

21st Century Local Government: Report of the New York State Commission on Local Government Efficiency and Competitiveness

Executive Summary

The Commission on Local Government Efficiency and Competitiveness was established in April 2007 to examine ways to strengthen and streamline local government, reduce costs and improve effectiveness, maximize informed participation in local elections, and facilitate shared services, consolidation and regional governance.

This report and recommendations are submitted to the Governor, the Legislature, and to the citizens of New York State. It describes the Commission's process and sources of information, including research, public input, and contact with local leaders. The initiatives brought to us by local officials, which we sought to support and learn from, are also described in summary and throughout the report where they relate to particular issues.

Recommendations

This report presents our recommendations, developed over the course of a year. Most are highly specific, but given the breadth of our charge several are general or call for further study. Some proposals can be achieved administratively, but most require statutory change, for which legislation is being prepared. In five instances we call for state constitutional change. Several of our early recommendations were included in the 2008-09 Executive Budget, but most are appearing here for the first time. Our recommendations are presented in brief with this summary and in much greater detail in succeeding chapters along with contextual information and our rationale.

Where we believe that there is a clear need to centralize a particular service we have specifically recommended it. We are very much aware that "one size" may not fit all and that circumstances and needs are very different in communities across New York State. In many areas we are therefore not prescribing a single approach, we are merely recommending that – after local consideration – a choice be made.

Our recommendations lay out a path to a far more efficient and effective local government system. If they are accepted, here are some of the most important changes we envision:

- More services will be provided on a countywide or regional basis, which will both save money and provide better service. In most cases, this will be the result of a local choice to regionalize, but we will tip the balance in favor of making such choices.
- Local governments will operate under more modern, consistent, and understandable rules, and citizens will have a clearer understanding of where responsibility lies for services.
- School consolidation issues will be examined, and it will be more likely that consolidations will occur where they are fiscally and educationally advantageous.

- There will be a local conversation on how fire and emergency medical services can best be provided and the volunteer system preserved, with the likelihood that some counties will move forward with restructuring initiatives.
- Health insurance costs – a major driver of local government expenditures – will be significantly reduced statewide, and we will also address other major cost drivers such as pension contributions.
- With uniform local election days, there will be greater participation in local democracy and voters will be presented with alternatives to continuing business as usual.
- There will be better information on local finances allowing citizens to easily compare their costs for services to neighboring communities.
- We will move away from elective offices for professional functions, such as highway maintenance, giving town boards and supervisors more direct accountability and control.
- We will stimulate local demonstration projects illustrating new models for 21st century governance and encourage collaborative regional action.

Cost Savings

New York State needs to be more competitive in an increasingly global economy, and the costs and effectiveness of government – both state and local – are a big part of this. The State can help by addressing [mandates](#), which we discuss in our section on cost-drivers. Local government service sharing and consolidation can save money, as studies and local actions have demonstrated.

Throughout this report we have cited both research and specific local actions where significant cost savings are available. We have quantified the potential statewide savings from specific recommendations where we could, acknowledging that overall savings will depend upon local choices and actions. In just those areas where we were able to estimate potential statewide impacts – the minority of our recommendations – we have identified more than \$1 billion in savings. These estimates are described in a [staff brief](#), and include potential savings from school district restructuring, minimum employee contributions for health insurance, some policing consolidations, coordinated snow-plowing, special district reforms, and others. Major savings are also available through reformed state oversight of county jails, sharing and consolidation of highway operations, Wicks and procurement reforms, and local government restructuring in general – but the statewide magnitude cannot be estimated at this time.

Individual communities can realize dramatic savings from service consolidations. Perhaps the best current example is from Central New York, where the Town of Clay and Onondaga County have announced a plan to consolidate the Town police force with the County Sheriff's Department. This plan is expected to reduce town tax bills by 20 percent, and save up to \$17 million over 10 years, without reducing service.

Improved Functionality

While our recommendations are aimed at efficiency, in many areas coordinated or consolidated services can also be much more effective, and that is as important an outcome. For example, functions like assessing and tax collection when consolidated at the county level can provide

many improvements, including professionalized services, modern conveniences for taxpayers, and greatly eased governmental administration. County and school taxes would no longer need to be apportioned using state-calculated “equalization rates,” which often cause big swings in tax rates. Emergency dispatch is another vital area where county-level consolidation – already necessitated by the technology needed for mobile 911 calls – could allow for greatly improved service, as well as substantial cost savings. Many broad goals such as sustainable economic growth and community development are really only achievable through coordinated regional action.

Sustaining Our Effort

To make real progress in containing our local property tax burden, aggressive service consolidations and governmental restructuring are needed. This is a complex undertaking, and one that will require a continuing partnership with local governments and an ongoing effort across many state agencies. State and local programs both need to be reviewed on a continuing basis, as local services are provided under state law, programs and funding systems.

Accordingly, we recommend continuation of the Commission’s work through a Center for Local Government Efficiency. This Center could be established without new costs, in the same manner the Commission has operated, utilizing the resources of the many state agencies with missions related to local government efficiency. It would extend the Interagency Task Force which is supporting local reform efforts. This effort could continue the work necessary to implement our recommendations, and would be in a position to follow-through with a continuing focus on local efficiency.

Additional Resources

A great deal of research and public input went into development of these recommendations. We were also inspired by local officials who responded to our offer of assistance for their ideas and initiatives, including shared services, consolidation, regional services and smart growth. For your convenience, a [complete list](#) of Commission recommendations is provided on the Commission website, as well as copies of draft legislation.

We invite you to send us your ideas and reactions to this report, by e-mail (localgov@empire.state.ny.us) or by postal mail (Commission on Local Government Efficiency and Competitiveness, 30 South Pearl Street, Albany NY 12245).

Links are provided throughout this document to issue briefs produced by the Commission and our Interagency Task Force partners and to other studies and reports influential in our deliberations.

If you are reading a paper copy of this report, an appendix lists the links provided in the text. You may also access these documents and other useful resources via the Commission website at: nyslocalgov.org.