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The morning after in newly merged Onondaga/Syracuse: consolidation will not deliver savings anticipated.

The Consensus draft report suggests the way forward is a consolidation of local government focused on merging the County and City. This plan has been touted as a way to make the area more competitive. My review of the report leads me to the conclusion its solutions will fail to live up to the community's expectations. No matter the entity name, Syradaga or Ononcuse, or the new government structure, I believe we will be disappointed, not because of the efforts of a volunteer group of concerned citizens, but because too much government spending, taxation and regulation is outside our local control.

Contrary to the assertion of consolidation proponents, the problem is not the exaggerated claim of "10,000" local government, but rather the one state government. In Onondaga County, our single biggest cost driver is Medicaid. I am hesitant to use the trite term "unfunded mandate", but there is no other way to describe what New York State forces upon counties, cities and school districts. A review of Medicaid spending across the country shows New York spends a disproportionate amount on this one program,[1] and you may have heard it before, New York spends more than Florida and Texas combined and spends nearly as much as California, a state roughly twice our population.

While there has been some relief of late, Medicaid comprises about $110 million of our $140 million property tax levy because the State forces approximately twenty five percent of this cost onto county government. New York spends more per capita on Medicaid than the ten most populous states. (GRAPH BELOW) Our local tax bills are also filled with other unfunded mandates so even if we follow each and every recommendation of the Consensus report, the newly combined entity will still have to deal with the New York State rules and regulations which mandate spending in certain areas.

Consensus does not suggest areas in which we can cut services. Our roads will still need to be plowed, our garbage picked up, and our streets patrolled. Regardless of the entity cutting the paycheck or the name on the sides of the trucks, these tasks must be accomplished. My suggestion for a way forward is to look at how other areas conduct their local affairs. Unlike Consensus though, I believe the focus of such a review needs to be on the actual functions of government, not the structure.

If we do not address the cost drivers of government, and the rules by which we govern, we will only have a larger inefficient government with just as much tax and spending the day after the merger. In comparing ourselves to the "uni-govs" we must examine the rules by which they operate. Does Jacksonville collect trash from the curb cheaper than us? Can Louisville build a public building less expensively than us? Does Indianapolis provide fire protection at a lower cost? If the answer to these questions is yes, then how so? Are the savings found in the structure or in the state laws governing how local governments function?

Of course local governments must do their part and locally our CSI (Consolidation, Shared Services, Integration) Tax Force has assisted towns, villages and fire districts in being more efficient. However this

[1] http://kff.org/medicaid/state-indicator/total-medicaid-spending/

discussion on spending is much older than Consensus. A headline from November 21, 1988 in the Post Standard said "New York near tops in Taxes, Spending, Census Bureau Says". In nearly thirty years since, it is sad to say our State leaders have failed to change that fact.