

Benchmarking New York

Counties, Cities, Towns and Villages

New York State residents pay some of the highest local taxes in the nation. To help New Yorkers compare some of the basic fiscal measures for local governments, the Empire Center for Public Policy has calculated effective property tax rates and per-capita values for the spending, debt and tax levels of counties, cities, towns, villages and school districts¹ throughout the state, excluding only New York City.

Government performance should be measured against standards set by competitors and peers. Spending, debt and taxes are all key indicators that affect taxpayers.

Derived from self-reported statistics gathered annually by the Office of the State Comptroller, the result is a database of measures that taxpayers can use as benchmarks for evaluating local governments.

Businesses have long known the benefits of benchmarking—measuring performance against standards set by competitors and peers. Benchmarks in isolation may say little about the quality of management or public services in different communities. However, by spotlighting differences and trends, the benchmarks in this report provide a framework for evaluation. And they provide goals for improvement for governments that need to compete more effectively to attract jobs and promote economic growth.

Our statewide findings, displayed in Table 1 on page 4, provide the highest benchmarks for the major categories of spending, taxes and debt. We further broke down the findings by region and by small, medium and large jurisdictions. Here are just a few examples of what the data show:

- Among the five largest cities, Yonkers has the highest per-capita tax and per-capita debt burden. However, Rochester leads in per-capita spending, and Albany has the highest effective property tax rate.
- Onondaga County trumps all mid-sized county governments in spending per-capita, while Saratoga County stands out because it has both low spending and a low effective property tax rate.
- North Hempstead, in Nassau County, is the second-highest spending and most heavily indebted large town. Its per-capita debt is more than double the average of its peers (excluding Oyster Bay, most heavily indebted in prior years, which failed to report 2015 data).
- The five highest-spending villages are all located on Long Island, averaging \$81,359 per person. Upstate villages spend comparatively low amounts but have high effective property tax rates.

To further empower taxpayers to dig beneath the summary numbers, we have created a searchable online tool, including categorical breakdowns of spending, for all 2,293 counties, towns, cities, villages and school districts. Benchmarking NY at SeeThroughNY.net lets users rank and compare spending, tax, and debt measures for local governments. With the 2015 fiscal year data, there are now nine years of data to explore in Benchmarking NY.

It's all (sometimes) relative

Considered on a statewide basis, the data reflect vast differences in the cost of living and in property values between upstate and downstate regions.² Downstate communities have below-average effective property tax rates (but above-average per-capita taxes), while effective property tax rates tend to be highest upstate. Even allowing for such differences, grouping local governments by region and size reveals some significant differences among peers.

Why do some governments tax, spend or borrow so much more, or less, than their peers? By prompting such questions, benchmarking promotes a public dialogue about the forces driving costs for taxpayers.

For example, the city of Jamestown spends nearly twice as much as the similarly-sized city of North Tonawanda. The Westchester County town of Bedford spends 182 percent more per capita than the neighboring town of Somers. And in Central New York, the city of Oswego's per-capita debt is more than triple the amount reported by the city of Cortland, in the same region.

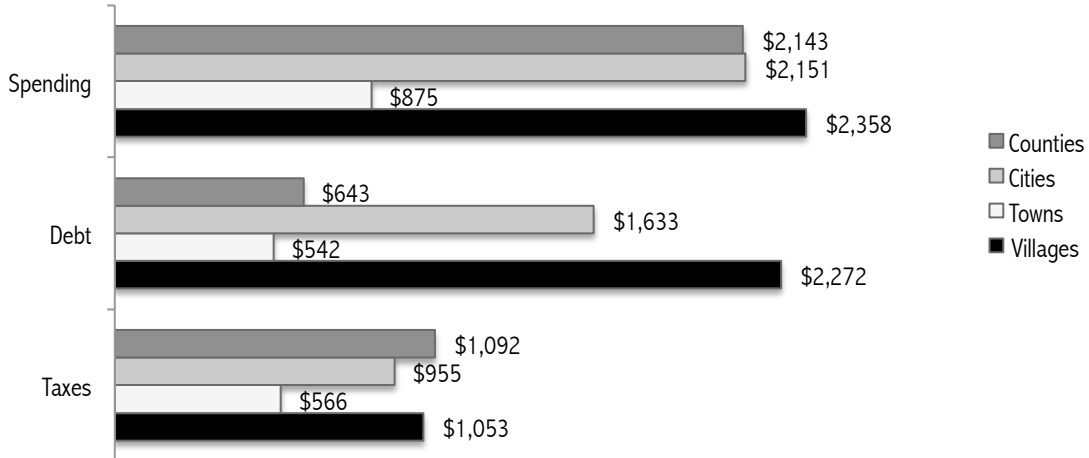
The data offer possible answers for such disparities (among other things, Jamestown operates a municipal electric utility service and Bedford spends heavily on public safety). Local officials can undoubtedly add some explanations of their own.

The purpose here is not to stigmatize, but to raise questions—and promote informed public discussion of the forces driving high local taxes in every corner of New York. The sluggish economic recovery in the aftermath of the Great Recession has only intensified the urgent need to reduce taxes at every level of government.

Governor Cuomo has focused on shared services and consolidation as a response to high local spending and taxes. To be sure, there are opportunities in this area, as the Empire Center has highlighted in two reports.³ The good news is that there already are many cases of service-sharing arrangements involving different government entities throughout the state. These arrangements can be expanded or serve as examples for more jurisdictions.

However, consolidations or service-sharing arrangements are not a panacea.⁴ It's time to start seriously scrutinizing our local governments' bottom lines. It's time to demand appropriate actions to reduce costs, improve efficiency, and make our communities more affordable and competitive. Benchmarking fiscal outcomes is a necessary first step towards achieving these goals.

Per-Capita Averages for Counties, Cities, Towns, and Villages 2015



Source: Office of State Comptroller, further calculations by the Empire Center for Public Policy.

On a per-capita basis, as shown above, towns have the lowest tax, debt, and spending levels among local governments. Villages have the most debt, while counties collect the most in total taxes per capita—which reflects their control of sales taxes.

Methodology

Local governments and school districts report their expenditure, tax and debt data in annual reports compiled by the Office of the State Comptroller (OSC), which in turn posts the data on the internet.

To allow for more meaningful comparisons, the Empire Center recalculated the OSC data on taxes, debt and spending as per-capita values—i.e., relative to population. Property tax burdens were recalculated as effective rates, based on OSC estimates of assessed property values converted to full value based on equalization rates. Local governments also were organized into population size bands—small, medium and large—based on population. Finally, they were grouped by economic development region.

A searchable database of tax and spending benchmarks for villages, towns, cities and counties has been posted at SeeThroughNY.net/benchmarking.

The database allows users to generate a single benchmark report; a comparison of several local governments; or a ranking of local governments for different measures of taxes, debt and expenditures. Users can also download the complete spreadsheets used to generate the reports.

¹ Because population breakdowns are not available for special districts, they are excluded.

² Compare local governments using the Benchmarking web app at SeeThroughNY.net/benchmarking

³ EmpireCenter.org/empire-ideas

⁴ See, for example, Cox, Wendell *Government Efficiency: The Case for Local Control*. Albany, New York: The Association of Towns of the State of New York (2008).

Table 1. 2015 Local Government Highest Benchmarks

Size/Region	Municipality Type	Per-Capita Spending		Per-Capita Debt		Per-Capita Taxes		Property Tax Rate*	
Large	Counties	Westchester	\$2,712	Nassau	\$3,045	Nassau	\$1,605	Erie	0.54%
	Cities	Rochester	\$2,967	Yonkers	\$2,819	Yonkers	\$1,508	Albany	1.31%
	Towns	Amherst	\$1,333	North Hempstead	\$1,496	Amherst	\$755	Amherst	0.84%
	Villages	Scarsdale	\$3,571	Tarrytown	\$3,912	Scarsdale	\$2,329	Hempstead	2.22%
Medium	Counties	Onondaga	\$2,606	Rockland	\$2,023	Ontario	\$1,261	Chautauqua	0.90%
	Cities	White Plains	\$3,570	Glens Falls	\$3,750	White Plains	\$1,979	Binghamton	2.48%
	Towns	Massena	\$5,638	East Hampton	\$4,849	East Hampton	\$3,951	Cheektowaga	1.42%
	Villages	East Hampton	\$18,400	Schuylerville	\$10,653	East Hampton	\$11,625	Herkimer	2.25%
Small	Counties	Lewis	\$5,270	Sullivan	\$1,013	Hamilton	\$2,374	Allegany	1.58%
	Cities	Salamanca	\$2,920	Hudson	\$2,159	Hudson	\$1,041	Little Falls	1.99%
	Towns	Newcomb	\$11,018	Santa Clara	\$4,957	Newcomb	\$8,388	Alma	1.45%
	Villages	Saltaire	\$229,834	Saltaire	\$265,676	Saltaire	\$61,281	Angelica	1.29%
Capital Region	Counties	Columbia	\$2,431	Rensselaer	\$1,314	Warren	\$1,503	Schenectady	0.76%
	Cities	Glens Falls	\$3,018	Glens Falls	\$3,750	Saratoga Springs	\$1,286	Schenectady	1.54%
	Towns	Prattsville	\$3,405	Putnam	\$4,302	Hague	\$2,187	Prattsville	0.85%
	Villages	Lake George	\$9,839	Lake George	\$11,512	Lake George	\$2,321	Whitehall	1.85%
Central New York	Counties	Onondaga	\$2,606	Onondaga	\$1,377	Cortland	\$1,289	Cortland	1.43%
	Cities	Oswego	\$2,552	Oswego	\$3,101	Oswego	\$1,371	Fulton	1.83%
	Towns	Redfield	\$1,557	New Haven	\$4,066	Redfield	\$1,236	New Haven	1.35%
	Villages	Cayuga	\$9,149	Cayuga	\$11,147	East Syracuse	\$1,047	East Syracuse	1.63%
Finger Lakes	Counties	Wyoming	\$2,833	Monroe	\$992	Ontario	\$1,261	Orleans	0.99%
	Cities	Rochester	\$2,967	Geneva	\$3,740	Rochester	\$1,014	Geneva	1.88%
	Towns	Oakfield	\$2,325	Varick	\$3,171	Wethersfield	\$1,498	Genesee Falls	1.40%
	Villages	Arcade	\$5,787	Castile	\$9,847	East Rochester	\$931	Lyons	1.96%
Long Island	Counties	Nassau	\$2,677	Nassau	\$3,045	Nassau	\$1,605	Nassau	0.47%
	Cities	Long Beach	\$3,384	Long Beach	\$3,274	Glen Cove	\$1,228	Glen Cove	0.81%
	Towns	East Hampton	\$5,319	East Hampton	\$4,849	Shelter Island	\$4,211	Babylon	0.47%
	Villages	Saltaire	\$229,834	Saltaire	\$265,676	Saltaire	\$61,281	Hempstead	2.22%
Mid-Hudson	Counties	Westchester	\$2,712	Rockland	\$2,023	Sullivan	\$1,323	Sullivan	0.75%
	Cities	White Plains	\$3,570	Yonkers	\$2,819	White Plains	\$1,979	Newburgh	2.14%
	Towns	Hardenburgh	\$4,886	Bedford	\$2,134	Hardenburgh	\$3,709	Fallsburg	1.24%
	Villages	Tuxedo Park	\$7,817	Tuxedo Park	\$7,903	Tuxedo Park	\$5,778	Ellenville	2.12%
Mohawk Valley	Counties	Hamilton	\$3,455	Oneida	\$756	Hamilton	\$2,374	Montgomery	1.22%
	Cities	Little Falls	\$1,946	Rome	\$2,142	Little Falls	\$868	Little Falls	1.99%
	Towns	Arietta	\$6,001	Wells	\$2,922	Arietta	\$5,613	Oppenheim	0.75%
	Villages	Speculator	\$4,477	Sylvan Beach	\$6,872	Speculator	\$2,575	Herkimer	2.25%
North Country	Counties	Lewis	\$5,270	Essex	\$963	Essex	\$1,314	Lewis	0.76%
	Cities	Plattsburgh	\$2,889	Plattsburgh	\$1,570	Watertown	\$980	Ogdensburg	1.67%
	Towns	Newcomb	\$11,018	Santa Clara	\$4,957	Newcomb	\$8,388	Russell	1.17%
	Villages	Deferiet	\$8,468	Cape Vincent	\$13,465	Lake Placid	\$1,515	Malone	1.69%
Southern Tier	Counties	Broome	\$2,588	Broome	\$789	Schuyler	\$1,255	Chenango	1.08%
	Cities	Binghamton	\$2,815	Binghamton	\$3,074	Corning	\$1,029	Binghamton	2.48%
	Towns	West Union	\$2,451	Pulteney	\$3,678	West Union	\$1,500	Lincklaen	1.13%
	Villages	Milford	\$12,513	Whitney Point	\$6,923	Cooperstown	\$1,231	Endicott	1.80%
Western New York	Counties	Cattaraugus	\$2,728	Erie	\$657	Cattaraugus	\$1,141	Allegany	1.58%
	Cities	Jamestown	\$3,033	Olean	\$2,109	Tonawanda	\$1,063	Lackawanna	2.30%
	Towns	Red House	\$3,174	Caneadea	\$3,240	Red House	\$2,994	Alma	1.45%
	Villages	Ellicottville	\$5,299	Canaseraga	\$6,541	Ellicottville	\$1,732	Wellsville	1.74%

* Property Tax Rates are Estimated Market Rates, based on Office of the State Comptroller estimates of assessed property values converted to full value based on equalization rates.

Source: Office of the State Comptroller, Empire Center calculations