Making Change in Upstate New York

Presentation to the conference on

**STATE OF UPSTATE NEW YORK: RESILIENCY, PARTNERSHIPS AND INNOVATION**

**SYRACUSE, NEW YORK**
**JUNE 8, 2011**

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How many local governments does it take to change a light bulb? Change??
Four Topics

1. Everything Jerry said
2. Paradoxes of change
3. New York’s brand of change
4. Making change
I love you, you’re perfect, now change.

I hate you, you’re awful, never change.
Paradoxes of Change for Local Government

Jan. 2011, Upstate New Yorkers’... 

...Satisfaction with the Effectiveness of Their Local Government: 

\[ \frac{1}{3} \text{ Satisfied} \]
\[ \frac{1}{3} \text{ Dissatisfied} \]
\[ \frac{1}{3} \text{ Neither Satisfied or Dissatisfied} \]

...Satisfaction with Local Leaders: 

64% say local elected leaders are somewhat to very prepared to effectively serve community
The Paradox of Change for Local Government

April 2011, Upstate New Yorkers on...

...the number of cities, towns and villages in New York State:

  too many 55%

...the number of school districts (all New Yorkers):

  too many 22%

New Yorkers’ confidence in local government decision makers...

  They’ll do what’s best for where I live 60% agree or strongly agree
New York’s Brand of Change

Nonetheless, structural change happens, most involving special-purpose governments.

Between 1992 and 2007, percent change in the number of...

<table>
<thead>
<tr>
<th>Type</th>
<th>U.S. Percentage</th>
<th>NYS Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>municipalities (cities, villages)</td>
<td>1.1%</td>
<td>-0.2%</td>
</tr>
<tr>
<td>towns or townships</td>
<td>-0.8%</td>
<td>0.0%</td>
</tr>
<tr>
<td>school districts</td>
<td>-9.5%</td>
<td>-4.6%</td>
</tr>
<tr>
<td>special districts</td>
<td>18.5%</td>
<td>14.2%</td>
</tr>
</tbody>
</table>
New York’s Brand of Change

Formations are rare for towns, cities and school districts, and occasional for villages.

Since 1920...

Incorporation and Formation:

- **2 towns** (most recent East Rochester in 1982)
- **3 cities** (most recent Rye in 1944)
- **5 school districts** (since 1980; offset by 37 consolidations)
- **125 villages** (most downstate; most recent in 2010)
New York’s Brand of Change

Dissolutions are rare for towns, occasional for villages and ample for school districts, especially from 1920 to 1960.

Dissolution/Consolidation:

2 towns (since 1920, most recent in 1973)

47 villages (since 1900, most recent in 2011)

Thousands of school dists. (since 1920, 37 since 1980)
New York’s Brand of Change

March 2008-March 2010
8 village dissolution votes:
6 approved and 2 rejected.

Since March 2010
14 village dissolution votes:
2 approved and 12 rejected.
Making Change

In Upstate, stars are aligned (or it’s a perfect storm) for structural change.

- **Economic:** *national recession; Wall Street to Main Street “declines”; end of the stimulus*
- **Fiscal:** *state deficits, “legacy” costs; declining revenues, increasing needs*
- **Demographic:** *smaller, older, poorer populations, with newcomers in ascendance*
- **Political:** *anti-government, anti-tax, anti-spending, anti-incumbent sentiment, and in New York the Governor wants fewer governments*
- **Legal:** *March 2010 legislation facilitates citizen-led government reform*
Overall, would you be for or against your local government consolidating with another town, city, or county?

*Presents percentage reporting “For”

*Not asked of New York City residents
Making Change

Expect a lot of activity, especially Upstate, but still shy of structural change.

- Reduced state aid
- Tax cap with limits on spending (e.g., health care and pensions)
- Wage freezes, higher employee health and pension contributions
  - Significant use of reserve funds
  - Layoffs
  - Program reductions
- Multi-year budget requirements
- More extensive and innovative service sharing, esp. personnel
  - Regionalization for cost and quality
- Debates over unfunded mandates, labor union contracts
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