Strategic and Organizational Assessment

August 27, 2020
Section 1

Highlights
Highlights

● Alignment around **future-facing success outcomes** for the County, as well as a vision of where Cortland County should be best-in-class.

● **Identified multi-million dollar savings opportunities** through strategically-centered spending.
  ○ Year 1: $980k
  ○ Year 5: $5.7M

● **Gained understanding, insight, and clarity** of what residents value through a community survey.
What Cortland County Engaged Us to Do

- Identify areas to reduce spending

What We Have Delivered

- Identified almost $1M in savings over a one-year period through strategically-centered spending
- Aligned around success outcomes and Cortland County’s Area of Excellence
- Engaged with residents through a community survey, with over 1,000 responses
- Identified and designed specific solutions to realize savings in an area of opportunity
Section 2

Current State
Current State

- 2019 Comptroller's Report
  “The County experienced significant deficiencies with its records and reports because the Legislature did not fulfill its fundamental responsibility of providing oversight and leadership of County finances... In addition, its failure to act on recommendations from previous audits only served to exacerbate these deficiencies and allowed them to become a routine aspect of daily operations.”

- Current Financial Situation
  - $1.8M from the County’s reserves was moved into the General Fund to balance the 2020 budget.
  - The County is projecting a 20-30% decline in sales tax revenues due to COVID-19.

- Cortland County Legislature
  - First 4-year alignment
Cortland’s Sales and Property Taxes per Capita are among the highest compared to its peers.

Real Property Taxes Per Capita

Sales and Use Taxes Per Capita
Cortland’s Personnel Expenditures per Capita are also among the highest compared to its peers.

Personnel Expenditures Per Capita
Population and Employer Establishments are increasing after a period of decline*

*Note that due to data availability, time periods used for analysis vary for each chart.
Section 3

Approach
Overall Approach

The current scope of work focuses on the Diagnostic Phase.

This involves a high-level review of the County compared to peers and identification of high-level opportunities for cost savings.
Approach for Action

**DIAGNOSTIC:**
Surveying all the project’s needs and requirements. Getting the lay of the land.

**DESIGN:**
Utilizing the right combination of tools and know-how to address the key issues at hand.

**DELIVERY:**
Applying your diagnosis and design expertise to produce maximum value.
Discovery Process

Data Discovery
• Reviewed current and historical budget information
• Reviewed labor contracts, staffing levels, type of services offered, Comptroller’s reports, lists of contracts, and Department-specific reports and information provided
• Interviewed 4 peer counties and gathered relevant data from 11 peer counties

Engaged with Department Heads
• 15 initial interviews with Departments
• 12 follow-up interviews

Generated Opportunities for Further Investigation
• Identified over 40 initial areas of opportunity within 9 broad categories, including areas that the County is already exploring as well as new opportunities

Investigation of High-Potential Areas
• Based on peer comparisons and additional insight from Departments, areas with highest potential for cost savings are presented today
Strategic Assessment Process

Strategic Workshop #1
Full Legislature
Defined the strategic pillars and area of excellence

Strategic Workshop #2
Department Directors
Defined how to measure the Legislature’s desired outcomes
Success Outcomes

**Strategic Area**
- Financial
- Residents
- Employees

**Legislature Direction**
- Achieve a balanced budget
- Deliver high value/quality of service
- Engaged workforce

**Working Definitions**
- Expenses lower than Revenue at the end of the fiscal year
- For services most valued by community, achieve Dept. KPIs and >X% of the community agrees it is well-delivered
- >X% of employees understand direction of County, how their work relates to overall success, and that their Supervisor is invested in their growth

**Area of Excellence**
Be the most affordable county in New York State
3 Categories of Recommendations

Non-Economic Opportunities
• Strategic Planning
• Performance Scorecard
• Employee Training and Engagement

Peer Analysis
• Benchmarks
• Comparisons

Non-strategic areas of spend
• Internal processes
• Low value items as measured by the community
Non-Economic Opportunities

Strategic Plan
• Provides clear direction for the Legislature, staff, and community
• Focuses strategic work efforts around the Success Outcomes

Performance Scorecard
• Drives specific metrics to measure Success Outcomes
• Develops accountability system for employee engagement

Clarity of Roles
• Legislature: Why, What
• Department Heads: How/Who
What It Means To Deliver Value

Success Outcomes
- Balanced budget
- High value/Quality of Service
- Engaged workforce

Balanced budget
High value/Quality of Service
Engaged workforce

Community Value
Rated as important and beneficial to the community by County residents

Performance Management
Who delivers the work and drives the County to deliver on the outcomes

Legislature

Department Heads
Section 4

Community Value
Community Value Survey Process

A community survey was launched to better understand what Cortland residents value the most and inform the strategic and organizational assessments.

July 6-July 20 (15 days)

Target: 380 surveys (95% confidence +/- 5%)

Online - 915
Mailed - 108

Online/Mobile-Friendly Survey Distributed to:
- County listservs
- County website
- Social media
- Nextdoor/Online Community Boards
- Stakeholders

Paper surveys were available on a limited basis and mailed to a sample of addresses to increase representation.
Community Value Survey - Demographics

Gender

- Female: 59%
- Male: 35%
- Prefer not to say: 6%

Race/Ethnicity

- White/Caucasian: 88%
- Black/African-American: 1%
- Asian: 0.30%
- Hispanic or Latino: 0.80%
- Other - Write In: 1%
- Prefer not to say: 0.80%
- American Indian or Alaskan Native: 11%

Age

- Under 18: 0.20%
- 18-29: 7%
- 30-39: 20%
- 40-49: 20%
- 50-59: 23%
- 60-69: 18%
- 70 or over: 8%
- Prefer not to say: 4%
Community Value Survey - Demographics

**Employment Status**
- Employed full-time: 65%
- Employed part-time: 5%
- Not working - retired: 19%
- Not working - student: 0.5%
- Unemployed: 2%
- Other - Write In: 4%
- Prefer not to say: 4%

**Annual Household Income**
- Less than $10,000: 2%
- $10,000-$14,999: 2%
- $15,000-$19,999: 5%
- $20,000-$24,999: 7%
- $25,000-$29,999: 11%
- $30,000-$34,999: 22%
- $35,000-$39,999: 16%
- $40,000 or more: 23%
- Prefer not to say: 13%
71% of Residents Indicate Satisfaction with Providing Secure Voting Options in Elections

Resident Satisfaction

- Providing secure options to vote in elections: 71%
- Good 911 emergency response services: 58%
- Safe neighborhoods: 54%
- Dwyer Memorial Park is well-maintained: 52%
- Well-plowed county roads: 51%
- Good motor vehicle licensing, registration, and title services: 50%
- Providing public health outreach and coordinating public health challenges: 50%
- Providing affordable, healthy food choices for seniors: 46%
- Providing affordable and high-quality health services through the Jacobus Center: 42%
- Providing services to support senior citizens: 38%
- Providing environmental health services such as septic system inspections, restaurant inspections, etc.: 37%
- Strong water and conservation efforts: 37%
33% of Residents Indicate Satisfaction with Landfill and Recycling Services

Resident Satisfaction (continued)
58% of Residents Indicate Dissatisfaction with Services to Attract New Businesses

Resident Dissatisfaction

- Services to attract new businesses: 58%
- Good job opportunities: 50%
- Well-maintained county roads: 49%
- Good value as reflected by high-quality services provided for the tax rate: 46%
- Good landfill and recycling facilities: 37%
- Good motor vehicle licensing, registration, and title services: 29%
- Ease of travel by public transportation: 28%
- Providing workforce training: 25%
- Providing affordable and high-quality mental health services and coordination of mental health services: 25%
- Providing services to support veterans: 25%
- Well-plowed county roads: 25%
23% of Residents Indicate Dissatisfaction with providing services to support senior citizens

Resident Dissatisfaction (continued)
Good Job Opportunities are 42% More Important Than Well-Maintained County Roads to Improve Satisfaction

Areas to Improve Satisfaction

- Good job opportunities: 1,091
- Well-maintained county roads: 770
- Safe neighborhoods: 730
- Good value as reflected by high-quality services provided for the tax rate: 597
- Services to attract new businesses: 535
- Good 911 emergency response services: 386
- Well-plowed county roads: 265
- Good landfill and recycling facilities: 262
- Providing affordable and high-quality mental health services and coordination of mental health services: 214
Unwillingness to reduce services was rated nearly as high as reducing maintenance of Dwyer Park.

Areas Most Willing to Reduce Services to Reduce Property Taxes

- Dwyer Memorial Park is maintained less often: 1,257
- I'm not willing to have any reduction and continue to pay current rates: 1,200
- Fewer non-mandated public health-related services: 1,143
- Fewer public health services provided by the Jacobus Center: 614
- Other (Write in): 516
- Fewer senior centers: 351
- Fewer environmental health services provided: 304
Community Survey Takeaways

● The community supports the Legislature’s area of excellence:
  ○ Well-paying job opportunities and County property taxes were rated as the top factors for affordability, followed by housing prices
  ○ Services to attract new businesses, workforce training, and good job opportunities were among the lowest in satisfaction ratings and among the highest in rankings of what the County should focus on
● Services related to roads and public safety were the next most important to the community.
● Residents would be willing to reduce the maintenance of Dwyer Park if it meant lower taxes. Not being willing to reduce any services was rated nearly as high.
Section 5

Intersecting Cost/Value
Slashing vs. Precision

While it may be tempting to take big axe strokes to your budget, it’s impossible to focus on everything at once.

Cortland County has the opportunity to take a focused, surgical approach to the areas that will have the most impact.
The cost/value matrix is an informative, but not controlling, lens for strategic decision-making.
Cost/Value Relationship

Reduce
- Healthy food choices for seniors
- Secure voting in elections
- Environmental health services

Maintain
- Maintenance of Dwyer Memorial Park
- Senior citizens support services
- Public transportation
- Affordable, quality family planning & reproductive health services through Jacobus Center
- Public health outreach: coordinating challenges such as COVID-19
- Good motor vehicle licensing, registration, and title services

Optimize
- Safe neighborhoods
- Well-maintained county roads
- Good 911 emergency response services
- Affordable and high-quality mental health services
- Services to attract new businesses
- Well-plowed county roads

Invest
- Good landfill and recycling facilities
- Strong water and conservation efforts
- Workforce training
- Veteran support services

Cost is based on the net costs to the County, with items above the line representing costs above the median when compared to the other items included in the chart.

Value is based on resident responses to the question of what is most important for Cortland to focus on to improve their satisfaction with the County, with items on the right side representing the Top 10 ranked items.
Section 6

Opportunities
**Peer Analysis**

Peers were identified based on a variety of factors:
- Population size and density
- Poverty level
- Unemployment

When making comparisons, costs were also evaluated on a per unit basis (e.g. per capita, road mile, square mile, etc.).

<table>
<thead>
<tr>
<th>County</th>
<th>2018 Population</th>
<th>Poverty Level</th>
<th>Workforce Participation</th>
<th>Square Miles</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cortland</td>
<td>48,123</td>
<td>15.5%</td>
<td>61.8%</td>
<td>501</td>
</tr>
<tr>
<td>Genesee</td>
<td>58,112</td>
<td>26.7%</td>
<td>65.7%</td>
<td>495</td>
</tr>
<tr>
<td>Tioga</td>
<td>49,045</td>
<td>10.0%</td>
<td>61.7%</td>
<td>523</td>
</tr>
<tr>
<td>Columbia</td>
<td>60,919</td>
<td>8.2%</td>
<td>60.4%</td>
<td>648</td>
</tr>
<tr>
<td>Allegany</td>
<td>47,025</td>
<td>19.3%</td>
<td>55.3%</td>
<td>1,030</td>
</tr>
<tr>
<td>Chenango</td>
<td>48,348</td>
<td>14.3%</td>
<td>58.8%</td>
<td>894</td>
</tr>
<tr>
<td>Livingston</td>
<td>62,914</td>
<td>12.5%</td>
<td>55.8%</td>
<td>640</td>
</tr>
</tbody>
</table>
TransPro identified more than 40 initial areas of opportunity. 12 areas of opportunity were ultimately identified during the diagnostic phase based on best practice research, internal data availability, and peer research.
Cortland spends 29% more on Sheriff personnel per capita than peer counties
Cortland’s staffing levels for the Sheriff are on par with peer counties
Cortland’s personnel costs for the Sheriff are higher than peers

**Current State**
- Total Personnel Costs: $4.8M
- Total Personnel: 41 FT/11 PT (4 PT vacancies)
- Potential One-Year Opportunity: $81k

**Best Practice/ Peer Analysis**
- Cortland has the same or fewer FT and PT staff than peer counties, although it would be higher than the peer average if vacant positions were filled.
- Total personnel costs are about $325,000 higher than peers, though Cortland’s per capita costs are on the high end of the range.

**Actions to Deliver**
- Continue to operate with vacant positions left unfilled until needed

**Value**
- 58% of respondents indicate satisfaction with 911 emergency response services and 54% indicate satisfaction of safe neighborhoods in Cortland County. Safe neighborhoods is also rated as important by the community.
Cortland spends 87% more on Probation personnel per capita than peer counties
Cortland’s staffing levels for Probation are also higher than peer counties.
Cortland has higher staffing levels and personnel costs for Probation than its peers

Current State

- Total Personnel Costs: $1.8M (not including Alternatives to Incarceration)
- Total Personnel: 21FT
- Potential One-Year Opportunity: $228k

Best Practice/ Peer Analysis

- Cortland employs 6 more staff than peer counties and spends over $650,000 more on personnel than peer counties.
- The amount spent on Probation personnel per capita is 87% above the peer average.

Actions to Deliver

- Evaluate case loads and outcomes in comparison to peers
- Compare number of staff in each title to peers
- Consider work handled by Senior Probation officers that could be handled by staff in lower titles

Value

- Optimizing Probation staffing supports the achievement of Financial Success. Value can also be measured by the resources diverted from incarcerating individuals.
Cortland spends far more on Early Intervention personnel than peer counties

<table>
<thead>
<tr>
<th>County</th>
<th>Personnel Cost per Under 5 Population</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cortland</td>
<td>450</td>
</tr>
<tr>
<td>Genesee, NY</td>
<td>100</td>
</tr>
<tr>
<td>Tioga, NY</td>
<td>150</td>
</tr>
<tr>
<td>Allegany, NY</td>
<td>200</td>
</tr>
<tr>
<td>Chenango, NY</td>
<td>250</td>
</tr>
<tr>
<td>Livingston, NY</td>
<td>300</td>
</tr>
<tr>
<td>Madison, NY</td>
<td>350</td>
</tr>
<tr>
<td>Columbia, NY</td>
<td>400</td>
</tr>
<tr>
<td>Peer Average</td>
<td>100</td>
</tr>
</tbody>
</table>

**Graph:**
- **Y-axis:** Cost per Under 5 Population
- **X-axis:** Counties
- **Legend:**
  - Purple: Personnel Cost per Under 5 Population
  - Orange: Peer Average
  - Grey: Personnel Cost

**Total Personnel Cost**
- Cortland: $1,000,000
- Genesee, NY: $900,000
- Tioga, NY: $800,000
- Allegany, NY: $700,000
- Chenango, NY: $600,000
- Livingston, NY: $500,000
- Madison, NY: $400,000
- Columbia, NY: $300,000
- Peer Average: $200,000
Cortland spends $700k more on Early Intervention than peers, but more is offset by revenues

<table>
<thead>
<tr>
<th>Current State</th>
<th>Best Practice/ Peer Analysis</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Personnel Costs: $947,499</td>
<td>Cortland spends over $700,000 more on Early Intervention than peer counties, mostly due to significantly higher expenditures on personnel.</td>
</tr>
<tr>
<td>Potential One-Year Opportunity: $50k</td>
<td>While Cortland also receives more EI revenue than peers, it still spends twice as much as peers net of revenues.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Actions to Deliver</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Evaluate opportunities for contracting</td>
<td>Optimizing EI staffing supports the achievement of Financial Success. Value can also be measured over the long term by improved education and employment outcomes, resources diverted from social services, etc.</td>
</tr>
<tr>
<td>• Evaluate how outcomes and service levels compare to peer counties</td>
<td></td>
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</tbody>
</table>
Cortland spends over 200% more on Senior Services per 65+ population than peers
### Cortland outspends peer counties in Senior Services

<table>
<thead>
<tr>
<th>Current State</th>
<th>Best Practice/ Peer Analysis</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cortland currently spends $2.5M in Senior Service/Aging Services and Nutrition programs.</td>
<td>Senior/Aging Services are a standalone Department at peer agencies, though several peer counties contract with an outside entity to provide senior services.</td>
</tr>
<tr>
<td>Potential One-Year Opportunity: $150k</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Actions to Deliver</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Evaluate alternative methods to serve senior populations</td>
<td>46% of respondents indicate satisfaction with providing affordable, healthy food choices for seniors and 38% of respondents indicate satisfaction with providing services to support senior citizens. These were not rated in the Top 10 most important things for Cortland to focus on to improve resident satisfaction with the County.</td>
</tr>
<tr>
<td>• Investigate opportunities to consolidate County meal prep activities, or contract meal prep</td>
<td></td>
</tr>
<tr>
<td>• Investigate cost and other benefits to County of repurposing space used for cafeteria</td>
<td></td>
</tr>
</tbody>
</table>
Cortland spends 92.8% more on Highway personnel cost per county road mile than peers.
Cortland spends 23% more on the Building department than peer counties
Cortland spends 9% more than peers on building personnel costs
Cortland spends 10% more on the Building department per square foot of maintained facilities than peer counties*

*Square footage data was only readily available for two of the peer counties at the time of this analysis
Spending in Highways and Buildings/Grounds is higher than peers

**Current State**
There are 247 miles of County roads within the 502 square miles of Cortland County.

- Total Highway Expenditures (net of revenues): $5.0M
- Total Building Expenditures (net of revenues): $2.2M

Potential One-Year Opportunity (Highways): $188k
Potential One-Year Opportunity (Buildings): $100k

**Best Practice/ Peer Analysis**
Several peer counties have combined Public Works Departments. Cortland is smaller in area and has fewer miles of County roads than peers.

Cortland spends $5M more in County funds on Highways than peer counties due to significantly lower revenues.

Cortland spends about $850k more on Buildings & Grounds than peer counties, but only takes in about $70k more in revenue.
There may be opportunities to increase revenues and achieve savings with or without full consolidation

**Actions to Deliver**

- Evaluate type and level of revenues in comparison to peers
- Evaluate staffing types and levels compared to peers to identify whether efficiencies can be gained independently of consolidation
- Evaluate tradeoff of physical space vs. increased distance of travel for co-location

**Value**

- 52% of respondents are satisfied with the maintenance of Dwyer Memorial Park and 51% are satisfied with county roads being well-plowed.
- 49% of respondents are dissatisfied with county roads being well-maintained. The second-highest category to improve residents’ satisfaction is having well-maintained county roads
- Respondents indicate they are most willing to reduce maintenance of Dwyer Memorial Park if it meant a reduction of property taxes.
Cortland spends more on Public Health than peers, but spends less of County funds.
Cortland spends more on Mental Health than peers, but spends less of County funds.
Cortland spends more on Public and Mental Health than peers, but spends less of County funds

<table>
<thead>
<tr>
<th>Current State</th>
<th>Best Practice/ Peer Analysis</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public Health and Mental Health Departments are working cooperatively to identify opportunities for joint cost savings.</td>
<td>Peer counties maintain separate Public Health and Mental Health Departments, although Tioga County mentioned cost savings and customer experience improvements from co-locating all Health &amp; Human Services.</td>
</tr>
</tbody>
</table>

Potential Five-Year Opportunity: $50k*

*Assumes cost savings can be achieved through joint software contract

<table>
<thead>
<tr>
<th>Actions to Deliver</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>● Pursue joint contract for Medent software</td>
<td>50% of respondents indicate satisfaction with public health outreach and coordinating public health challenges and 30% of respondents indicate satisfaction with providing and coordinating affordable and high-quality mental health services. Providing and coordinating high-quality mental health services was rated in the Top 10 most important things for Cortland to focus on to improve resident satisfaction with the County.</td>
</tr>
<tr>
<td>● Coordinate billing for services</td>
<td></td>
</tr>
</tbody>
</table>

Although Cortland spends $3M more on Public Health and $1.2M more on Mental Health than peers, overall it spends less of County funds than peers due to the level of revenues received.
Cortland spends a greater proportion of total Health Insurance costs on Retiree Insurance compared to peers.
40% of Cortland’s health insurance expenditures are for retirees

Current State

Cortland currently covers a portion of retirees' health insurance costs based on years of service and retirement year. Cortland contributions range from 50% - 90% of retiree health insurance costs.

Potential Five-Year Opportunity: $207k*

*Long-term opportunity due to labor contracts

Actions to Deliver

- Compare health plans/County contributions to health plans for peer counties
- Compare retiree benefits

Best Practice/ Peer Analysis

Genesee: COBRA available. Retiree pays 100%

Madison: $1.1M spent on retirees aged 65+

Tioga: 30% of total health insurance costs are retiree costs

Value

Managing health insurance costs is critical for obtaining long-term Financial Success.
Cortland only spends 4% more on Community College Tuition than peers; Including Capital Projects contributions, it spends 23% more than peers.
Cortland spends 43% more per capita on education for TC3 than peers

**Current State**

TC3: $1.76M  
Tuition Chargebacks: $350k  
Debt Service: $371k  

Potential One-Year Opportunity: $40k

**Best Practice/ Peer Analysis**

The average sponsorship/chargeback amount among peers is $36.55 per capita.  
Cortland spends 43% more on sponsorship/chargebacks per capita compared to peers

**Actions to Deliver**

- Ensure Cortland County is paying the appropriate level the sponsorship compared to the number of Cortland residents being served.  
- Reduce bond interest payments or reduce sponsorship requirement accordingly.  
- Consider introducing financial oversight performance measures tied to funding levels

**Value**

Ensuring TC3 is properly funded for the residents is critical; ensuring the County is not unduly burdened with financial responsibility supports the Financial Success of the County.
### Current State

Decentralized fleet management, with a combination of owned and leased vehicles. Multiple maintenance plans. Cortland maintains a larger fleet than peers.

**Potential One-Year Opportunity: $40k**

### Actions to Deliver

- Continue working with Enterprise to understand cost saving opportunities of converting more owned vehicles into leased vehicles, as well as utilizing Enterprise for Fleet Management
- Centralize fleet purchasing and management

### Best Practice/ Peer Analysis

Several peers have partnered with Enterprise to evaluate the best-value scenario for their fleets and conduct routine maintenance.

### Value

Optimizing the fleet supports the achievement of Financial Success with minimal to no impact on programs and services delivered to the community.
Recycling Tipping Fees

**Current State**

Tipping fees are charged per ton of recyclable material. Cortland County charges $3/ton and receives approximately 30,000 tons of recyclables annually. Potential opportunity to increase fee to $10/ton.

Potential One-Year Opportunity: $75k

**Actions to Deliver**

- Determine phasing approach for increased tipping fees.

**Best Practice/ Peer Analysis**

Counties across New York and the country are facing challenging markets for recyclables and increased costs, with some New York counties charging more than $100/ton to tip recyclables.

**Value**

- 37% of residents indicate dissatisfaction with landfill and recycling services
- Improving landfill and recycling services is in the Top 10 areas to improve satisfaction of respondents
Retirement Incentives

Current State
There are 50 Cortland County employees over 65, with more under 65 that are eligible for retirement. The potential opportunity is calculated by comparing estimated incentive costs with savings from payroll reduction.

Potential One-Year Opportunity: $43k

Best Practice/ Peer Analysis
Livingston: Uses retirement incentive of $15,000 per employee to manage staffing costs

Reduces the workforce without layoffs. Potential risk of negating savings with incentive packages.

Actions to Deliver
• Determine eligible retirees and if positions must be filled or can be eliminated
• Extrapolate potential payroll savings and compare to cost of retirement incentive and health care costs, and new salary if position must be filled

Value
• Managing personnel costs is critical for obtaining long-term financial success.
• Providing incentives for eligible employees could save the County money in the long-term.
## Almost $1M in 1-year savings

<table>
<thead>
<tr>
<th>Opportunity</th>
<th>Rationale</th>
<th>Variance from Peers</th>
<th>Average Variance</th>
<th>% of Value Realized in Year 1</th>
<th>One-Year Savings Opp</th>
<th>Three-Year Savings Opp*</th>
<th>Five-Year Savings Opp*</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Sheriff’s Office Staffing</strong></td>
<td>- Spend significantly more than peers on staffing</td>
<td>Range: $3.4M above peers - $2.5M below peers</td>
<td>$325k above peers</td>
<td>25%</td>
<td>$81k</td>
<td>$284k</td>
<td>$496k</td>
</tr>
<tr>
<td></td>
<td>- Violent crime rate is 29% lower than peers; Property crime is 28% higher than peers</td>
<td></td>
<td></td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td><strong>Probation Staffing</strong></td>
<td>- Spend significantly more on peers on staffing and has higher number of employees</td>
<td>Range: $378k-$1.1M above peers</td>
<td>$650k above peers</td>
<td>35%</td>
<td>$228k</td>
<td>$703k</td>
<td>$1.2M</td>
</tr>
<tr>
<td><strong>Early Intervention</strong></td>
<td>- While spending is offset by higher revenues than peers, spending is still more than peer avg net of revenues</td>
<td>Range: $400k above peers - $30k below peers</td>
<td>$200k above peers</td>
<td>25%</td>
<td>$50k</td>
<td>$155k</td>
<td>$315k</td>
</tr>
<tr>
<td></td>
<td>- Longer term opp for contracting</td>
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<td></td>
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<td></td>
</tr>
</tbody>
</table>

*3-Year and 5-Year Savings are cumulative. Assumes 3% annual escalation in savings due to rising costs. Additional savings assumed in Year 3 and 5 based on additional time to design and implement savings initiatives to bring spending closer in line with peers.*
## Almost $1M in 1-year savings

<table>
<thead>
<tr>
<th>Opportunity</th>
<th>Rationale</th>
<th>Variance from Peer Avg.</th>
<th>Average Variance</th>
<th>% of Value Realized in Year 1</th>
<th>One-Year Savings Opp</th>
<th>Three-Year Savings Opp*</th>
<th>Five-Year Savings Opp*</th>
</tr>
</thead>
</table>
| **Aging/Senior Services**    | • Spend significantly more than peers on Senior Services, particularly Nutrition  
• Longer term opportunity for contracting | Range: $1.2M above peers - $100k below peers | $600k above peers | 25%                           | $150k                | $464k                   | $886k                  |
| **Highways Staffing**        | • Spend more than peers on staffing  
• Receives less revenue than peers | Range: $65k - $1.8M above peers | $750k above peers | 25%                           | $188k                | $580k                   | $995k                  |
| **Buildings Staffing**       | • Spend more than peers on staffing  
• May be opportunity to consolidate departments, similar to many peer counties | Range: $1M above peers - $200k below peers | $400k above peers | 25%                           | $100k                | $309k                   | $531k                  |
| **Public and Mental Health** | • Spend less of County funds than peers  
• Opportunity for joint contracts and coordination | Range: $900k above peers - $800k below peers | $130k below peers | 0%                            | $0                   | $0                      | $50k                   |

Opportunities continued on next page…
### Opportunity Rationale

<table>
<thead>
<tr>
<th>Opportunity</th>
<th>Rationale</th>
<th>Variance from Peer Avg.</th>
<th>Average Variance</th>
<th>% of Value Realized in Year 1</th>
<th>One-Year Savings Opp</th>
<th>Three-Year Savings Opp*</th>
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</tr>
</thead>
</table>
| Retiree Health Insurance  | • Spend 40% of total health insurance costs on retiree health insurance  
                          • Peers spend 0%-30%                                                       | Range: $1.8M - $6.6M above peers | $2.07M above peers | 0%                           | $0                   | $0                     | $207k                  |
| TC3                       | • Total sponsorship contributions and debt service for TC3 and tuition payments to other community colleges are above peers | Range: $1.2M above peers - $500k below peers | $160k above peers | 25%                          | $40k                 | $124k                  | $212k                  |
| Fleet Size/Management     | • Decentralized fleet mgmt., with a combination of leased and owned vehicles  
                          • Multiple maintenance plans                                               | N/A                     | $100k**          | 25%                          | $25k                 | $77k                   | $133k                  |
| Recycling Tipping Fees    | • Increased fee per ton of recycling to reflect increasing costs of recycling | N/A                     | $300k**          | 25%                          | $75k                 | $232k                  | $398k                  |
| Retirement Incentives     | • Based on difference between 65+ employee salaries and retirement incentives cost | N/A                     | $172k**          | 25%                          | $43k                 | $133k                  | $231k                  |

**Total Opportunity** | **$980k** | **$3.1M** | **$5.7M**

**Values indicate total opportunity, not average variance from peers.**
Section 7

Probation Department
Design
Design Framework – Reform of Service Delivery

Opportunity

Analysis
- Peer Comparison
- Process Reviews
- Financial Analysis
- Personnel Function Evaluation

Impact
- Personnel Impact
- Revenue Impact
- Contracts Impact

Action Items
- Legislative Consideration
- Process Improvements
- Personnel Changes
- Legal Review

Year 1 Results

= Major Decision Point
Why are Cortland County’s Probation expenditures higher than peers?

Areas of Further Investigation in Design Phase

- Tenure of staff
- Job titles/roles
- Case load/productivity
- Crime levels and types of offenses
Cortland County violent crime rates are 29% lower than peers
Cortland’s Active Cases per Probation Officer is very similar to the peer average.

Cortland has 2 Sr. Probation Officers that are grant-funded through DSS and are only able to take on PINS cases.
Genesee had 47% more New Probationers than Cortland in 2019
Cortland’s positive case outcomes are 18% higher than the peer average.
### Probation Design Example

#### Opportunity: $650,000 savings through optimizing personnel

<table>
<thead>
<tr>
<th>Analysis</th>
<th>Impact</th>
<th>Action Items</th>
<th>Results in Year 1: $228k</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cortland has 3-5 more Senior Probation Officers than peers (Probation Officers and Supervisors are about the same)</td>
<td>Cortland County’s violent crime rate is 29% lower than peers, while property crime is 28% higher</td>
<td>2 Sr. Probation Officers focus on PINS and are offset by grant funds through DSS. Opportunity to reduce headcount of remaining Sr. Probation Officers by 1-2.</td>
<td>Based on higher caseloads, there is risk of increase in negative outcomes. If matched Genesee, could increase from 32% to 43%.</td>
</tr>
<tr>
<td>Cortland County’s active caseload is 51% higher than peers. Cortland’s cases per officer are 9% higher</td>
<td>Case load would increase by 7.8% - 16.7% if Probation Officers were decreased by 1-2.</td>
<td>Additional opportunity to reduce 1 Keyboard Specialist to align with peers.</td>
<td></td>
</tr>
<tr>
<td>Cortland County’s Juvenile Caseload (including PINS) is generally lower or on par with peers</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Analysis

- **Cortland** has 3-5 more Senior Probation Officers than peers (Probation Officers and Supervisors are about the same).
- Cortland County’s violent crime rate is 29% lower than peers, while property crime is 28% higher.
- Cortland County’s active caseload is 51% higher than peers. Cortland’s cases per officer are 9% higher.
- Cortland County’s Juvenile Caseload (including PINS) is generally lower or on par with peers.

### Impact

- 2 Sr. Probation Officers focus on PINS and are offset by grant funds through DSS. Opportunity to reduce headcount of remaining Sr. Probation Officers by 1-2.
- Case load would increase by 7.8% - 16.7% if Probation Officers were decreased by 1-2.
- Additional opportunity to reduce 1 Keyboard Specialist to align with peers.
- Based on higher caseloads, there is risk of increase in negative outcomes. If matched Genesee, could increase from 32% to 43%.

### Action Items

- **Legislative Consideration**
- **Transition cases to remaining employees**
- **Process improvements to manage caseloads**
- **Separation agreements**

### Results in Year 1: $228k

= Major Decision Point
Almost $1M in one-year savings; over $5.7M in five-year savings

<table>
<thead>
<tr>
<th>Opportunity</th>
<th>Average Variance</th>
<th>% of Value Realized in Year 1</th>
<th>One-Year Savings Opp</th>
<th>Three-Year Savings Opp*</th>
<th>Five-Year Savings Opp*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sheriff’s Office Staffing</td>
<td>$325k above peers</td>
<td>25%</td>
<td>$81k</td>
<td>$284k</td>
<td>$496k</td>
</tr>
<tr>
<td>Probation Staffing</td>
<td>$650k above peers</td>
<td>35%</td>
<td>$228k</td>
<td>$703k</td>
<td>$1.2M</td>
</tr>
<tr>
<td>Early Intervention</td>
<td>$200k above peers</td>
<td>25%</td>
<td>$50k</td>
<td>$155k</td>
<td>$315k</td>
</tr>
<tr>
<td>Aging/Senior Services</td>
<td>$600k above peers</td>
<td>35%</td>
<td>$150k</td>
<td>$464k</td>
<td>$886k</td>
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<td>Highways Staffing</td>
<td>$750k above peers</td>
<td>25%</td>
<td>$188k</td>
<td>$580k</td>
<td>$995k</td>
</tr>
<tr>
<td>Buildings Staffing</td>
<td>$400k above peers</td>
<td>25%</td>
<td>$100k</td>
<td>$309k</td>
<td>$531k</td>
</tr>
<tr>
<td>Public and Mental Health</td>
<td>$130k below peers</td>
<td>0%</td>
<td>$0</td>
<td>$0</td>
<td>$50k</td>
</tr>
<tr>
<td>Health Insurance</td>
<td>$2.07m above peers</td>
<td>0%</td>
<td>$0</td>
<td>$0</td>
<td>$207k</td>
</tr>
<tr>
<td>TC3</td>
<td>$160k above peers</td>
<td>25%</td>
<td>$40k</td>
<td>$124k</td>
<td>$212k</td>
</tr>
<tr>
<td>Fleet Size/Management</td>
<td>72 vehicles above peers</td>
<td>25%</td>
<td>$25k</td>
<td>$77k</td>
<td>$132k</td>
</tr>
<tr>
<td>Recycling Tipping Fees</td>
<td>$300k</td>
<td>25%</td>
<td>$75k</td>
<td>$232k</td>
<td>$398k</td>
</tr>
<tr>
<td>Retirement Incentives</td>
<td>$172k</td>
<td>25%</td>
<td>$43k</td>
<td>$132k</td>
<td>$231k</td>
</tr>
<tr>
<td><strong>Total Opportunity</strong></td>
<td><strong>$980k</strong></td>
<td></td>
<td><strong>$3.1M</strong></td>
<td><strong>$5.7M</strong></td>
<td></td>
</tr>
</tbody>
</table>
Next Steps
Next Steps: Options for Legislative Consideration

**Option 1:**
Consider Recommendations, Take No Steps at This Time
- **Pros:**
  - No disruption
  - No changes in staffing level
  - No process changes
- **Cons:**
  - Loss of savings opportunity
  - Loss of opportunity to improve service quality
  - Loss of significant long-term savings

**Option 2:**
Implement on Own
- **Pros:**
  - No cost for external support
- **Cons:**
  - Haven’t been successful doing so yet
  - Will take far longer
  - Likely more opinion-based than fact-based

**Option 3:**
Engage External Expertise
- **Pros:**
  - Able to go faster
  - Team exclusively focused on this
  - Likelihood of success much higher
  - Far more fact-based than opinion-based
- **Cons:**
  - Initial cost for external support

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Most Affordable County in New York State

Balanced Budget  High Value/Quality of Service  Engaged Workforce

Consider Recommendations, Take No Steps at This Time

Implement on Own

Engage External Expertise