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Albany comptroller: Government can save money by sharing employees

Michael Conners Albany County Comptroller Mike Conners

ALBANY - Albany County Comptroller Michael Conners said sharing workers among municipalities could be one way to offset a heavy dependence on ever-dwindling sales tax revenues.

Local communities are at risk of losing a collective $28.7 million in sales tax revenue as more people shift their spending to online options rather than big box stores, a concern Conners expressed in May to the county Legislature in his annual report on the county's fiscal health.

Meanwhile, the county alone stands to lose $43.1 million.

About 28 percent of sales tax revenue in Albany County is from non-residents, and as more consumers shift their buying habits to online, that revenue will be lost, Conners said.

The county was one of three counties in the state that saw a decline in sales tax revenue last year, while surrounding counties saw increases. State Comptroller Thomas DiNapoli tied Albany's $1,952,777 decrease to competition from retail store growth in surrounding counties as well as the potential impact of online sales.

Conners said with escalating fringe benefits and associated retirement costs, it's time to develop a plan to share not only resources but people.

"There's not enough people focusing on tomorrow or down the road. You have to plan for 10 years from now so you don't see this go off the cliff," Conners said. "The idea is if we work intelligently with our workforce together, we can bring down the net costs significantly. It's not a big reduction in the body count — it's a reduction in the number of full-time (employees) and starting to share people.

The county Comptroller's Office and the Benjamin Center for Public Policy Initiatives at SUNY New Paltz developed a data tool that tracks every public employee's salary, fringe benefits and retirement costs within Albany County's 20 local governments, and projects future costs 10 years out.

By identifying those who are of retirement age, they can opt to retire early and work part-time, thereby reducing the overall cost of wages, Connors said. Still further, if one municipal department's employee isn't busy on certain days of the week, they could work at another location during those slow days.

The notion of sharing personnel isn't new. In fact, the county's shared services plan identified sharing employees through a centralized process could save $1.3 million.

Conners said he and others will be visiting each of the municipalities to educate officials on the future hurdles and the data tool that could help them properly prepare for the anticipated fiscal changes.

Reductions in sales tax revenue is on the radar for municipal leaders. In the city of Albany's 2018 budget, it reduced the line over $600,000 from 2017's $34 million.

Guilderland Town Supervisor Peter Barber said officials knows sales tax revenues are in danger. While the town doesn't have a retirement incentive, it instead ensures lot development fees and building permits are proper and up-to-date, he said.

"We're always trying to make sure that we're getting the dollars necessary to meet the needs, but we also want to be very fair," Barber said, adding the town is conservative in its expected sales tax revenues.

UPDATE: This story has been updated to include the total amount of sales tax Albany County specifically stands to lose.