bringing together all traditional HR services within the portfolio of human resources, rather than having them spread across a series of departments. In one sense, this change would impact those departments for whom human resources does not already provide these functions – larger and generally off-site agencies such as Health, Sheriff, Highway, District Attorney and Social Services.

Further, centralizing these services – particularly onboarding – would yield broader organizational impacts. Decentralizing processes such as recruitment, intake, orientation and onboarding across multiple individual departments compromises the County's ability to build an integrated organizational culture across all departments. We would note that while this was something CGR identified as a byproduct of the decentralized HR structure, it was also a sentiment confirmed in our interviews with department heads. When new employees enter the County organization, it is a unique opportunity to orient them to the County's culture, mission and vision, and reinforce their part of the organizational whole. A centralized process can more effectively yield standardization and appreciation for the broader organization; a decentralized one can result in new employees feeling disconnected from that larger organization – essentially a "satellite agency" of the County. Centralized onboarding and orientation need not replace specialized training or department-specific onboarding. But the general onboarding experience common to all County employees is best administered centrally by human resources.

CENTRALIZED ONBOARDING WOULD ENHANCE EFFORTS TO BUILD AN INTEGRATED ORGANIZATIONAL CULTURE ACROSS ALL COUNTY DEPARTMENTS.

The County should also consider commissioning a comprehensive salary study to benchmark its compensation levels. CGR's review found concern among a number of department heads that County salaries have not kept pace with market trends, increasing the challenge of recruiting and retaining highly qualified candidates. CGR did not complete a salary survey as part of this review, but noted that certain positions within the County structure have been particularly prone to turnover in part due to higher compensation options in other organizations. While a salary survey would require an up-front investment from the County, over the long term CGR expects that this would generate savings and greater service consistency through a lower turnover rate.

Implementation Considerations

Process-wise, centralizing the County's onboarding processes within HR would most directly impact those agencies that currently handle much of the orientation independently for new hires. These include some of the County's largest departments and those that operate at facilities outside of the main County Office Building. It may require new hires to report to the Auburn facility as part of the intake process,

A SALARY STUDY WOULD PROVIDE MARKET-BASED INFORMATION THAT CAN IMPROVE THE COUNTY'S ABILITY TO RECRUIT AND RETAIN HIGHLY QUALIFIED EMPLOYEES.

although a process centrally managed by HR may still be implementable at satellite locations. The key is that each new hire, regardless of agency, responsibility or work location, experience the same orientation process as they join the County workforce.

Implementation may require an additional investment in HR staff. At present, the office consists of five staff members, including two managerial-level staff and three HR associates. Cattaraugus County, a Cayuga peer that not only handles Civil Service but conducts all new employee orientations and administers benefits, has 9 employees (though one is a safety engineer trainee and one is a safety trainer). Any investment in staff should consider the benefit of adding an exempt staff member. The department is thin on exempt employees at the present time, which creates a challenge for efficiently processing disciplinary-related work.

As noted, commissioning a salary study will require an up-front investment. The actual cost is subject to final scope, particularly the number of included departments and extent of positions captured (i.e. management only, or all titles). As a frame of reference, in 2016 Oswego County, which is approximately 50 percent larger than Cayuga, completed a staffing / compensation and efficiency study of its Department of Social Services for \$50,000.

Purchasing

Current State

Cayuga County lacks a centralized purchasing function to coordinate the overall procurement process. Rather, the responsibility is handled at the individual department or agency level, with staff – in some cases, even senior staff or department heads – administering the process. To the extent there is limited central support for purchasing, it resides in a single administrative assistant (acting in the capacity of a purchasing agent) whose role is more back-end clerical than front-end coordination. Pursuant to Local Law No. 7 of 2017, the County Administrator technically administers and oversees all purchasing functions.

The scale of the County's purchasing is commensurate with what would be expected for an organization of its size. A review of budgeted equipment costs for all departments for the years 2014-2016 found the County expending an average of \$1.5 million annually. More than half of all equipment purchases over that period (52 percent) were for cars or other vehicles; other major equipment categories included trackable equipment (21 percent), miscellaneous equipment (14 percent) and computers and related technology items (13 percent).

PURCHASING IS HANDLED IN A LARGELY DECENTRALIZED FASHION, RESULTING IN BOTH PROCESS DUPLICATION ACROSS DEPARTMENTS AND MISSED OPPORTUNITIES FOR ECONOMIES OF SCALE.

Equipment purchases were concentrated in several departments. Highway / road machinery accounted for 43 percent, followed by sheriff (23 percent) and information technology (20 percent). In total, 23 separate departments had equipment purchase budgets over the 2014-2016 period – some were one-time expenditures while others were annual.

The County procures more than just equipment, however. From 2014-2016, the County's revised budgets contained an average of \$9.4 million³ in purchases related to

³ This figure is a subset of the County's total contractual purchase category. CGR's analysis focused on the following subcategories: Admin / Data Processing, Admin / Health Consulting, Advertising, Air Conditioning Service, Ammunition and Flares, Antifreeze, Arbitration Fees, Asbestos, Auto Charge, Auto Insurance, Auto Painting, Auto / Truck Parts, Bank Charges, Book Repairs, Building Maintenance, Career Resource Supplies, Computer Software, Computer Support, Concrete / Steel / Lumber, Construction Renovation, Contract Food Service, Contract Mowing, Copying, Drug Testing, Electrical Maintenance, Electrical Service, Elevator, Employee Physicals, Environmental Supplies, Environmental Testing, Equipment Rental / Lease, Food for Clients, Food for Meetings, Fuel Oil, Garbage Disposal, Gas Service, Gasoline, Grease and Oil, Hardware / Tools, Internet Access, Internet Service, Laundry Service, Legal

contractual items such as professional services, repairs, audits, office supplies and departmental specific items that are most likely to be subject to formal bidding (though not every year).

Improvement Opportunity and Recommendations

The absence of a centralized purchasing function in Cayuga County creates at least two different types of inefficiencies. First, elements of the procurement process are duplicated in departments and agencies throughout the organization, as each handles its own purchasing. In some cases, the function is even being handled by department heads. Second, the County is almost certainly missing opportunities to capitalize on economies of scale for common items – that is, equipment and contractual items that are independently being procured by separate departments without their knowledge. In CGR's view, opportunities to improve focus primarily on two areas:

Recommendation: Create a more centralized purchasing system across all departments.

Recommendation: Adopt a purchasing card (P-Card) program for small-dollar or high-volume purchases.

Rationale and Impacts

Cayuga County's budget size, departmental scale and purchasing volume are each large enough to justify a centralized procurement unit to coordinate and administer common elements of the purchasing process. It matters less whether that is a standalone purchasing department or division of another department (e.g. Administrator or Treasurer). What is most important is that the County has an opportunity to invest in its capacity to better coordinate the purchasing process across all departments.

MORE THAN HALF OF THE COUNTIES IN CAYUGA'S PEER GROUP HAVE A CENTRALIZED PURCHASING FUNCTION THAT COORDINATES ACROSS ALL DEPARTMENTS.

A benchmarking of the County's current approach to its peer counties reveals that Cayuga is in the minority in not having a centralized purchasing function. More than half of the peer group has a centralized purchasing operation with policies that seek to

Notices, Machinery Rental, Machinery Repairs, Maintenance / Landscaping, Minor Equipment, Office Supplies, Other Machinery Rental, Patch Material, Photography Supplies, Postage, Printing of Official Documents, Professional Services, Purchase of Clothing / Uniforms, Repairs, Reproduction Expense, Salt, SWAT Supplies, Telecommunications, Telephone, Telephone Answering, Training Materials and Truck Parts.

coordinate procurement across all departments and agencies. Most are led by a purchasing director or agent; some are more heavily staffed, including Chemung (whose 4 staff oversee a merged operation serving the county and the City of Elmira) and Warren (3 staff). Even Madison County, which “operates a decentralized procurement system,” has a central purchasing office headed by a purchasing agent who serves as the “principal public purchasing official for Madison County... (and) report(s) directly to the County Administrator.”⁴

There are process reasons to have centralized purchasing capacity. First, the policies governing procurement are the same organization-wide. While there are typically allowances for smaller-value purchases, the County has a standard policy governing larger purchases. In Cayuga, all but the smallest purchases require departments to receive multiple price quotes. Purchases up to \$5,001 in value require a requisition, three price quotes (either verbal or written) and a purchase order; larger purchases require all the above except that the price quotes must be written. In each case, the responsibility for initiating the process and securing price quotes is the department making the purchase. Although it pertains to different services and commodities, these processes are being duplicated throughout County departments.

ALONGSIDE A MORE CENTRALIZED PROCUREMENT FRAMEWORK, A P-CARD SYSTEM CAN PROVIDE A MORE EFFICIENT AND COST-EFFECTIVE WAY TO HANDLE SMALL-VALUE OR HIGH-VOLUME PURCHASES.

In interviews, department heads expressed the view that this is inefficient and can consume a material amount of time. Particularly for departments that are purchasing on a regular basis (e.g. highway, information technology), the time required by purchasing can distract attention from core departmental services. Moreover, the process of identifying vendors and securing price quotes is being done by personnel that are not purchasing professionals, and whose responsibilities in the County structure should be focused on other services. Having them assume a material role in the purchasing process is a distraction from their core responsibilities. When that role is being handled by a department head, it significantly increases the per-transaction cost.

There are also financial reasons to deepen the County’s centralized purchasing capacity. A single unit coordinating purchase requests for all County departments is ideally positioned to identify economy of scale opportunities in cases where multiple departments are procuring common items. These opportunities would otherwise be missed when departments are self-procuring. The benefit goes beyond bulk saving

⁴ Madison County Purchasing Policy and Procedures, 2018.

potential – administering the bid / price quote responsibility centrally would alleviate multiple departments simultaneously spending time securing price quotes on common items.

CGR also recommends the County consider adopting a procurement card program. Also known as a “purchasing card” or “P-Card” program, it provides a vehicle for departments to more efficiently and cost-effectively handle small-dollar purchases, as well as high-volume ones. The P-Card approach can reduce or eliminate purchase orders, invoices and check processing.

The P-Card model may be particularly valuable for Cayuga in light of the preceding recommendation to centralize its purchasing model. As the current approach is decentralized, and departments have an expectation of involvement in the process, a P-Card system may be a natural add-on to a more centralized procurement model. Adopting a P-Card system alongside investment in a more centralized purchasing model may ease the transition.

A P-Card system would reduce paperwork, simplify the purchasing and payment process, provide a comprehensive list of participating vendors and help to expedite deliveries. By lowering transaction costs for each purchase, the County would realize savings in terms of staff time. Certain P-Cards also provide opportunities for discounts or rebates based on dollar volume. P-Card systems also typically provide organizations with standard data reports across all departments and divisions.

Implementation Considerations

Creating a centralized purchasing capacity would require an organizational investment on the County’s part. The current model with a single staff member is insufficient to satisfy the level of administrative control a central purchasing office would require in order to operate effectively. CGR’s review of purchasing offices among the peer group indicates that a staff level of at least 2 would be required. This would not be an entirely additive investment – rather, it could supplement the existing administrative assistant / purchasing agent cost.

Critical to a central purchasing office’s effectiveness are purchasing policies and directives that empower it to coordinate the procurement effort countywide. As part of establishing a purchasing office, the County would be strongly advised to update its procurement policies to reflect the office’s role in coordinating and administering key elements of the process.

Regarding a purchasing card program, the County should explore models already in place in other communities. GFOA recommends that governments undertake competitive processes to select a P-Card provider, but it is worth noting that the New

York State Association of Counties (NYSAC) already has established a “Payment Solutions (P-Card” Program) administered through PFM Financial Services LLC.

Also integral to the successful adoption of a P-Card system are policies that govern their use by departments and employees. The County would want to supplement its purchasing policy with strict guidelines on what constitutes an allowable P-Card purchase and whose approval is required for department-level purchases.

Information Technology

Current State

Cayuga’s Information Technology (IT) Department, directed by the Chief Information Officer, oversees the County’s IT infrastructure including servers, data storage, network-attached or related equipment, and any application software. The department is responsible for ensuring technology processes, guidelines and security requirements are defined; proper controls of information are implemented; and appropriate security requirements for user access to automated information are defined for files, databases and physical devices. Additionally, it helps lead the identification and selection of appropriate and cost-effective security controls, procedures and information asset protections, as well as administers the process of providing off-site storage of critical data and recovery of backed-up data.⁵

The department plays a vital role in the efficiency and effectiveness of all other departments and the services they deliver, both internally and externally. In interviews, CGR noted that nearly every department head saw additional IT investment as an opportunity to improve the County’s ability to meet the needs of internal and external customers.

IT has a current staff level of 3, including the CIO, plus 4 additional staff under a contract for professional services. The 2018 adopted budget contained an increase of \$79,000 for additional professional staffing resources, bringing the effective staffing level up to 8. An informal survey of six peer New York counties conducted by the IT department found that staffing levels ranged from a low of 4 full-time equivalents to a high of 17. On average, the peer counties were found to have one IT staff per 5,900 residents (i.e. an average of 10.5 full-time equivalent staff and an average population of nearly 62,000). On that measure, Cayuga County ranks below the peer group average in IT staff size.

⁵ Cayuga County Information Technology Governance and User Handbook for Information Technology, Policy No. 11, adopted January 26, 2016 by resolution 47-16.

The department's ticket management system indicates that between full-time County employees and contracted support staff, IT responds to an average of 319 requests for support each month. Actual workload is larger, as the ticketing system does not fully record all functions performed, such as projects and server management. Moreover, County IT staff perform website hosting / design free of charge to many towns and villages as a continuation of a legacy service that was initiated many years ago.

There are currently 76 different systems / applications deployed across 19 departments for a total cost of nearly \$850,000 (i.e. an average of \$11,000 per system / application). IT maintains 33 of these systems centrally to support its own operations and / or countywide operations, including the OPEN Gov platform that makes information available around budgeting, general operations and citizen engagement.

CGR Survey of Departments

Given the essentiality of IT services to the effective functioning of the overall County organization, CGR sought to gather more detailed information on how other departments viewed the County's IT services and enhancement opportunities. An electronic questionnaire was distributed via email to 680 County employees, as well as

**A SURVEY OF COUNTY DEPARTMENTS
FOUND EMPLOYEES FEEL THEIR UNIT
UNDER-LEVERAGES TECHNOLOGY.
MOST RESPONDENTS SAW A NEED FOR
TRAINING AND INCREASED
INVESTMENT IN IT.**

each of the key agencies interviewed during the project. A total of 93 unique responses were received (response rate of 14 percent) spanning 23 different departments. In general, respondents expressed the view that technology assets are inconsistently leveraged across County departments.

On the question of how effectively technology is utilized countywide, the average respondent rated a 6 out of 10. Twenty-one percent ranked their own department below 5, while only 30 percent rated their department at 8 or higher. The findings suggest that a more intentional effort to leverage technology solutions countywide, especially in the 70 percent of respondents who rated their departments between 5 and 8, will place more demand on IT training, support and implementation.

Improvement Opportunity and Recommendations

CGR's interviews with County departments found broad consensus around the need to improve resources and further invest in training staff countywide; to provide departments with additional resources that empower them to make technological investments with IT's support; and to enhance the County's website, both in terms of

the general user experience and capacity to conduct online business transactions. In CGR's view, opportunities to improve focus primarily on three areas:

Recommendation: Complete a comprehensive technology needs assessment, including a baseline assessment and gap analysis; review of policy compliance, data management and reporting requirements definitions; and evaluation of training opportunities around identified communities of learning.

Recommendation: Establish an information technology task force to oversee and inform the needs assessment and connect back to overall organization-wide strategic planning efforts.

Recommendation: Enhance the County's website to catalogue and present information in a more accessible and user-friendly way, with specific focus on increasing online transaction capabilities.

Rationale and Impacts

There is strong desire on the part of most departments to increase the level and intentionality of the County's investment in information technology, especially training to leverage existing tools. In addition to that perspective being raised in a large majority of departmental interviews, the issue of training also emerged as a key theme in open-ended responses offered to the departmental questionnaire. Specifically, respondents identified the following topics as primary training priorities:

- Microsoft products and other basic technologies used on a daily basis;
- Sharepoint;
- MUNIS;
- Excel and Outlook; and
- Departmental custom applications.

THERE IS A STRONG DESIRE ON THE PART OF EMPLOYEES TO INCREASE THE LEVEL AND INTENTIONALITY OF THE COUNTY'S INVESTMENT IN INFORMATION TECHNOLOGY, ESPECIALLY TRAINING.

A number of department heads pointed to under-utilization of existing technology as creating consistent inefficiencies. CGR noted examples where department heads were being relied on to "troubleshoot" or perform routine technology tasks for their staff. CGR even noted instances where this troubleshooting was taking place inter-departmentally (i.e. one department head supporting line staff in another department). In general, these inefficiencies involved basic software applications and were avoidable with basic training.

Survey responses further expressed a desire for business improvements that could be facilitated by IT. Many identified the need for increased departmental funding to support innovations that have already been implemented by peer departments in other governments. These opportunities complemented the IT goals and objectives shared during department head interviews, and included the following primary areas of focus:

- Smartphone access to Microsoft platform;
- Tablets and laptops to support field work; and
- Software that provides dashboard and mobile access functionality.

In interviews, a number of department heads also pointed to the limitations of the current County website, both in conveying information to the general public and providing the ability to conduct certain routine transactions online. CGR concurs. As

MANY INTERVIEWEES SAW A NEED TO UPGRADE OR REBUILD THE COUNTY'S WEBSITE, TO MORE EFFECTIVELY PROVIDE INFORMATION TO THE PUBLIC AND ENCOURAGE THE TRANSACTION OF ROUTINE BUSINESS ONLINE.

part of the review, CGR analyzed Cayuga's website capability vis-à-vis both the peer county group and other larger counties and cities in New York State. Although Cayuga County's website offers several online transaction capabilities, we find there is room for improvement. Currently the County offers online payment for property taxes, access to court and land documents, and electronic recording of deeds and mortgages.

While few in number, some peer websites offer users a centrally-maintained and clearly-accessible list of online transaction capabilities. This is something Cayuga County should consider implementing, particularly as its current online transaction features are embedded on departmental pages. In many cases, shifting toward a broader menu of online transaction capabilities will require further development of individual department websites (absent an entirely new website).

CGR found Cayuga's online transaction capacity to be roughly on par with peer counties, but with opportunity to improve. Additional online transactions the County should consider include:

- 911 address and phone registration (e.g. Sullivan and Warren Counties)
- GIS requests for maps and data services (e.g. Warren County)
- Service payments (e.g. Steuben County has 6 departments that accept payment for ten services)
- Payments for passports, permits and recording fees (e.g. Niagara County)
- Park reservations and fee payments (e.g. Onondaga and Monroe Counties)

- Eleven county Departments of Motor vehicles provide a link to the NYS reservation system to allow patrons to make online reservations at their local DMV office

Service Enhancement and Process Efficiency

Enhanced utilization of information technology solutions and best practice innovations will help improve communication with the public and offer better access to data for decision makers. As well, technology solutions offer process improvement opportunities through enhanced staff capacity to complete tasks in more efficient and effective ways. Upon completion of the needs assessment, the County will have a complete portfolio of potential projects to be completed by the IT department and / or outside vendors. This will provide a framework for prioritizing short- and long-term improvements according to a more intentional review process, allowing leaders to plan a comprehensive resource strategy across equipment, staff and training, and to advance priority projects.

Organization and Culture

CGR believes that these recommendations – particularly those involving the needs assessment and an organization-wide task force – support broader ownership of information technology and its opportunities in Cayuga County government. The opportunity to enhance how technology solutions are applied is common to most departments.

Through an organization-wide task force, the opportunity can be elevated to a clear organization-wide priority. The County Administrator can play an important role in ensuring shared support for this initiative across all departments. The Information Technology Department deserves credit for working individually with departments to enhance their respective capacity. Our recommendation would apply that approach at a broader level, reinforcing the importance of this issue to the County's continued innovation. Similarly, the broader approach can provide needed institutional supports for organization-wide strategic planning efforts.

AN ORGANIZATION-WIDE TASK FORCE CAN CREATE SHARED OWNERSHIP AND HELP MAKE TECHNOLOGY IMPROVEMENT OPPORTUNITIES A CLEAR PRIORITY.

Implementation Considerations

Educating departmental managers and staff takes time, and can benefit from being able to show users sample technology solutions that can be attested to by their counterparts. Additionally, the process of enhancing technology utilization is aided by developing champions in each department to come up with process innovations. Whereas IT can support broad technology investments that deepen the County's

capacity and efficiency, it is critical to foster a culture in which departments are cognizant of (indeed, are *seeking*) their own function-specific opportunities to make strategic technology investments.

Implementing a comprehensive training regimen led by IT could present structural challenges due to the IT department's current staff capacity and the dozens of software systems it maintains. For this reason, we recommend primary focus be on those systems that are used on an enterprise-wide basis, rather than specialized software that is department-specific.

Investing in the County's technology requires resources. Part of this planning and prioritization process requires estimating time savings to contextualize the cost-benefit of any investment. By involving departments in the process as a champion for new technology, management gains concrete and demonstrable benefits to help advocate for investment with the public and the Legislature. Some organizations find success in embedding IT needs assessments and standing task forces as part of their annual strategic planning efforts.

Payroll

Current State

The County's payroll process is centrally managed through the Treasurer's Office, but requires substantial time investment from individual departments. Within the Treasurer's Office, payroll staff number 2.5 full-time equivalents, and include a payroll systems specialist and assistant payroll systems specialist. The staffing level was 3 FTEs until recently, when a position that had exclusively been for payroll was converted to a "float" role capable of supporting payroll, tax collection and other Treasurer's Office workload demands.

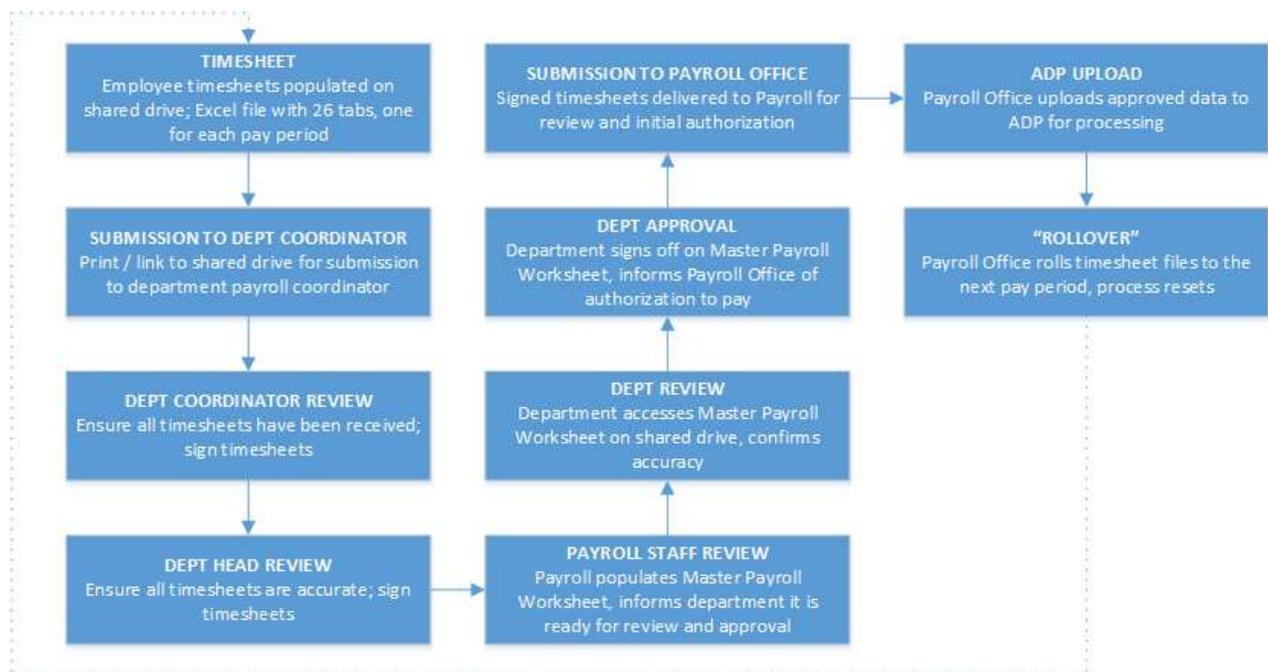
Cayuga County does payroll on a bi-weekly basis, with 26 check batches issued annually. The process involves a combination of paper and electronic files that move back and forth between departments and the payroll unit. Its electronic "backbone" is a series of Excel-based timesheet files hosted on shared drives.

As shown in the flowchart, the process begins with the populating of employee timesheets that are saved in a shared drive. Excel files capture a full year's worth of data, with 26-tabs (one for each pay period) plus a summary tab. Within each department, an employee serves the role of payroll "coordinator" – in some cases it is a line staff member, in others the department head. Following review as to accuracy and completeness, timesheets are signed off on by the coordinator and department head, at which point they are transferred to the payroll unit. At this point there is a

distinction between small and large departments – for small departments⁶, the payroll unit enters data into a “Master Payroll Worksheet,” while some large departments handle this task themselves. Once the Master is completed, it is returned to the individual department for review. Departments then sign off on their Master Payroll Worksheet, effectively authorizing the payroll unit to pay each employee. At that point, the payroll unit converts the Worksheet to a .csv (comma-separated values) file and uploads the data to ADP, the County’s contracted payroll processing vendor, via a client website.

Cayuga County has used ADP since 2007, and currently pays an annual fee of \$85,000. In addition to bi-weekly paychecks, ADP also handles 1095 c’s and W2’s for County employees.

At the conclusion of the bi-weekly process, the payroll unit rolls over timesheet files on the shared drives in preparation for the next pay period, and the process begins anew.



⁶ As of the end of 2017, the payroll unit was handling this step for the following departments: Buildings, CEMO, Civil Service, Clerk / DMV / Records, Coroner, Administrator, Attorney, Auditor, Elections, IT, Legislature / Clerk, Probation, Real Property, STOP-DWI, Treasurer, Veterans, Youth Bureau and Parks.

Improvement Opportunity and Recommendations

The County's current payroll system is labor intensive, time consuming and costly. The lack of a robust electronic time and attendance system creates inefficiencies. In CGR's view,

Recommendation: The County should explore options to streamline and improve the efficiency of the current payroll system, as well as strengthen internal controls around payroll processing.

Rationale and Impacts

The absence of an electronic time and attendance system is a major contributor to the County's cumbersome payroll process. Two primary issues result. First, too many "hands" are required to touch the process at various points. As shown in the flowchart, departments have to take multiple steps throughout the process to collect, review, submit, receive, re-review and approve payroll data. The manual approvals required by the process result in a material time investment across the organization. In some cases, the department head is acting as the department-level payroll coordinator, which is the costliest way to manage the process. It is impossible to precisely quantify the total cost of the payroll process in terms of staff time required countywide, and because there are variations across departments in terms of process adherence. However, extrapolating from interviews with small- and mid-sized departments, CGR estimates that between 300 and 500 hours of department head time is annually "lost" due to the demands of the current process.

The current process also raises internal control challenges – namely, who at the department level is reviewing and confirming data (and how diligently), as well as vesting department-level payroll coordinators with responsibility for facilitating timesheet collection and data input in behalf of their colleagues.

Implementation Considerations

Though a new system will require up-front investment by the County, a host of benefits can be realized. Particularly with an automated time and attendance system, processing costs can be reduced through more efficient data entry and approval protocols. Moreover, implementation of a new, modern system can reduce system failure risks and enhance internal controls, standardization and protection of confidential data. The current manual process is not only unwieldy and costly from a labor standpoint, but increases vulnerability to time theft and errors that a more integrated and automated time and attendance system would mitigate.

The national Government Finance Officers Association (GFOA) recommends governments adopt more automated time and attendance data systems (via internal network, web or electronic “punch” clocks) as a best practice. For Cayuga County, such a step would significantly reduce the number of paper / electronic files currently used, dramatically cut into current staff time costs devoted to the process, and provide for more robust employee records management overall.

Capital Planning

Current State

Cayuga County does not have a formal written capital plan that is published either separately or as part of the annual adopted budget. Whereas other governments annually engage in a more formal process of identifying, evaluating and prioritizing capital needs and planning over a multi-year time horizon, Cayuga’s capital spending occurs on more of an as-needed basis. This contributes to a reactive, rather than planned and proactive approach to investment.

During the past three fiscal years, capital-related information was presented in a variety of formats in the adopted budget. Emphasis is on major capital items, however, especially those for which debt has been issued.

For example, the County does present its capital project fund balance as part of the budget’s front-matter, and provides a one-page summary of outstanding debt for serial bonds issued (with breakouts for hospital and community college debt). Prior to the FYE 2016 budget, detailed information on capital fund balances and outstanding debt was not included.

THE ABSENCE OF A FORMAL MULTI-YEAR CAPITAL PLANNING PROCESS AND REGULARLY UPDATED WRITTEN PLAN CONTRIBUTES TO A REACTIVE, RATHER THAN PLANNED AND PROACTIVE APPROACH TO CAPITAL INVESTMENT.

Additionally, funds designated for capital improvements are referenced in the reserve section of the budget and as a cost center in the Highway (D) Fund. A summary of capital spending and related debt is shown in the following tables.

Capital Funds

Fund	Balance as of 12/13/15	Balance as of 12/31/16
Capital Project Fund (Major)	\$1,642,631	\$2,166,179
Reserve Fund (Committed Capital Improvements)	\$713,870	\$721,022

Outstanding Debt

Category	Balance as of 12/13/16	Balance as of 12/31/17
Serial Bonds	\$31,185,000	\$28,615,000
Auburn Community Hospital	\$6,350,000	\$4,735,000
Cayuga Community College	\$1,106,762	\$715,850
Total	\$38,641,762	\$34,065,850

Note: Serial bond purposes – Bond 1 (Mental Health Building construction, 911 tower project, public safety building and county office building improvements); Bond 2 (911 tower project, community college improvements, highway trucks purchase, Industrial Park Road construction); Bond 3 (bio-digester construction); and Bond 4 (911 tower project)

Operating Costs

Category	2016 Budgeted Costs (Amended)	2017 Budgeted Costs	2018 Budgeted Costs
Highway	\$4,178,984	\$3,367,806	\$3,631,000
Principal Payments	\$5,116,941	\$3,926,459	\$4,023,633
Interest Payments	(in principal)	\$1,005,473	\$893,287
Total	\$9,295,925	\$8,299,738	\$8,547,920

Improvement Opportunity and Recommendations

The absence of a formal multi-year capital planning process compromises the County's ability to plan for continued investment and upgrades. Moreover, it has organizational culture implications. In interviews, some department heads expressed the view that the lack of a consistent capital planning process undermines efforts to create a "culture of innovation and investment in County services." In CGR's view, the opportunity to improve focuses primarily on the following:

Recommendation: Establish and adhere to a rigorous, consistent and comprehensive annual capital planning process.

Rationale and Impacts

A regular, iterative and predictable capital planning process is routinely viewed as best practice for governments of all sizes. As noted by the Government Finance Officers Association (GFOA), “Infrastructure, technology and major equipment are the physical foundation for providing services to constituents.

The procurement, design, construction, maintenance and operation of capital assets are a critical activity of governments and therefore require careful planning. Capital facilities and infrastructure are important legacies that serve current and future generations. It is extremely difficult for governments to address the current and long-term needs of their citizens without a sound multi-year capital plan that clearly identifies capital needs, funding options, and operating budget impacts. A properly prepared capital plan is essential to the future financial health of an organization and continued delivery of services to citizens and businesses.”

A FORMAL PROCESS WOULD HELP EVOLVE DEPARTMENTS’ VIEW OF CAPITAL INVESTMENT FROM ONE OF “WISH LIST” ITEMS TO A CULTURE THAT SEEKS CONTINUOUS INNOVATION.

GFOA “recommends that state and local governments prepare and adopt comprehensive, fiscally sustainable and multi-year capital plans to ensure effective management of capital assets. A prudent multi-year capital plan identifies and prioritizes expected needs based on a strategic plan, establishes project scope and cost, details estimated amounts of funding from various sources, and projects future operating and maintenance costs. A capital plan should cover a period of at least three years, preferably five or more.”^{7,8}

In Cayuga County, the absence of a formal plan that lists and prioritizes capital spending and funding by year has resulted in some department heads viewing their list of desired investments as a “wish list.” A majority of departments heads interviewed shared the view that there was no clear communication to departments as to when capital requests should be submitted, to whom, and in what format. Additionally, there

⁷ See “Multi-Year Capital Planning” at <http://www.gfoa.org/multi-year-capital-planning>.

⁸ For both a capital planning process and a broader strategic planning process, it is important that the County have sufficient staff resources to coordinate and administer organization-wide efforts. It is worth noting that the Planning Department is well-positioned to help facilitate internal visioning and external stakeholder engagement as part of either such process. Although CGR did not evaluate workload and departmental capacity of the Planning Department in detail, it is possible that additional staffing resources in the Planning Department (e.g. a deputy) would be required to serve this role most effectively.

is confusion over the process of how certain capital items are selected to move forward – a number of departments indicated that past attempts to prioritize capital projects did not translate into a plan that was evaluated as part of the budget process. The lack of a formal process was cited by department heads as compromising their ability to plan for their department’s future. Further, some offered the perspective that the absence of a process encourages a reactive capital investment strategy, rather than a proactive and planned one, creating issues of deferred maintenance over time.

Organization and Culture

Formalizing the capital planning process as part of the budget development process will help drive consistency of planning and reliability of implementation. This is another example where establishing a common process, with clear policies and procedures that guide the activities of all departments, can serve to foster a more unified county culture. By establishing a capital planning group to support joint planning of related projects there is more transparency around communication and prioritization of department needs. In addition to being more fair and reliable, this collaborative approach helps to facilitate synergy and partnership around shared opportunities.

It is CGR’s understanding that the County is already looking at commercial fleet management options, particularly the development and management of a replacement cycle to reduce costs and maximize performance of vehicles across departments / operations. Although there are other alternatives that include in-house, centralized fleet management, this proactive approach aimed at reducing maintenance costs often associated with older vehicles and related service delivery interruptions due to offline equipment is in line with capital planning best practices.

Process Efficiency

Local governments that engage in active and robust capital planning efforts, according to the New York State Office of the Comptroller, enhance the operational strength of their service delivery system, proactively ameliorate community health and safety concerns, and achieve more timely compliance with legal mandates. Internally, a well-organized capital planning effort also creates a more efficient process for assessing future needs and ensuring that important projects are not lost or needed at a time when sufficient resources have not been set aside.

Financial Savings

Capital planning can encourage departments to pursue new innovations that deliver increased performance at a lower cost, often with reduced annual maintenance expenses. Having a long-term capital plan also gives local governments greater ability

to leverage other resources (e.g., matching funds) by proactively accelerating projects that are already scoped and costed out.

Peer Counties

Several counties in Cayuga's peer group offer valuable examples of formal multi-year planning processes:

- Chemung County completes an annual update to its plan, including a breakdown of federal, state and local funding sources for each proposed investment. The plan establishes the amount to be bonded in the current year, along with a five-year plan that summarizes anticipated local share requirements over the life of the project. Additionally, the plan identifies (by funding date and maturity date) the current balance due from past bond issuances and pending bonds not yet issued. These capital plan details are presented in the context of debt issuance limits and other indicators of fiscal health to contextualize the decision to invest in long-term debt as part of the adopted budget.
- Sullivan County has a capital planning policy and long-range financial planning policy that formally integrates capital planning into the operating budget. The County's plan lists project names and related five-year capital cost projections, and the budget attaches a narrative to each describing the project and listing detailed funding source information by fiscal year. Based upon annual updates to the detailed plan, specifically referencing changes made from the prior year's plan, it is clear that the capital plan is a living document utilized broadly throughout the organization to plan for and monitor needs, priorities, project funding and completion.
- Steuben County has a process whereby each department head submits a proposed departmental budget for the upcoming year prior to September 1. The request consists of a capital budget, which includes equipment purchases and priority projects, and the operating budget. The published capital plan contains detail for each project, including departmental operating budget transfers to the general fund; detail on whether the project is new or replaces an existing project / asset; and total cost, outside cost, anticipated county (local) cost and the amount recommended to be adopted as a result of the budget approval process.
- Wayne County provides an additional best practice for consideration. Its published capital plan, which organizes project funding by department, includes a priority number submitted by each department to indicate which capital requests carry the greatest urgency (e.g. replacement of a critical asset) or anticipated need.

Implementation Considerations

Implementation of a formal capital planning process requires organization-wide buy-in, something that can be ensured through the adoption of a County policy to govern the preparation of, and adherence to, the capital plan. It will also require the County to devote personnel resources to the planning, prioritizing and monitoring work that is essential to an effective capital process – both at the overall administration and departmental levels. CGR does not believe this process requires additional staff, but rather requires departmental staff to think more intentionally about current and future capital needs as part of the standard budget process.

It is worth noting that while most governments self-administer the capital planning process internally, some have found success appointing a review committee of outside stakeholders (e.g. residents, business leaders) to help vet capital requests and make a recommendation to the administration and elected leadership. The City of Buffalo is one such example. As part of the City’s capital plan review process each year, its Citizens Planning Council (CPC) reviews departmental submissions, meets with department leaders to discuss needs, and offers perspective on how best to prioritize that year’s capital investment funds. The administration is not required to take the CPC’s guidance, but has generally relied on it as an important element of its own review.

In the City’s 2018 capital planning process, departments submitted more than \$50 million in requests. Through the CPC’s review and an organization-wide prioritization process, the final capital plan totaled \$22.8 million for items ranging from sidewalk improvements and property demolition, to parks maintenance equipment, facility upgrades and fire equipment repairs.

According to the Office of the State Comptroller, the following key elements should be considered in implementing a capital planning process.⁹

- **Assessing Budgetary Impact.** A capital plan should capture the following types of fiscal data:
 - Current and Future Debt Service Costs
 - Lease- or Installment-Purchase Contracts
 - Pay-As-You-Go Costs

⁹ Office of the New York State Comptroller Local Government Management Guide: Multiyear Capital Planning. http://www.osc.state.ny.us/localgov/pubs/lmgm/capital_planning.pdf

- Reserve Funds
- Future Operating Costs
- New Costs and/or Savings Associated with New Capital Assets
- **Financing Capital Acquisitions (bond ratings and offerings).** Capital acquisitions can consume large amounts of financial resources over time and a multi-year capital plan helps manage these investments by scheduling expenditures over a number of years and by creating a financing plan to meet those expenditures. Strength in the following key areas forms the core for an effective capital financing strategy:
 - Adequate Operating Position
 - Designated Capital Reserves
 - A Mix of Pay-As-You-Go and Debt Financing
 - Local Debt Capacity
- **Adopting a Capital Plan and Capital Budget.** Once all aspects of the plan (policies, needs, priorities, costs, and financing) have been addressed, the capital plan can be formally adopted. The local government should seek public input on the proposed capital plan. This will allow public interest groups, business leaders, and community residents to review program priorities and to voice any concerns. Some adjustment to the plan may be necessary to reflect any citizen response.

Once the plan is approved, decisions affecting the annual operating budget (including debt service) must be incorporated into that budget process. A summary document that describes the proposed program and its budgetary impact should be developed and approved by the governing board together with the operating budget. The adopted version of a capital plan should include:

- The capital portion of the budget for the upcoming fiscal year
- Projections for the capital plan period
- Relevant information about the multi-year capital plan that clearly outlines proposed capital priorities
- Capital and operating budget expenditure projections
- **Active Monitoring of Plan Results.** Budget information should be tracked and communicated to interested parties in a timely manner, including: Arbitration, delays, reallocating balances, and refinancing. Similarly, relevant external factors (such as bond market interest rates, construction costs, etc.) should be monitored and reported.

Public Works

Current State

Cayuga County divides its public works functions into four divisions / departments, both organizationally and in budget terms. The separate cost centers – buildings and grounds, parks and trails, weights and measures (W&M), and highway administration – are all within the purview of the Legislature’s Public Works Committee. They collectively account for \$16.8 million in the County’s 2018 budget, nearly 12 percent of all-funds expenditures.

THINKING ABOUT PUBLIC WORKS IN A BROADER, MORE INTEGRATED WAY CREATES OPPORTUNITIES FOR DEEPER STAFF CAPACITY, GREATER UPWARD MOBILITY FOR EMPLOYEES AND NATURAL CROSS-TRAINING.

The public works functions span three separate budgetary funds. Appropriations related to buildings and grounds, parks and trails, and W&M are in the General Fund (collectively \$2.4 million, or about 2 percent of all A-Fund spending). Appropriations for highway administration, maintenance of roads and bridges, capital improvements, snow removal and services to other agencies constitute the entire Highway (D) Fund, totaling \$11.7 million. Finally, appropriations related to road machinery and central garage constitute the entire Road Machinery (DM) Fund, totaling \$2.7 million.

Public works functions account for a material share of the County’s overall workforce. Data from fall 2017 indicate that these cost centers collectively had 74 full-time and 20 part-time employees, along with 45 seasonal workers. Not surprisingly, general highway functions accounted for the largest portion (58 full-time and 13 seasonal), followed by parks and trails (7.5 full-time, 17 part-time plus 32 seasonal) and buildings and grounds (7.5 full-time and 3 part-time). The Superintendent of Buildings and Grounds oversees both buildings / grounds and parks / trails, with his FTE status (and costs) split between the functions, hence the “.5” reference in full-time workforce for those departments.

Improvement Opportunity and Recommendations

Separating the County’s public works functions across distinct departments and budgetary cost centers creates inefficiencies in the deployment of personnel and leveraging of common skill sets. More importantly, it creates leadership challenges and management / support capacity issues by carving out multiple smaller departments for buildings / grounds, parks / trails and weights / measures. Thinking about public works functions in a broader, more integrated way would create a deeper staff “bench,” greater opportunities for staff upward mobility and natural cross training among

employees with similar responsibilities who are currently separated from one another. Moreover, it would offer the County a deeper managerial pool and ease future succession challenges. It also offers savings potential. In CGR's view, opportunities to improve focus primarily on the following:

Recommendation: Create a single department spanning highway, parks & trails, buildings & grounds and weights & measures.

Rationale and Impacts

Delivering public works services through a more integrated organizational structure affords opportunities to leverage common skill requirements, better share (and plan for) capital equipment needs, and create a deeper pool of staff – both for addressing immediate service needs and planning for future turnover in management level and

MOST COUNTIES IN CAYUGA'S PEER GROUP DELIVER ELEMENTS OF THEIR PUBLIC WORKS SERVICES THROUGH AN INTEGRATED FRAMEWORK, THOUGH THE APPROACHES VARY.

senior leadership positions. It also provides opportunities to share clerical and support personnel.

Cayuga's peer counties deliver public works services using a variety of structural approaches. Two counties – Cattaraugus and Sullivan – have a fully integrated organizational structure that

places highway, buildings / grounds, parks and weights / measures under a common departmental umbrella. Cattaraugus' structure is the result of a 1985 consolidation of highway and buildings / grounds functions; W&M was added in 2004 to provide the director with additional clerical support and manpower by being part of a larger department. Sullivan's model places 15 departments under the Public Works Division (headed by a Commissioner), including highway, buildings / grounds, parks and W&M. Other peer counties have consolidated different elements of public works. As illustrated in the following graphic, only two of Cayuga's peer counties deliver public works using an organizational structure that separates highway, buildings / grounds, parks and W&M into distinct departments. Each of the others has consolidated some or all of the components.

Organizational Structure of Public Works Functions, Peer Counties
 (Blue cells indicate combined functions; Gray cells are separate;
 H = Highway, BG = Buildings & Grounds, P = Parks, WM = Weights & Measures)

SULLIVAN	H	BG	P	WM
CATTARAUGUS	H	BG	P	WM
WARREN	H	BG	P	WM
WAYNE	H	BG	P	WM
PUTNAM	H	BG	P	WM
STEUBEN	H	BG	P	WM
CHEMUNG	H	BG	P	WM
LIVINGSTON	H	BG	P	WM
MADISON	H	BG	P	WM
CLINTON	H	BG	P	WM

One of the elements of public works that enables a more consolidated approach (and provides an opportunity to improve) is the difference between “planned” and “demand” services. Consider that within highway, there are both planned services (e.g. paving) and demand services (e.g. plowing during a snow storm). The other public works functions tend to be characterized predominantly by planned services. Structuring all public works services as a combined department offers greater flexibility in staff deployment, particularly to offset demand and planned functions. In a snow storm, for example, a larger workforce can provide the opportunity to pull qualified personnel from

A COMBINED STRUCTURE CAN PROVIDE CLERICAL AND MANPOWER SUPPORT FOR SMALLER DIVISIONS THAT ARE CURRENTLY STANDALONE DEPARTMENTS.

“planned” functions and deploy them to more immediate “demand” ones. This requires intentional cross-training throughout the organization, but provides a deeper staff bench when needed.

A deeper organization can also provide benefits in terms of clerical and manpower support for those smaller divisions that are currently standalone. Consider that in Cattaraugus County, part of the rationale for bringing W&M into the combined public works department was to do just that – giving weights and measures access to a broader department with more support staff. In Cayuga County today, weights and measures is staffed by a single individual with no other support personnel.

A broader structure also provides benefits related to succession and staff mobility. Smaller standalone departments can struggle to identify the “next generation” of leadership – not due to the quality of their personnel, but simply as a function of their limited pool of staff. For example, at the time of CGR’s review the deputy position in the parks and trails department was vacant, meaning there was no immediate backup to the superintendent (who himself is approaching retirement eligibility). The department’s small size and relatively flat structure result in limited opportunities for staff to move into higher level, more responsible positions, which compromises the ability to cultivate and promote future leaders from within. A larger department with a broader array of management-level positions provides greater opportunity to identify leadership candidates and invest in their continued professional growth.

A unified structure also provides an opportunity to leverage common skill sets and qualifications across staff positions. Though current demand for service would not be reduced – i.e. there would be no change to centerline miles needing to be plowed, or facility square footage to be cleaned, or park acreage to maintain – a larger department can more efficiently deploy personnel to meet that demand. Similarly, the combined management pool would be larger and offer greater promotional opportunities for promising personnel who seek to move up in the organization. Collectively the four separate departments today have 14 titles at the superintendent, supervisor, director, foreperson or manager level. Combining them provides an opportunity to further stratify senior leadership, management and line personnel and create clearer and more accessible pipelines for employees to move up within the organization.

Capital planning would also likely benefit from a combined structure. While the Highway Department has the largest equipment inventory of the group, there are some equipment and supply similarities across the public works divisions.

There is also efficiency to be gained from a Legislative Committee standpoint through a more integrated reporting format that spans all public works related functions. CGR commends the steps that the County has already taken under the new Administrator to integrate highways, buildings, parks and W&M under a common reporting section in the Monthly Report.

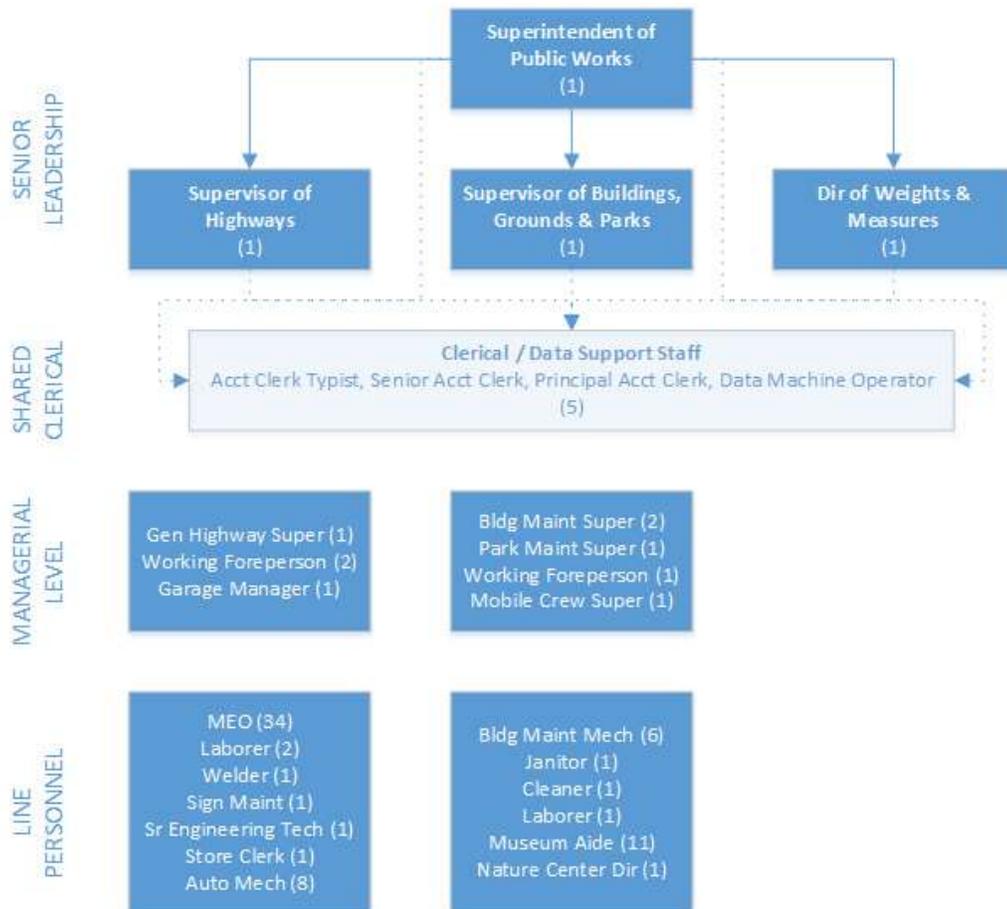
Finally, there is potential for staffing efficiencies through an integrated approach. Based on CGR's review, we see the most likely opportunity for staff savings at the managerial and clerical levels. Using a combined clerical pool to support a public works department may enable reduction of one full-time clerical role, valued at \$50,000. Similarly, reduction of a single managerial position would generate savings of nearly \$70,000.

Conversely, the County may wish to use those savings as a reinvestment opportunity instead of pure cost reduction. For example, a County Engineer position within a more integrated Public Works office would further enhance the department's capacity.

Implementation Considerations

A hypothetical organization chart for an integrated department appears below, and reflects a shared clerical / data support pool serving the entire agency. For illustrative purposes, CGR has assumed a single Superintendent of Public Works, supported by deputies / supervisors in each of three divisions: Highways, Buildings / Grounds / Parks, and Weights & Measures.

Hypothetical Combined Department of Public Works
(reflects all positions filled as of 8/2017 except seasonal titles)



Criminal Justice

Current State

The criminal justice system is a network of services that involve several County departments (Sheriff, Jail, Probation, Assigned Counsel and District Attorney), the state (Unified Court System) and local municipalities (courts and law enforcement). The actions of each organization have direct impacts on the others. Combined, the County departments account for roughly 15 percent of the dollars spent in the A Fund and little of its effort is supported by state aid.

Some key measures provide context for criminal justice and the service delivery system in Cayuga County.

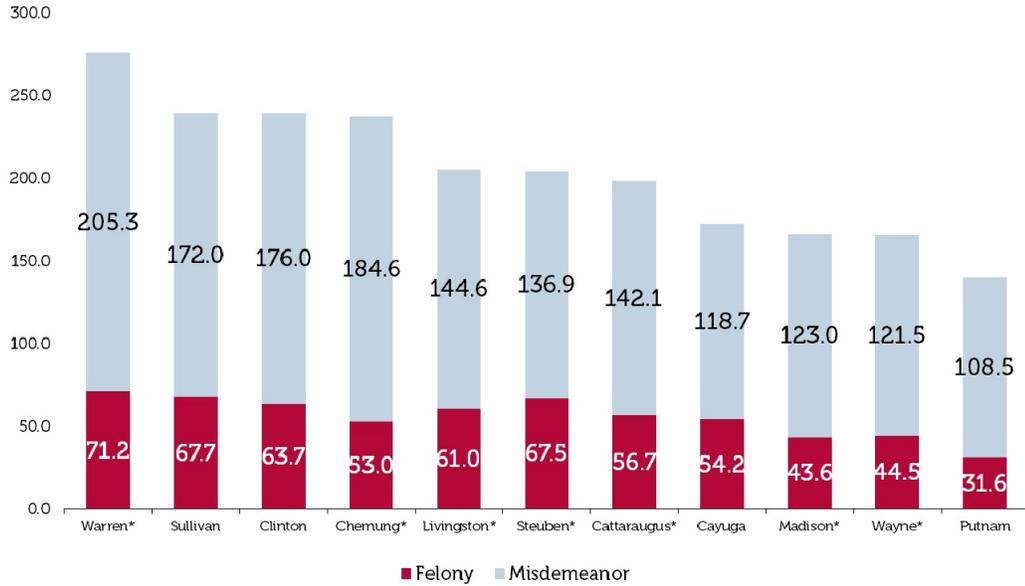
The rate of reported crime in Cayuga County is 198.6 per 10,000 residents over the past five years. This ranks third among the peer group, and 9 percent above the peer group average.

**Average Index Crimes per 10,000 Residents
(2012-2016)**

	Crimes	Rank
Cattaraugus	197.4	4
Cayuga	198.6	3
Chemung	243.3	1
Clinton	178.8	7
Livingston	152.7	10
Madison	156.3	9
Putnam	146.5	11
Steuben	162.3	8
Sullivan	205.8	2
Warren	190.6	5
Wayne	184.8	6
Peer Average	183.2	-

When the number of arrests for 2016 is evaluated, Cayuga County ranks 8th out of the peer group with about 173 arrests per 10,000 residents. The ratio of misdemeanor arrests to felony arrests is about 2.2-to-1. This is lower than the peer group average (2.7), which indicates that there is a greater rate of felony arrests in Cayuga than its peers.

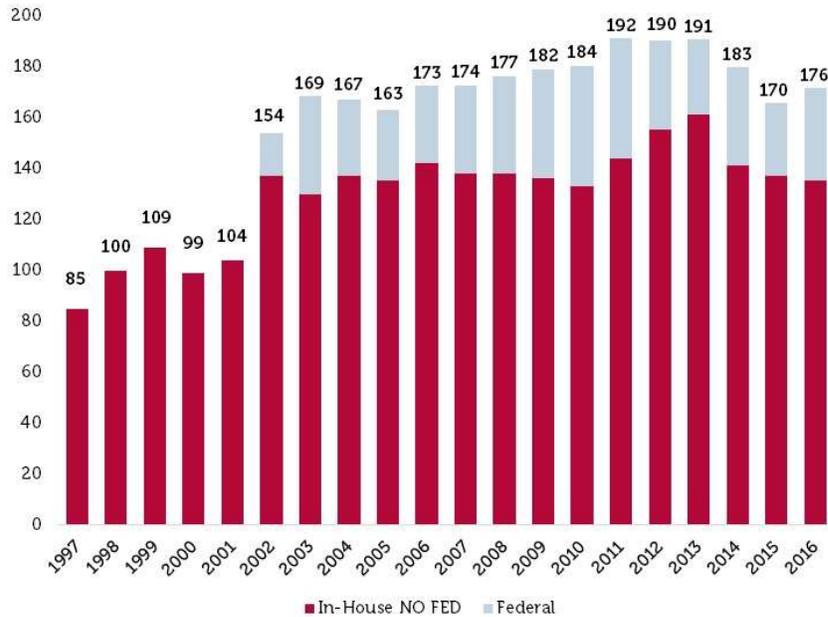
Total Arrests per 10,000 Residents, 2016



Asterisk (*) indicates Public Defender format

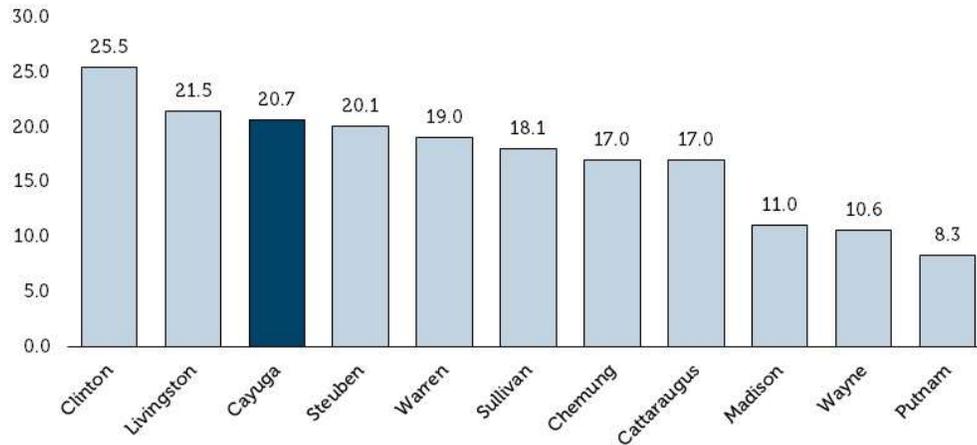
The population of the Cayuga County Jail has averaged 176 inmates since 2002. Between 1997 and 2001, the population was about 100 per year. The census increase corresponded with an increase in the jail’s capacity. Since the jail expanded, there has been a deliberate program to hold federal inmates as a source of revenue to offset some of the cost of operating the jail.

Cayuga County Jail Census, 1997-2016



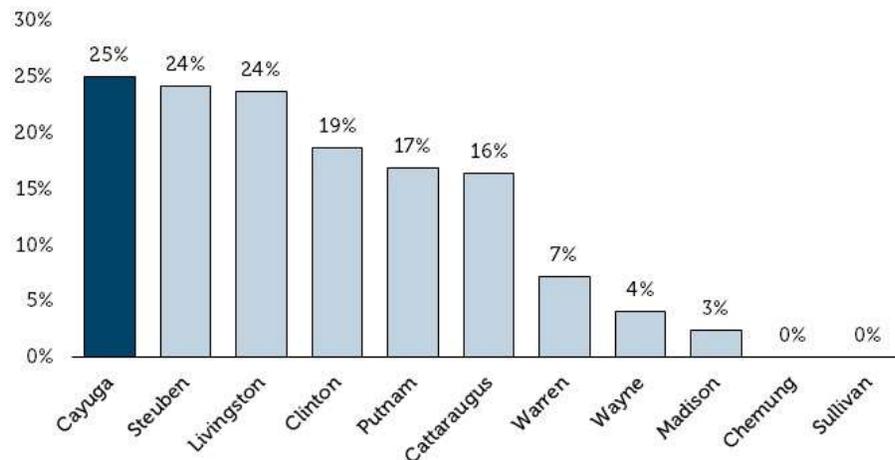
The County had an average jail population rate of 20.7 incarcerated persons per 10,000 residents, above the peer group average of 17.0.

Incarcerated per 10,000 Residents (2016)



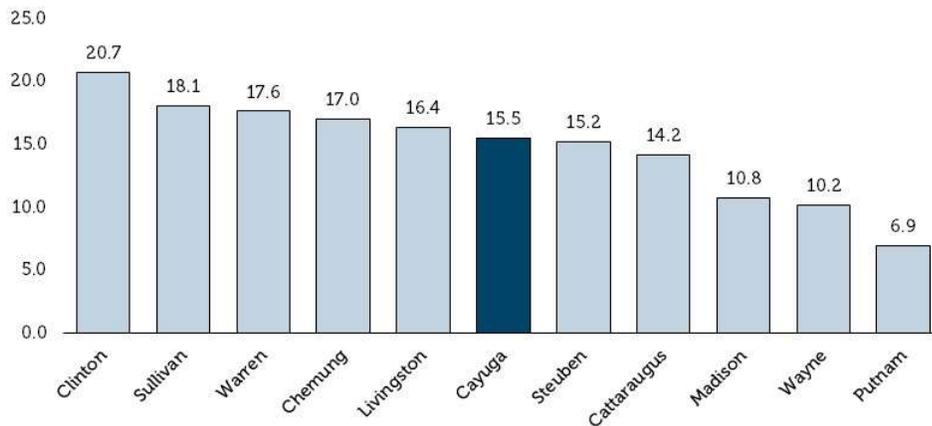
However, fully a quarter of inmates in the Cayuga County Jail are being held on behalf of the federal government while they await trial, sentencing or other judicial sanction. This practice, along with holding inmates for other counties, helps bring in about \$1.3 million in revenue for the County. The share of federal prisoners is the highest among the peer group.

Share of In-House Federal per Census (2016)



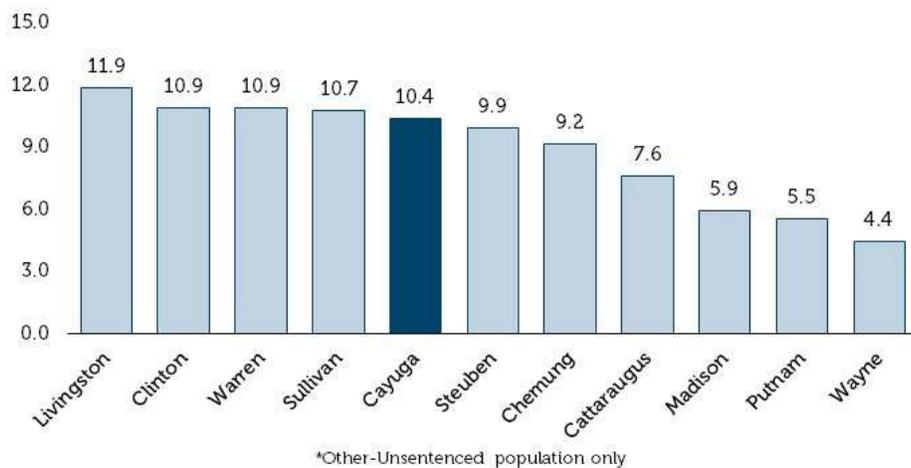
When federal inmates are excluded, the rate of incarceration is 15.5 per 10,000 residents, just above the peer group average of 14.8.

Non-Federal Incarcerated per 10,000 Residents (2016)

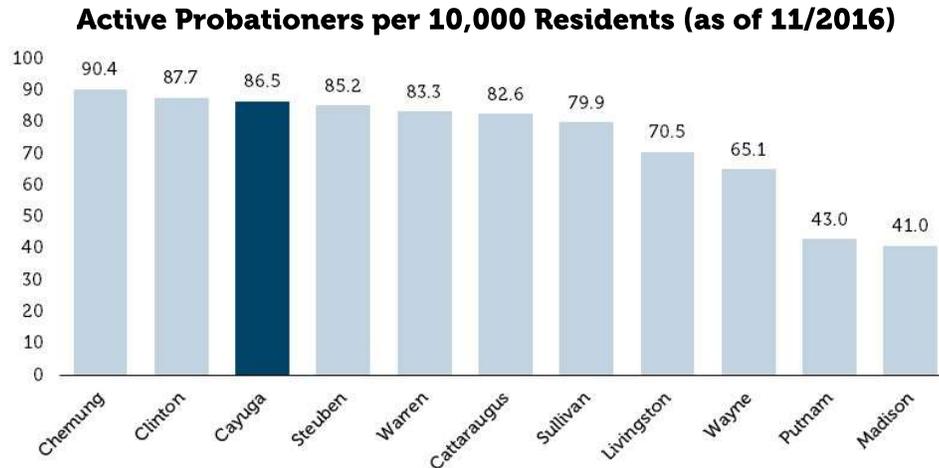


About half of inmates in the jail fall into the un-sentenced category. This category includes inmates that have been ordered held but who have not yet had a final judicial disposition through a trial or plea. Some are held to protect public safety or for flight risk; others are because some segment of the criminal justice system has not completed its process. There are about 10.4 un-sentenced inmates per 10,000 residents in Cayuga, which is above the peer group average of 8.9. Reduction of this population through more efficient models of the system are possible.

Un-Sentenced* Incarcerated per 10,000 Residents (2016)



The Probation Department has a relatively high case volume in relationship to the County's population size. There are about 86.5 active probationers per 10,000 residents, compared to the peer group average of 74.1.



Improvement Opportunity and Recommendations

Recommendation: Explore alternatives to incarceration (ATI) and evaluate the flow of the criminal justice system to ensure that justice and public safety needs are properly balanced, while exploring opportunities to reduce costs.

Recommendation: Provide support to the Probation Department through additional staffing.

Recommendation: Adopt a modern case management software system for Probation.

Rationale and Impacts

Alternatives to Incarceration

The County is fortunate to not face overcrowding in its jail and to have a steady stream of revenue from holding inmates for other jurisdictions. However, there could be incremental savings in inmate expenses if they could otherwise be safely supervised in the community or had their disposition completed in a timelier manner. About 3 out of 4 local inmates in the jail are being held on an un-sentenced basis. Each inmate day eliminated is also an eliminated expense. Other communities have found programs such as intensive day reporting, electronic monitoring and bail elimination for low level offenses to successfully reduce inmate days without compromising public safety. Moving toward this recommendation could range from the simple step of educating judges to the various alternatives to incarceration to a comprehensive study of the entire system. Regardless of the method pursued, working to eliminate unnecessary jail days will have a direct fiscal benefit and could also bring social benefits if mental health and substance abuse are treated in more appropriate settings.

Probation Staffing

The Probation Department is substantially understaffed and it needs additional officers in order for it effectively accomplish its mission. While the number of people on probation is not far off the average for the peer groups on a population basis, the number of probation officers is substantially lower than any peer county when considering the number of officers per new case per year, or per person on probation. There are 76.1 active cases per probation officer. The average among the peer counties is 43.5 and the next highest is 50 percent less than Cayuga at 50.2 active cases. There are 27.7 new cases for each probation officer in Cayuga County, well above the average of 17 for the peer county group and about 20 percent above the next highest county.

Probation Staffing and Caseload Benchmarks
Source: NYS DCJS and County Probation Offices

	Probation Officers	2016 New Probation Cases	#Cases per Officer	Active Cases per Officer (2016)	# of Active Cases per Officer
Cattaraugus	13	253	19.5	652	50.2
Cayuga	9	249	27.7	685	76.1
Chemung	n/a	285		798	
Clinton	16	284	17.8	716	44.8
Livingston	12	170	14.2	457	38.1
Madison	8	183	22.9	297	37.1
Putnam	11	103	9.4	428	38.9
Steuben	18	341	18.9	841	46.7
Sullivan	20	219	11.0	610	30.5
Warren	11	247	22.5	543	49.4
Wayne	26	187	7.2	602	23.2
Average			17.1		43.5

With caseloads that high, it is difficult for probation officers to do anything more than

the bare minimum for managing their clients. The volume of operations in the department does not allow for some existing best practices such as unscheduled visits to verify compliance with terms of probation, specialization on specific types of probationers (such as substance abuse, greatest risk and domestic violence) or appropriate screening for risk of re-offense or flight. Also, without higher staffing levels, more cost-effective alternatives to incarceration cannot be adequately pursued.

Additionally, if staff are added to the department, there will need to be a larger workspace. Currently, the 15 employees in the department are cramped into about 1,400 square feet of office space and several of the offices are situated such that they open directly into public areas. Security needs should also be considered a priority when adding more workspace.

Case Management Software

While the office did switch to the computerized assessment tool for presentence investigations known as COMPAS, there has been little else done to upgrade the technology. Nearly all the records in the department are kept in paper files and probation officers need to have access to the files in their offices to do their work. There are several potential software packages that would allow officers to become more effective in managing their caseload. It is important to ensure that the software is paired with appropriate hardware to allow officers to access their case files remotely.

Legal

Current State

Cayuga County's legal expertise is presently bifurcated across two departments: The County Attorney's (CA) office and the Department of Social Services. The structure has evolved over the last several years. DSS had its own attorneys at one point, prior to their being shifted to the CA's office. Approximately two years ago, they were shifted back.

The CA's office has a staff complement of four: Two full-time attorneys (County Attorney and Assistant County Attorney) and two professional support personnel (a confidential secretary and a paralegal). The County Attorney is subject to a two-year term; the incumbent has been in place since 2004. The CA's office handles all general legal matters for the County, including resolutions and contracts. Responsibilities include legal functions (i.e. serving as parliamentarian, drafting / editing resolutions, advising legislators and supporting the legislative process, attending committees, advising on election and ethics issues, and addressing *ad hoc* legal issues) and general

business functions (i.e. implementing legislative policy, participating in disciplinary matters [with outside counsel, human resources and Civil Service, as appropriate), and reviewing every contract to which the County is party. The County Attorney also serves as counsel to the County's Board of Ethics, though that body met less regularly in 2017.

The office has also been handling child support and Medicaid-related items, a function that remained in the CA's office when the DSS attorneys split off two years ago. When the Assistant County Attorney resigned in 2017 these functions temporarily shifted to the DSS attorneys on an interim basis until the CA's office was able to return to full staff. Prior to the shift, these tasks were accounting for approximately half of the County Attorney's time.

DSS' legal office has a staff of four, spanning a full-time equivalency of approximately 3.5: Two full-time attorneys, another attorney that is roughly half-time, and a full-time paralegal. The office provides primary support to DSS-related legal matters including child protective and custody proceedings. Notably, a portion of the office's workload is extremely time sensitive, particularly in cases where proceedings involve allegations of mistreatment, especially involving children. Staff characterize the office's legal volume as a moving target, noting that periods of high-volume and time-sensitive matters can strain capacity.

A MORE INTEGRATED APPROACH TO HANDLING LEGAL FUNCTIONS WOULD HELP THE COUNTY OPTIMIZE ITS ATTORNEYS' COLLECTIVE EXPERTISE AND MORE EFFICIENTLY DELIVER KEY TASKS.

Improvement Opportunity and Recommendations

A more integrated approach to handling legal services – both general and Social Service-related – would enable the County to optimize its attorneys' collective expertise. Most importantly, it would more easily allow workload to be shared interchangeably, with key legal tasks flowing to where they can most efficiently (and expeditiously) get done. The recent shift of child support and Medicaid matters to DSS in response to a temporary vacancy in the CA's office offers an example of what could happen more routinely and broadly were the two offices integrated. In CGR's view, opportunities to improve focus primarily on the following:

Recommendation: Consolidate the County's legal resources into a more integrated structure.

Rationale and Impacts

Cayuga County's legal team is not large in number. At full staff, the budget supports four full-time attorneys (two each in the CA's office and DSS) and one half-time

attorney (in DSS). CGR was able to review detailed staff-load data for 5 other counties in the peer group, and found Cayuga ranked near the bottom in total attorney positions. Sullivan County, for example, is staffed by 4.5 attorneys in the CA's office, plus another 4.5 in Social Services; Wayne County has two FT and one PT attorney in the CA's office, plus 4 FT positions in Social Services. Cattaraugus and Wayne each have 5 total. Cayuga's thin legal staffing may argue for the addition of another attorney (or upgrading the current half-time title to a full-time role); at minimum it reinforces how important it is that the County's legal staff be structured in an integrated way to ensure their capacity is optimized.

Within the CA's office today, limited staff capacity and a focus on ministerial legal matters (e.g. contracts, resolutions) creates delays on general research and addressing specific legal questions raised by staff and legislators. Combining the County's legal experts within a single unit would permit the sharing of workload more interchangeably, allowing tasks to flow to where there is greatest capacity at the time.

An integrated approach would do the same for clerical / professional support staff as well, bringing together 2 paralegals and a confidential secretary to support the entire legal function. Within a combined framework, there would be greater ability to have a paralegal focus almost exclusively on contract review and resolutions. This would free up the County Attorney to focus on bigger picture issues that demand his / her attention.

Another benefit from integration involves better leveraging the County's collective legal team mindset. Particularly in regards to litigation or more complex matters, an integrated team offers a "deeper bench" and more combined expertise to discuss and develop strategy, rather than individual attorneys operating independently (or only 2 operating in each department).

There is also the issue of work variety. An integrated structure would provide greater substantive diversity for the County's legal personnel, offsetting the often tedious Medicaid work with different subjects, and providing DSS attorneys an opportunity to work on issues other than child abuse cases – both of which, as an exclusive focus, can be trying for some attorneys.

Subject to the manner in which the legal resources were consolidated, there is also a potential financial benefit to the County. As discussed below, assigning all the County's legal personnel (with the sole exception of the County Attorney) to the Department of Social Services may enable the County to claim a higher reimbursement from the state.

Implementation Considerations

CGR sees two potential approaches by which the County could better integrate its legal resources – one in which attorneys are housed in DSS and another in which they are housed in the County Attorney’s office. On balance, we consider the former to offer greatest advantage. Under this preferred alternative, all of the County’s legal personnel with the exception of the County Attorney would shift to DSS for organizational and budgetary purposes. The County Attorney would deputize all attorneys to serve as Assistant County Attorneys, effectively empowering them to “float” between DSS and general County legal business.

Housing attorneys in DSS would insulate them from the County Attorney’s two-year term of appointment. Notwithstanding that the incumbent CA has served in the role since 2004, the potential for a department head turnover every 24 months can pose a challenge to the recruitment and retention of high quality legal personnel.

There is also the issue of state reimbursement for eligible social service expenses. “Federal and State regulations permit the reimbursement of certain interdepartmental service costs that are directly billed to the DSS. Direct costs are those that can be identified specifically with a particular DSS-related cost. Typical reimbursable direct costs are compensation of employees for the time devoted to social services programs and costs of materials acquired, consumed or expended as they relate to the social services programs.”¹⁰ This includes attorneys. In fact, as 2013 State Comptroller’s Office report noted that some counties have not properly billed for these interdepartmental services at times. (Note: Cayuga was not included in the audit group.) By making DSS the attorneys’ primary assignment, the default would be reimbursability. However, the County would need to establish an accurate system for tracking time spent by

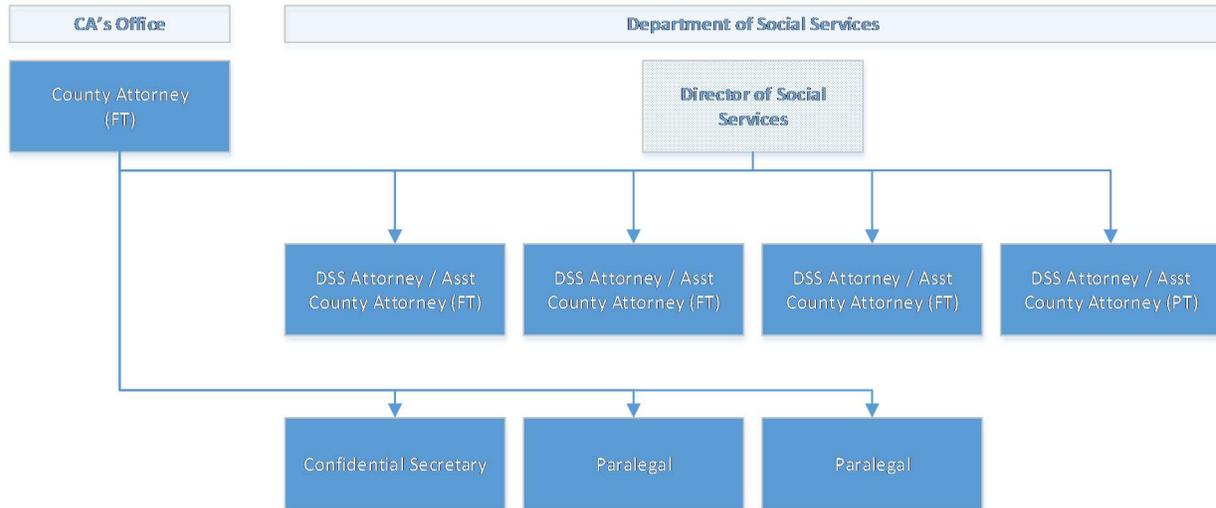
SHIFTING LEGAL PERSONNEL TO DSS BUT DEPUTIZING ALL ATTORNEYS TO SERVE AS ASSISTANT COUNTY ATTORNEY WOULD PROVIDE GREATER FLEXIBILITY AND, POTENTIALLY, A FINANCIAL BENEFIT TO THE COUNTY.

attorneys and legal personnel on non-DSS tasks to ensure reimbursement claims are accurate and supportable. Through effective cross-training, it is possible the County could receive reimbursement for at least a portion of all legal personnel. Subject to time actually spent on social service tasks, it is reasonable to believe that reimbursement may exceed \$100,000.

The most notable challenge to implementing and successfully operating this new structure involves shared leadership. By virtue of them being housed in Social Services, legal staff would technically be overseen by the

¹⁰ *Reimbursement of Social Services Costs*, Office of the New York State Comptroller, Division of Local Government and School Accountability, 2013-MS-3.

Director of Social Services rather than the County Attorney, notwithstanding the County Attorney's primary role in administering general legal matters on the County's behalf. CGR believes this challenge can be overcome, particularly through active involvement (at least initially, and as needed going forward) of the County Administrator. Ideally, all of the County's legal resources would be administered and directed by the County Attorney – including staff in Social Services.



Assigned Counsel

Current State

The Assigned Counsel (AC) office is managed by a director and a clerical staff person.¹¹ They both also share responsibilities with the Youth Bureau and STOP-DWI program. The Assigned Counsel office uses 35 different attorneys to handle cases for indigent defendants that are seen in 42 courts throughout Cayuga County. The AC plan was developed by the Cayuga County Bar Association. The office's two employees process about 1,200 vouchers to pay for assignment of counsel for approximately 1,300 cases annually. In 2016, attorney expenses were \$965,000. The County received \$260,000 in offsetting state aid, leaving a net cost to the County of \$705,000. In the FYE 2017 and 2018 budgets, expenses are expected to climb, to \$997,000 and \$1,074,000,

¹¹ The two employees are full-time County employees, but only a share of their time and salary is attributed to this office. The remainder of their time and salary is assigned to the Youth Bureau and Stop-DWI program. This mixture of responsibilities has been in place since approximately 2000.

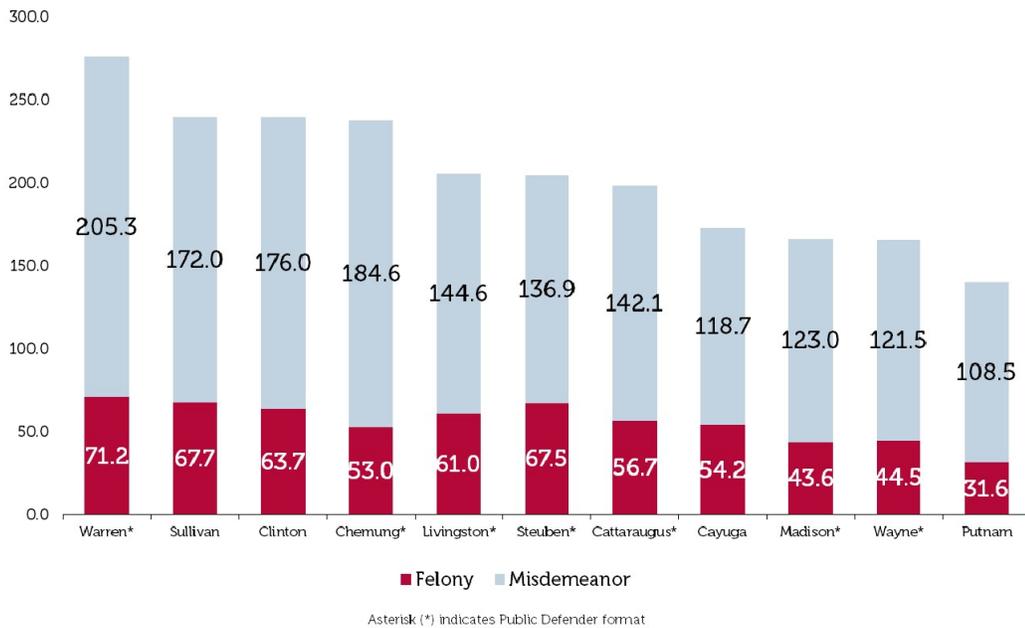
respectively. However, there will be an increase in state aid that will cover much of those increases. The net cost of the office in 2018 is expected to be about 8 percent less than it was in 2017.

A MAJORITY OF COUNTIES IN THE PEER GROUP (7) USE A PUBLIC DEFENDER MODEL. ONLY THREE COUNTIES USE AN ASSIGNED COUNSEL MODEL LIKE CAYUGA.

Demand for services has grown in recent years, with a significant impact being the “new counsel at first appearance” mandate. The office spent \$49,000 on this initiative alone in 2016.

Among the peer group, CGR found 7 use public defenders and 3 use AC programs. Cayuga County is in the bottom-third of the peer group for the number of arrests per 10,000 residents (173, well below the median of 204). However, there is no correlation between the number of arrests and the presence of a public defender.

Total Arrests per 10,000 Residents, 2016



The cost of indigent counsel in the County is the lowest of the peer group on a per capita basis (\$12.60), and the second-lowest on a per arrest basis (\$729). Both are well below the medians in their respective category (\$17.90 per capita and \$939 per arrest).

Comparison of Expense and Cost Ratios

	Model	2017 Budget	Cost per Capita	Cost per Arrest
Cattaraugus	PD	\$1,584,626	\$20.07	\$1,009
Cayuga	AC	\$997,907	\$12.60	\$729
Chemung	PD	\$1,436,322	\$16.27	\$685
Clinton	AC	\$1,531,000	\$18.74	\$782
Livingston	PD	\$979,533	\$15.12	\$735
Madison	PD	\$1,182,825	\$16.33	\$980
Putnam	AC	\$1,308,327	\$13.15	\$939
Steuben	PD	\$1,982,674	\$20.10	\$983
Sullivan	AC	\$1,366,657	\$17.90	\$747
Warren	PD	\$1,972,150	\$30.26	\$1,094

Improvement Opportunity, Recommendations and Rationale

There is a misalignment between the time spent by Assigned Counsel staff and how it is budgeted by department. Consider that the current administrator of the Assigned Counsel program spends more than 80 percent of his time managing the operation, yet approximately 75 percent of his salary comes from his full-time appointment as Youth Bureau Director. Similarly, the deputy administrator spends about 80 percent of her effort managing vouchers for the Assigned Counsel program, but 80 percent of compensation for the position is provided for through the Youth Bureau cost center.

Recommendation: Align the positions and funding in Assigned Counsel such that compensation costs better reflect the amount of work required to successfully manage the office.

Though a time-on-task study was not completed as part of this review, the expense budgets for AC, Youth Bureau and STOP-DWI (which is also in the staff's purview) offer a frame of reference for relative responsibilities of the offices. Assigned Counsel has approximately \$1 million in expenditures, compared with \$218,000 in the Youth Bureau (including \$137,000 for personnel costs) and \$167,000 in STOP-DWI.

Similarly, the County should evaluate the potential of creating an Office of the Public Defender to handle indigent defense. Given the large and growing expenditures for defense through assigned counsel, there should be thoughtful consideration given to bringing this mandatory service in-house rather than continuing to contract with outside attorneys.

Recommendation: Evaluate performance of the assigned counsel model and consider whether an in-house public defender model may be more cost effective.

It is likely that there will be a change in leadership in this department over the next few years as the incumbent director and assistant are both near retirement age. This would offer a good opportunity to evaluate the performance of the current model and whether the County may be better served by the public defender model.

While the existing program appears successful, and on a cost basis is one of the lowest in the peer group, much has changed in the legal arena since it was created. There are further changes on the horizon based on initiatives in 2018 proposed state budget. It would be advisable for the County to explore using its own employees rather than contracting through assigned counsel. It might also be more efficient if a mixture of employees and assigned counsel was utilized.

Youth Bureau and STOP-DWI

Current State

Cayuga County's Youth Bureau and STOP-DWI program are operated by shared staff, along with the Assigned Counsel office. The three departments evolved to joint leadership and staffing over the past two decades as staff moved through positions. Regarding Youth and STOP-DWI, the two programs share similar missions in being primarily grant-funded programs that contract with other organizations to provide services and improve the well-being of certain aspects of the County population.

The Youth Bureau has a contract with a single local provider for nearly all its program expenses, with the contract funded through a grant with New York State.¹² The Bureau "has a broad legislative mandate to promote the physical, emotional and social well-being of youth in the County. It fulfills this mandate by stimulating and supporting the development of services and activities designed to assist all youth in becoming valued, contributing members of society. Although other County departments are involved in the positive development of youth, the Youth Bureau is the only County department whose central objective is preventing delinquency."¹³

¹² Historically, grants were 5-to-6 times larger than they are today and Youth Bureau staff spent a substantial amount of time coordinating among different providers and generating reports necessary to support the program.

¹³ <http://www.cayugacounty.us/Community/Youth-Bureau>

The STOP-DWI program is funded entirely with fines collected through DWI offenses. The program focuses on assisting with enforcement – for example, funding DWI checkpoints, supporting public education programs in the schools and community, and providing assistance to residents through financial support of the Confidential Help for Alcohol and Drugs (CHAD) program.

Improvement Opportunity and Recommendations

The Youth Bureau and STOP-DWI programs are likely to see a transition in leadership over the next few years as both the director and support staff person are nearing retirement age. This offers a natural opportunity to consider the departments' place in the overall County organization. Both are budgetarily small agencies, with expenditures totaling \$241,000 for Youth and \$190,000 for STOP-DWI, which limits their staff capacity. Shifting them into a larger County agency with complementary services and constituencies would provide greater opportunity for both functions to tap into a deeper pool of shared support resources.

INTEGRATING THE YOUTH BUREAU AND STOP-DWI PROGRAM INTO THE HEALTH DEPARTMENT WOULD PROVIDE THEM AN OPPORTUNITY TO TAP INTO DEEPER STAFF RESOURCES IN A SHARED WAY.

Recommendation: Consider moving both functions into the County Health Department; alternatively, group with Aging, Veterans and Health in an HHS office

Rationale and Impacts

As noted, the pending retirement of incumbent staff running both of these programs offers a natural opportunity to review how best to structure the services going forward. Leaving both departments as small, stand-alone functions with limited budgetary and staff capacity will compromise their ability to sustain (or grow) the important services they provide to County residents. By contrast, bringing them in as a unit of a larger department offers the ability to tap into a deeper pool of staff resources in a shared way.

Of all candidate departments, CGR believes the Health Department offers the most natural fit for Youth and STOP-DWI programming, given its complementary mission and service population. STOP-DWI is a community health program and its goals would fairly easily align with other programs in the Community Health Programs section of the Health Department. Similarly, the primary role of the Youth Bureau is to administer a single grant to a non-profit in Auburn to provide services to at-risk youth.

The Health Department has the scale and skill to provide oversight to both of these programs. The realignment and the additional funds it would provide could be leveraged to expand the department with an additional community health staff member working on these two programs, as well as to support some of the unmet needs in the Health Department.

Alternatively, the County could consider grouping Youth Services and STOP-DWI with Office of the Aging, Veterans Affairs and Health Department in a single Health and Human Services Department.

The rationale and impacts as outlined above would still hold with the creation of an even larger department. There is the potential for additional benefits of a more effective human services operation for the County if all of these services were aligned under a single department head while retaining leadership at the office level. Several of the offices are relatively small, stand-alone operations that would benefit from support for services such as budgeting, payroll and purchasing in a central department allowing the offices to focus on their core service missions for their constituents. Also, the larger department would allow for support of initiatives such as grant applications and community outreach.

There is also benefit from a legislative oversight standpoint. Consider that the Youth Bureau and STOP-DWI functions currently report to two different committees, with Health and Human Services overseeing Youth and Judicial / Public Safety overseeing STOP-DWI administration.

Social Services

Current State

The Department of Social Services (DSS) is the largest department in the County by both budget and number of employees. It is subdivided into four primary areas:

- Community Services (Child Protective Services, Foster Care, and Adult Protective Services),
- Public Assistance (Temporary Assistance to Needy Families, Medicaid, and Supplemental Nutritional Assistance Program),
- Child Support Collections, and
- Administrative Services.

The department touches many residents' lives in Cayuga County. For example, about 13 percent of County residents receive SNAP benefits, nearly 9 percent of residents are listed as being on Medicaid, and on an average day about 4 cases of child abuse or

neglect are reported. The department also collects and forwards about \$6.5 million in child support. An estimated 200 people per day visit the DSS offices in the county building to either meet with staff or drop off paperwork necessary for benefits.

The County's 2017 budget contained gross expenditures for the department of \$39.9 million, about 28 percent of all funds expenditures. About 51 percent of the expenditures are supported by state or federal funds, with the rest coming from the County. Of the \$19.5 million budgeted by the County, about 71 percent is directed toward Medicaid. There is a concerted effort by staff to seek all appropriate reimbursement for the expenses in this department.

The department operates on two full floors of the County Office Building and significant portions of a third floor. The security guards at the front door are funded through the DSS department and all of the security passes are paid for through reimbursable funds.

While in general the department appears to be well managed and provides good service to the residents of the County, there are areas for improvement that were identified during interviews with key staff.

Improvement Opportunity and Recommendations

Recommendation: In the Child and Family Services area, implement the Northwoods Software package.

This software package has the potential to significantly increase the productivity of the staff. Currently, staff are only able to access case records from paper files and must enter notes into the existing database system from their desktop. The new system would allow staff to access all notes and case files securely from a remote environment and provide updates to the system. The initial expense of the software package and appropriate hardware is significant, but given the current inefficiency of the workflow, there would be noticeable improvements to productivity. The cost for the software may be less if implemented soon because neighboring social service agencies are also moving to this particular program.

Recommendation: Reorganize and renovate DSS space to match peak workflow efficiency.

DSS, particularly the Temporary Assistance, SNAP and Medicaid units have worked to cross-train their employees in an attempt to reduce the number of visits made by clients and to speed the management of their cases. However, the current layout of their workspace is preventing all of the potential efficiency gains from being realized. It

would be possible to create further incremental improvements in work and service conditions short of an overall facilities plan, as discussed in the following section.

Recommendation: Evaluate fleet utilization to reduce trips by Social Service workers to the motor pool.

It is estimated that every time a social service employee needs to go to the motor pool to get a vehicle, they lose 30-to-45 minutes in productive time each trip at the start and end of the day. With 22 cars in use on a regular basis, that is the equivalent to an additional full time employee if a more effective way could be found to manage the fleet. This study did not complete a time on task analysis for this department nor evaluate different options, but this does seem like an area that would benefit from such an investment.

Recommendation: Flexible hours might assist in improving customer / resident satisfaction.

While many forms can be completed online or mailed to DSS, much of its activity occurs only during normal business hours of 9 am to 5 pm and all of its office hours are in Auburn. Many of the working residents of the County who receive benefits or might be helping others manage their benefits may have a difficult time meeting with County staff. Evening hours once a week in Auburn and perhaps a roving intake specialist in other towns in the County might help improve customer satisfaction.

Facilities

Current State

Cayuga's workforce is spread across 17 different facilities throughout the County, with the majority working at the County Office Building at 160 Genesee Street. Over 99 percent of active employees work in or near downtown Auburn, including in the public safety campus which is approximately 10-minutes from the County Office Building. In total, 68 percent of staff are divided between two facilities: The County Office Building and Public Safety Campus.

The chart below shows the total County-wide estimated position count by full-time and part-time positions at each facility. Totals do not include active seasonal and temporary employees that do not necessarily occupy permanent space in a facility.

Position Count by Facility

ID	Facility Name	Address	City	Full Time	Part Time	Total Positions
1	County Historian	10 Court St	Auburn	0	1	1
2	Records Retention	12 Court St	Auburn	3	1	4
3	Mental Health	146 North St	Auburn	45	5	50
4	County Courthouse	152 Genesee St	Auburn	15	1	16
5	Sterling Nature Center**	15380 Jensvold Rd	Sterling	1	4	5
6	Historic Post Office Building	157 Genesee St	Auburn	2	25	27
7	County Office Building	160 Genesee St	Auburn	229	37	266
8	Cayuga Community College	199 Franklin St	Auburn	7	0	7
9	Highway Garage*	2601 Ira Hill Rd	Ira	9	0	9
10	Highway Garage*	2942 Long Hill Rd	Venice	12	0	12
11	Highway Garage*	91 York St	Auburn	27	0	27
12	City Public Works Building*	358 Genesee St	Auburn	2	0	2
13	Emerson Park Building**	6914 East Lake Rd	Auburn	2	45	47
14	Public Safety Campus	7445 County House Rd	Auburn	159	48	207
15	District Attorney / Veterans	95 Genesee St	Auburn	16	6	22
16	County Health Building	8 Dill Street	Auburn	41	5	46
17	Edward T. Boyle Center***	149 Genesee St	Auburn	1	6	7
TOTAL				571	184	755

Note: The position counts are as of August 2017.

*** Allocated 2 FT positions to each remote garage site from the total Highway Department position count.**

****Allocated 1 FT and 5 PT positions to the Sterling Nature Center from the total Parks Department position count.**

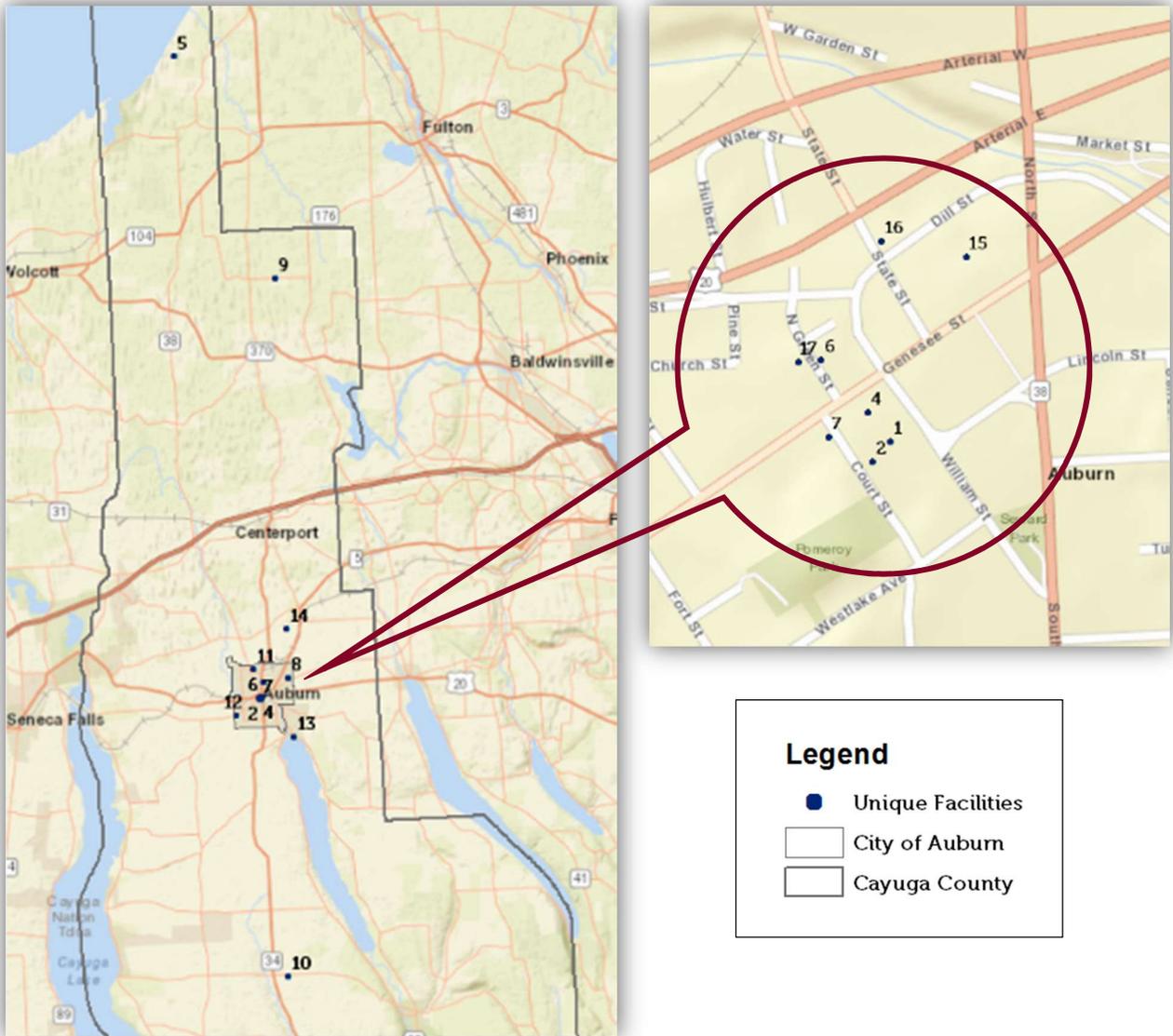
Several departments have staff working at more than one facility, including the Clerk's Office, Sheriff's Department, Parks Department, Health Department, Buildings and Grounds, Office for the Aging and the Highway Department. In addition to the County Office Building and the Public Safety Campus, four other facilities house more than one department. These include the County Courthouse, Historic Post Office Building, Emerson Park Building and the District Attorney / Veterans shared office space.

The following maps show the distribution of the County's 17 facilities, with a more detailed illustration of the 8 facilities concentrated in downtown Auburn.

During department head and agency interviews, a majority of officials expressed dissatisfaction with the current distribution of County offices and staff across multiple

facilities, and voiced overall concerns with respect to the adequacy and appropriateness of their own physical space. Several interviewees indicated that public access to (and sufficient utilization of) their offices was impeded by several factors, including access to parking, proximity of handicap parking and handicapped access to facilities, the security process for entering buildings, difficult of locating offices within buildings, the suitability of office spaces for performance of core duties, and the confidentiality / privacy of spaces for direct individual support services.

Additionally, and particularly with respect to the County Office Building, interviewees commented that the general conditions of the building and cramped office spaces impacts staff morale and suggests a diminished sense of professionalism among visitors.



The future of the County Office Building is a subject of ongoing discussion. As recently as November 2017, Legislators met to discuss options for County buildings. Over the past year, there has been consideration of both renovating the existing building, which opened in 1969, and building a new facility altogether. Initial cost estimates from earlier in 2017 suggested a new building could cost \$25 million, more than double the cost of renovating the current facility.¹⁴

¹⁴ http://auburnpub.com/news/local/cayuga-county-office-building-budget-subjects-of-upcoming-meetings/article_833785ef-d1e7-5a3e-b990-1219026c3aa4.html

Improvement Opportunities

To be clear, CGR is offering no recommendation as to whether the County should renovate the current facility or build a new one. The current County Office Building does have a negative impact on efficiency and productivity, something which improved or new space would be able to address. But making that decision will require detailed architectural and engineering work that is beyond the scope of this review. Moreover, it will require the County have a viable plan and the financial capacity to absorb the cost of whichever option is selected.

Our goal in this section is to advise the County of options that may be available to it as it develops a facility plan and begins implementation. As the County thinks about facility planning for the future, it should consider ways to more efficiently utilize its space through co-location of departments and agencies around common functions; potentially vacate spaces that are only used by small departments; split larger departments into functional units that can be absorbed into existing facilities as an alternative to fully renovating the existing facility or building a new one of equivalent or larger size; leverage funding opportunities that may offer reimbursement during any renovation process; and create more flexible “satellite” opportunities to better serve the public.

- Co-Location of Departments: As part of any comprehensive facilities study, the County should consider departmental co-locations that reflect similar functions, service delivery models and service constituencies. For example, bringing together the Department of Health, Youth Bureau and STOP-DWI; County Clerk, Department of Motor Vehicles, Records Retention, Board of Election and Historian; and County Court, District Attorney and Public / Indigent Defense. Similarly, there may be opportunities where co-location can leverage shared benefits for common service constituencies – for example, the Office for the Aging and Veterans Affairs in a space that offers non-metered handicapped parking, drive-up window possibilities and private meeting space. These are not the only potential combinations, of course – but any facilities plan should seek opportunities to bring together like-service departments. In addition to better serving County customers, it provides more natural opportunities for inter-departmental sharing going forward.
- Vacating Spaces Used Only by Small Departments: The County utilizes at least three facilities that are occupied by relatively few staff. Exploring the possibility of shifting them to other spaces, or integrating them as part of a broader facilities plan, may offer an opportunity to put those properties up for sale. For example,

moving the Board of Elections and WIC office would open up 157 Genesee Street, which has a fair market value of \$1.5 million. Similarly, moving the County Historian and Records Retention function would obviate the need for space at 10-12 Court Street. Moving the DA's office and Veterans Affairs would open up 95 Genesee Street, which has a fair market value of \$1.2 million. Sale of these County-owned properties could offer down payment on whichever facilities plan the County opts to pursue.

- Split Larger Departments into Functional Units: As the County explores renovation or new build options for the County Office Building, it should consider whether the fully renovated (or built) space needs to be equal to (or larger) than the current County Office Building. Splitting larger departments into functional units, where it makes sense, may provide an opportunity to house them within other existing County facilities and allow the County to renovate / build fewer square footage in an updated main County Office Building.
- Leverage Funding Opportunities: If the County opts to renovate the main office building, it should consider reimbursement opportunities to ease the cost. For example, in the case of the Department of Social Services, staff on one floor (with one or more total units) could be moved temporarily to leased space nearby. The County could then seek state reimbursement both for the leased space at a privately owned building and for a portion of the cost of renovation itself. This process could be repeated with other departments moving from their current space to newly renovated floors. For most departments, staff and operations would only need to move once. Only the operation that was moved off-site to leased space would need to move twice, assuming they moved back into the County Office Building at the completion of the renovation.
- Consider "Satellite" Service Flexibility: While the County discusses facility options, it should also consider ways to use technology solutions that support mobile service delivery for staff to better reach constituents. In interviews, several officials noted the challenges faced by residents in the northern and southern ends of the County to access services in Auburn. Many counties in New York State offer mobile services that operate out of remote facilities according to a fixed schedule. For example, Monroe County offers mobile DMV services daily in the City of Rochester, and at ten different sites that rotate across the eastern and western suburbs. The Cayuga County Health Department utilizes a similar model, operating WIC clinics in Moravia on the first Thursday of every month and in Cata on the second Thursday. These satellite approaches have the potential to reduce costs associated with permanent facility space by rotating staff across multiple locations on a

regular basis. The County should consider negotiating for space at local town and village facilities and / or utilizing regional meeting space available.

Communication

Current State

Cayuga County's approach to communicating with the general public and external stakeholders is decentralized and *ad hoc*. Some departments coordinate their marketing and outreach efforts by utilizing predominantly print materials, although select departments have invested in building more informative websites and other forms of digital communication. And as with any government, the County's elected officials also assume a role in disseminating information through events and community outreach efforts.

Most recently under the new County Administrator, departments have begun publishing a composite "Cayuga County Administrator's Monthly Report." The first monthly report, published for January 2018, included departmental updates, a working budget report, and interim budget and legislative reports from the New York State Association of Counties. As the report notes, over time it "will expand to include more detailed reports and analysis, and ultimately progress on the county's goals and objectives (after they are developed)... it will be an informative tool that assists the Cayuga County Legislature, the policymakers, in better serving our Cayuga County communities (and) transparency and useful information to the Cayuga County community at large." The January report was distributed to internal stakeholders via email from the County Administrator, and published for public access on the Administrator's page of the County website.¹⁵

INTERVIEWEES EXPRESSED A STRONG INTEREST IN ENHANCING THE COORDINATION, CONSISTENCY AND INTENTIONALITY OF COUNTY COMMUNICATIONS TO THE GENERAL PUBLIC.

In interviews with department heads and key agency stakeholders (all of which were completed prior to the appointment of the new Administrator and launching of the Monthly Report), as well as in feedback provided by certain members of the Legislature, CGR noted broad agreement within the County organization of the need to enhance the format, consistency and intentionality of external communications. Many articulated what they saw as missed opportunities to effectively communicate

¹⁵ <http://www.cayugacounty.us/Departments/Administrator>

with the general public and key stakeholders about County activities, services and strategy, and more generally around key public policy issues.

The need to establish and embrace a more unified County vision was raised by a number of interviewees as a foundation for more effective communication strategies (both for external and internal audiences). A broad cross section of County leaders saw this clarity as a gateway to engaging constituents and the general public. By way of example, both department heads and key agency leadership were unclear on the best way to report their activities, impacts and priorities to their respective Legislative Committee. This has resulted in a variety of formats, presentation styles and levels of detail, and has reinforced the *ad hoc* nature of outbound County communications.

Several department heads cited the benefits of a recent Department of Social Services “information day” and expressed the desire for more County departments to provide similar opportunities to directly inform the general public on services offered, roles and responsibilities.

Improvement Opportunity and Recommendations

IT IS VITALLY IMPORTANT THAT CONSTITUENTS HAVE REGULAR AND ACCESSIBLE MEANS TO LEARN ABOUT COUNTY GOVERNMENT’S ONGOING ACTIVITIES AND FUTURE DIRECTION.

Effective and consistent communication with the general public is a critical function for any government organization. As currently handled in Cayuga County, the communication function is neither sufficiently coordinated organization-wide nor consistent enough. As a result, the County is missing opportunities to educate the broader community of stakeholders on what *their* government is doing, the services it provides and

the issues it is confronting. Public information on County activities is too episodic, and often entirely a function of third-party media coverage of County meetings. Establishing a centrally coordinated “brand management and messaging” strategy and intentionally pushing it out to the community is an opportunity for the County to market its vision and better connect with its constituents.

Recommendation: Enhance the County’s external communication capacity through better organization-wide coordination and regular, multi-media forms of outreach; consider adding a director of communications.

Note: This recommendation should be considered in the context of the previous recommendation that the County enhance its website.

Rationale and Impacts

Cayuga County government has a profound impact on the communities it serves. It is one of the region's largest employers; provides essential services to residents, both on an individualized basis (e.g. social services) and general basis (e.g. law enforcement); draws on the local tax base for tens of millions of dollars to support critical functions; and serves as the region's policymaking body, enacting laws that affect residents and businesses of 33 municipalities. Given the sheer importance the County has in the communities it serves, it is vitally important that constituents have regular and accessible means to learn about County government's ongoing activities and future direction.

During the course of CGR's interviews, some officials suggested the possibility of creating a dedicated Communications Department, or appointing a Director of Communications, to coordinate the County's outbound information efforts. CGR found three counties in the peer group that use such a model. Two of them – Sullivan and Chemung – appointed new Directors of Communication over the past year. In the other counties, the communication function is generally handled by a combination of the manager / administrator and chief elected official. Notably, Cayuga is not unique among the peer group in its current decentralized approach to communications. However, there is clear benefit in a process that is both regular and centralized. CGR believes this can be handled through the Administrator's office initially, particularly once it is further resourced. If Cayuga were to opt for a Director of Communications position, as Sullivan and Chemung Counties have recently filled, it would make most sense for that role to be housed in the Administrator's office.

Aside from coordinating the County's brand management and messaging, there are information efficiencies from a more centralized approach. Coordination can reduce the number of publications disseminated to the public, providing an opportunity for consolidated information about how their needs and interests intersect with County activities (and how the County is responding to the public's feedback).

There are internal benefits to a centralized communications framework as well. Internal alignment of departmental responsibilities around common constituent groups aids in developing a more cohesive organizational culture and improved internal collaboration.

Resource Considerations

Readers will note that in several instances, improvement opportunities identified by CGR rely on the County making additional investments – in staff, technology, facilities

and processes. As the same time, and as noted earlier in this report, the County faces material resource constraints.

One area the County may want to consider in greater detail is its current sales tax sharing formula. To be clear, CGR is making no recommendation that Cayuga County should or should not adjust its sales tax sharing arrangement. One peer county, Chemung, revised its formula over a multi-year period to retain more sales tax revenue at the county level, but only implemented that change after a detailed analysis of fiscal implications. Broader trends regarding sales tax suggest that it is poised for growth in total receipts. Consider that according to the State Comptroller's Office, sales tax revenues in Cayuga County grew more than 10.2 percent in 2017, the third-highest of any county. Moreover, the Governor's proposed budget contains a provision to begin collecting sales tax from large online "marketplace" sellers, which if adopted, would add to sales tax coffers.

County Structure

Though a review of the Cayuga County government structure was beyond the scope of this analysis, it is CGR's understanding that some County leaders have expressed interest in evaluating the County's underlying structure and its effectiveness. Specifically, this would involve an examination of whether the County would be better served by converting to a charter form of government.

A 2015 report¹⁶ by the New York State Association of Counties found that county governments "outside of the City of New York have generally adopted one of 3 methods of county organization: Charter counties with an elected executive or appointed administrative official, counties with an appointed manager or administrator organized under county law, and those operating under the administrative direction of an elected legislative body...

"Currently, 23 of the 57 counties outside the City of New York have organized their administrative systems under the provisions of a county charter. The 34 "non-charter" counties abide by the provisions of the County Law and the Municipal Home Rule Law to adopt their administrative structure. Of these counties, 26 have enacted local laws to create a county administrator or manager position to oversee the day-to-day administration of county government. The remaining eight counties have retained administrative control of the county through their legislative body...

¹⁶ *County Organization in New York State*, New York State Association of Counties and the Dennis A. Pelletier County Government Institute, Inc. February 2015.

“Article 4 of the Municipal Home Rule Law empowers counties to adopt and amend a county charter. A county charter may be enacted to establish the structure of county government, as long as an elected legislative body is maintained to determine county policy through powers of legislation and budgetary appropriation. County Charter Law allows for the creation of a position of county executive, elected in a county-wide general election, with the power to veto actions of the legislative body.”

As Cayuga County focuses on continually improving its structures and systems to best serve residents and taxpayers, an evaluation of county government structure would be a natural step.