

Has the Time Come for The City of Cobleskill?

Consideration of Key Questions about
City Status

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Village of Cobleskill

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Summary

The concept of the City of Cobleskill has been under exploration by the Village and Town of Cobleskill for many years. There are some substantial benefits to the residents and community in terms of increased sales tax revenue and a greater share of state aid if they became a City. However, there appear to be several negative impacts to becoming a City that may prevent the necessary political support from developing. The chief negative impact is that the Cobleskill-Richmond Central School District (CRCSD) would need to become a small city school district. This transition has drawbacks related to finances and governance that will likely prevent the CRCSD leadership from supporting a move to city status.

The table below summarizes the impacts as identified through our research and the following report gives additional details.

Area	Impact of City Status
Sales Tax	Substantial increase from \$165,000 combined in FY2021 to a forecast of over \$3.0 million if a sales tax intercept was enacted.
State Aid	Small cities receive substantially more per capita aid (\$160) than Towns (\$7) or Villages (\$8) for perhaps \$1.0 million, if the AIM formula was adjusted to fund the new city in a comparable manner.
Mortgage Recording Tax	Minimal increase over current situation.
Government Powers	Essentially the same for Cities as Towns and Villages, although minor differences do apply.
County Representation	The City Mayor would likely replace the Town Supervisor on the Board of Supervisors.
Fire Service	No discernable change.
Police Service	Police would need to patrol whole area of the City leading to a need to expand services
Courts	The Court would transition to a City Court and would be administered by the State. This would remove the cost from the City, require the judge to be an attorney, and lead to probable changes in the physical space.

Area	Impact of City Status
Public Works	The two separate departments would merge into one. However, since their services have little overlap, there would be minimal change in the operations, staffing or costs.
Planning	The separate departments would be combined. The merged workload would be the same as today for the staff, which might require hiring a part time employee. The planning board would need to be reorganized.
School District	The CRCSD would transition to become a Small City School District. This would have the following impacts: reduced debt limit, potentially reduced transportation for students near schools, and changes to the BOCES partnership.

While becoming a City would benefit Cobleskill financially and likely improve services for most of its residents, there are several significant political obstacles the Town and Village would need to overcome on their joint journey. To become a City, the residents of the Town and Village would need to convince the State Legislature to enact a law to form the City. Although not explicitly spelled out in law, the first step would be the creation of a City Charter that is then adopted by both the Town and Village by referendum. The support of both the State Senator and Assemblyman for Cobleskill is key to the process because they would need to support the required legislation and advocate for its passage. The process of becoming a city would also benefit from the support of the County Board of Supervisors and the Cobleskill-Richmondville Central School District. The latter two organizations will likely oppose the transition because of the negative financial impacts it will have on them.

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Background

The Town and Village of Cobleskill have regularly revisited the question of whether a conversion to a city would allow it to better serve its residents. Cities in New York State have the potential for more authority over the sales tax generated within their boundaries than do villages or towns. Cities can pre-empt the sales tax generated within their boundaries and take up to 50% of that sales tax for their own general budget purposes.

As the main population and commerce hub in Schoharie County, the Village and Town of Cobleskill generate the largest portion of sales tax revenue in the County. However, they receive only a fraction in return to support municipal services to the 1 in 5 County residents that live there, the largest share in the County.

A potential reorganization into a city would have wide-ranging impacts on the residents of the area. The Village of Cobleskill contracted with CGR to conduct an initial high-level analysis of the benefits, costs, service changes and political hurdles associated with a potential reorganization to city status. This report outlines findings from this first phase of our work.

While there has not been a new city created in New York for eighty years and the political path for Cobleskill will be difficult the benefits of becoming a city may be worth the effort for the Village and Town.

Should there be adequate evidence and support from residents and political leaders, CGR may embark on a more in-depth review of the current municipal services and financial situation to develop a detailed model of a future municipality, describe the impacts of changing to it and outlining steps for shifting to a city status.

Key Questions & Implications

CGR worked closely with representatives of the Village and Town of Cobleskill to identify the key questions that need to be addressed before the effort to create a city should be pursued. The potential future city of Cobleskill would include the full territory of the Town of Cobleskill including all of the Village of Cobleskill. The decision to consider city status rather than dissolving the village or creating a coterminous Town and Village is predicated on the perceived advantages that would come with city status.

From NYS Local Government Handbook¹:

No general law provides authority for the incorporation of cities; there is no statutory minimum size, either in population or geographical area, which must be met for an area to become a city. Furthermore, there is no concept of progression from village to city status. The primary difference between a city and a village is that the organization and powers of cities is set out in their own charters, while most villages are organized and governed pursuant to provisions of the Village Law. Also, unlike a city, a village is part of a town, and its residents pay town taxes and receive town services.

The Legislature may incorporate any community of any size as a city. In fact, most of the state's 62 cities have populations smaller than the population of the largest village, whereas over 150 of the state's 544 villages have populations greater than that of the smallest city. As a practical matter, the State Legislature does not create cities without clear evidence from a local community that its people desire incorporation. This evidence ordinarily is a locally drafted charter submitted to the Legislature for enactment and a home rule message from local governments that would be impacted by the incorporation.

A new city of Cobleskill would have a population of about 6,100 residents in about 30 square miles. This would make it the 6th least populous city and the lowest population

¹ New York Local Government Handbook,
https://dos.ny.gov/system/files/documents/2023/01/localgovernmenthandbook_2023_0.pdf

density of a city in New York. The primary motivation for the exploration of converting to city status is focused around developing an improved financial situation through increased revenue from sales tax and improved state aid. However, there are important impacts to other aspects of local government, chiefly to the school district.

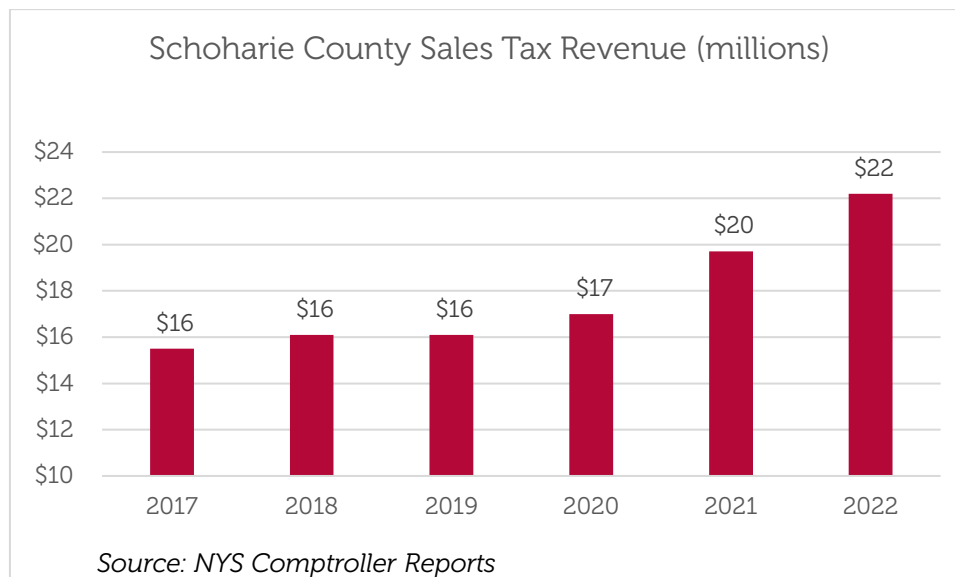
Financial Implications

Sales Tax

In Cobleskill, many sales are taxed by both the state and county. The New York State sales tax rate is 4% and the Schoharie sales tax rate is also 4%. Towns and villages do not tax sales, but cities are authorized to “intercept” a share of the county sales tax (see below).

Schoharie County Sales Tax Sharing

Schoharie County has a 4% tax on sales and uses of tangible personal properties, on certain services and occupancy of hotel rooms, admission charges, and club dues. The total amount received by the County has been increasing steadily in recent years from \$15.5 million in 2017 to \$22.2 million in 2022.



All sales tax collections distributed to Schoharie County by the State Tax Commission are retained by the County for County purposes, with the exception of 5% of the total collected. The County distributes that fraction to the towns and villages within the County based upon total assessed value (TAV) of real property. Total Assessed Value as a basis for sales tax sharing is disadvantageous to the Town and Village of Cobleskill. The Village has a substantial share of its property in a tax-exempt status because of the college and the presence of numerous non-profit organizations.

The Village and Town of Cobleskill represent 10.8% and 6.2% of the County assessed value respectively – or 17% combined. Gilboa has the next highest percentage at 12.4%.

In FY2021, the Town received \$39,957 and the Village \$124,012 in sales tax from the County. Over the last four years, the Town has averaged \$33,000 in sales tax from the County and the Village \$112,000.

Schoharie County budgeted for \$17.8 million in sales and use tax revenue in FY2022 and received \$6.395 million in the third quarter.² Of this third quarter revenue, the County shared \$319,785 with local municipalities. The Village and Town of Cobleskill received \$34,707 and \$19,861 respectively³ which will lead to this year being the highest for sales tax distribution.

Municipality	2020 Population	Share of Population	Share of Total Assessed Value	3 rd Quarter 2022 Sales Tax Distribution
Blenheim	308	1.0%	4.81%	\$15,382
Broome	863	2.9%	3.06%	\$9,780
Carlisle	1768	6.0%	5.20%	\$16,639
Cobleskill (T)	6086	20.5%		
Cobleskill (V)	4713	15.9%	10.85%	\$34,708
Cobleskill (XV)	1373	4.6%	6.21%	\$19,861
Conesville	687	2.3%	3.32%	\$10,616
Esperance (T)	1806	6.1%		
Esperance (V)	346	1.2%	0.58%	\$1,866
Esperance (XV)	1460	4.9%	3.26%	\$10,427
Fulton	1199	4.0%	3.76%	\$12,039
Gilboa	1111	3.7%	12.37%	\$39,560
Jefferson	1333	4.5%	4.58%	\$14,641
Middleburgh (T)	3112	10.5%		
Middleburgh (V)	1131	3.8%	3.03%	\$9,704
Middleburgh (XV)	1981	6.7%	4.65%	\$14,881
Richmondville (T)	2466	8.3%		
Richmondville (V)	858	2.9%	1.29%	\$4,135
Richmondville (XV)	1608	5.4%	4.37%	\$14,000

² Source: Schoharie County Finance Committee Meeting Minutes November 16, 2022
https://www4.schohariecounty-ny.gov/PdfFiles/BoardOfSupervisors/SchoCom8_98356.pdf

³ Schoharie County Resolution No. 102: Apportionment of Sales Tax Revenue Sharing Among Respective Towns and Villages for 3rd Quarter 2022. https://www4.schohariecounty-ny.gov/PdfFiles/BoardOfSupervisors/SchoRes4_98345.pdf

Municipality	2020 Population	Share of Population	Share of Total Assessed Value	3 rd Quarter 2022 Sales Tax Distribution
Schoharie (T)	3107	10.5%		
Schoharie (V)	916	3.1%	2.96%	\$9,455
Schoharie (XV)	2191	7.4%	6.37%	\$20,371
Seward	1583	5.3%	3.62%	\$11,578
Sharon (T)	1697	5.7%		
Sharon Springs (V)	483	1.6%	3.49%	\$11,176
Sharon (XV)	1214	4.1%	3.33%	\$10,646
Summit	1072	3.6%	3.48%	\$11,128
Wright	1516	5.1%	5.38%	\$17,193

Source: Census, Schoharie County Finance Committee Meeting Minutes November 16, 2022 https://www4.schohariecounty-ny.gov/PdfFiles/BoardOfSupervisors/SchoCom8_98356.pdf

Individual counties in New York establish their own sales tax sharing regimen and are able to make revisions through changes to county laws. There is wide variation⁴ in how counties handle distribution to local municipalities. Schoharie is not alone in giving a minimal share to its municipalities, in fact 11 counties without cities within their borders do not share any of the sales tax.

Sales tax generation

A substantial portion of sales that occur in the Schoharie County are believed to occur in the Town and Village of Cobleskill. Unfortunately, New York State only provides sales tax data at the county level and for cities that intercept the sales tax. There is no public data available for taxable sales in towns, villages or the cities that do not intercept sales taxes. A FOIL request was denied stating that providing data at a more granular level would be a violation of privacy of those taxpayers.

The Census conducts a survey of economic activity at the level of villages every five years. The most recent village-level data, released in 2020, was for 2017. The value of retail sales in the Village of Cobleskill in 2017 was 38% of the total retail sales in the County. This calculation can be used as a proxy to estimate that nearly 4 in 10 dollars in retail sales in the County occur in the Village. One caveat, this data collection occurred before a revision to sales tax laws that enabled the collection of tax on on-line sales.

⁴ <https://www.osc.state.ny.us/files/local-government/publications/pdf/understanding-local-government-sales-tax-in-nys-2020-update.pdf>

2017 Sales Data		
	Number of Retail Firms	Sales, value of shipments, or revenue of employer firms (\$1,000s)
Schoharie County	86	\$415,310
Cobleskill Village	24	\$156,971
Share in Cobleskill	28%	38%
Source: Census Annual Business Survey https://www2.census.gov/programs-surveys/economic-census/data/2017/abs		

Under Article 29 of the Tax Law, a county, and cities within a county, are generally authorized to adopt and amend local legislation establishing in any such city or county, sales and compensating use taxes ("sales tax") up to a combined maximum of 3% in conformity with Article 28 of the Tax Law (Tax Law §1210). The sales tax may be a general sales tax, (Tax Law §1210(a)(1)) or a limited sales tax on utility services, restaurant meals, hotel room occupancy, amusement admissions, or any combination thereof (Tax Law §1210(b)(l), also Tax Law §1105(b)(d)(e).

Each jurisdiction is given the prior right to enact a general sales tax up to a rate of 3% (Tax Law §1224). As well, counties are given specific and varying ability to impose additional levies on top of this base rate. Schoharie County has a general sales tax of 4%. There are no cities in the County, so it collects all the sales tax.

If there was a City of Cobleskill, it would be empowered to intercept a portion of the County's share of the sales tax. For illustrative purposes, we assume the City would levy a 1.5% sales tax. If this had been in place in State Fiscal Year 2021-2022 and if we assume that 38% of the County's sales occurred in the City, then there would have been an estimated \$2.8 million in revenue for the City. This has been a growing source of revenue for the County and would have been for a City of Cobleskill.

State Fiscal Year	County Total Taxable Sales	Schoharie Sales Tax	Estimated Sales in Cobleskill	Potential Cobleskill City Revenue
2015 - 2016	\$352.8	\$14.1	\$134.1	\$2.01
2016 - 2017	\$367.6	\$14.7	\$139.7	\$2.10
2017 - 2018	\$380.4	\$15.2	\$144.5	\$2.17
2018 - 2019	\$398.8	\$16.0	\$151.5	\$2.27
2019 - 2020	\$414.4	\$16.6	\$157.5	\$2.36
2020 - 2021	\$434.4	\$17.4	\$165.1	\$2.48
2021 - 2022	\$506.0	\$20.2	\$192.3	\$2.88
2022-2023 (Forecast)	\$587.0	\$23.5	\$223.0	\$3.35
All figures in <i>millions</i> . Source: NYS Taxable Sales and Purchases Quarterly				

State Aid

A potential City of Cobleskill would have other increases in revenue beyond the Sales Tax mentioned above. The largest increase would likely come from an increase in the Aid and Incentives to Municipalities (AIM) aid that would be received. The Town received \$44,258 in 2022 for an approximated \$7 per capita for all Town residents. The Village received \$36,461, approximately \$8 per capita, for the Village only residents. The average aid for small cities was about \$160 per capita. Using this, the City might receive \$1.06 million in AIM if the AIM formulas produced an average per capita amount. However, this would require the AIM allocation to be adjusted in the State Budget.

Mortgage Recording Tax

Cities may also receive a higher share of the Mortgage recording tax that do either towns or villages. In 2021, the Village received \$42,000 and the Town received \$70,000. The impact of becoming a city requires additional research to determine the change in Mortgage recording tax, but our initial survey indicates that a City would receive slightly more than the Town and Village combined.

Municipal Operations Implications

Governmental powers

Article IX of the New York State Constitution, as implemented by the Municipal Home Rule Law, confers essentially the same legislative powers on cities and villages.

Both forms of local government are authorized to enact and amend local legislation with respect to their government organization and operation consistent with the State Constitution and State general laws. Thus, transition from a village or town to a city form of government provides no significant advantages with respect to local legislative powers.

County Representation

The Town of Cobleskill Supervisor is the current representative to the Schoharie County Board of Supervisors. Should the Town and Village become a city, representation would shift to the elected Mayor of the City with equal voting rights as the current Town Supervisor.

Fire Service

The Village of Cobleskill has a fire department that provides service to the entire Village, Town and some neighboring areas in Richmondville and Seward. The fire department is a fully volunteer fire department. There are about 85 total volunteers in the company. About a quarter of the volunteers are qualified as interior firefighters.

The department responds to about 200 calls per year. The primary apparatus are three engines, a ladder truck and a tanker.

If Cobleskill were to incorporate as a city, there would be no obvious changes for the department. While cities are required to have fire departments, there is no requirement for those departments to be paid. Cities are authorized to enter into contracts with other municipalities to provide fire services like the Village currently provides.

Police Department

The Village of Cobleskill Police Department only provides service for the Village. The Town of Cobleskill receives its law enforcement from the New York State Police and the Schoharie County Sheriff's Road Patrol. If the area became a City, law enforcement would primarily be handled by the newly formed city's police department. The Village's Police Department has 14 sworn officers and a civilian employee. The patrol officers and sergeants work 12-hour shifts and an average of 42 hours per week. There are typically 3 sworn officers on duty at a time.

Position	Number
Patrol Officer (Full/Part)	8 FT /2 PT
Sergeant	2
Lieutenant	1
Chief	1
Secretary (Part Time)	1

If the existing department had to expand its services into the larger geography of the Town in addition to the Village, it would likely need to increase the size of its police force by at least 4 full time officers to cover an additional patrol post at all times. There would also be increased costs for the department to operate additional vehicles and the fuel and maintenance for them.

Courts

Unlike town and village courts, city courts are courts of record of the State's unified court system and are governed by the Uniform City Court Act ("UCT"). While this would alleviate the new city's cost of running a court, there are several other implications including:

- **Potential review and modification of the physical court.** City courts are subject to the guidelines established for New York State court facilities (22 N.Y.C.R.R. §34) which may require review and modification to the current court room facilities.
- **A judge with former attorney experience.** City judges must be attorneys admitted to practice law in New York State for at least five (5) years. By contrast, village

justices are not required to be lawyers admitted to practice in New York State and Cobleskill's current judge does not have a J.D. or experience as an attorney.

- **An opportunity to modify the number of judges and how they are selected.** The current Town Justice is a full-time position elected by the voters of the Town. The number of judges for the new city and the method of their selection would be set forth in the city charter or in separate State enabling legislation to establish the city court (N.Y.S. Const. Art. 6, §17).
- **Additional research into jurisdiction implications.** There are also a number of other changes related to the size of civil cases, the subject matter that may be heard and the disposition of fines that need a more in-depth exploration by legal professionals with the support of the Third Judicial District of the State of New York.

Public Works

The Village and Town each have public works departments. However, their services have very little overlap and the Town, unlike most, provides many services inside the Village. The Village handles Water and Sewer operations for the entire Village and the area in the Town that receives service. The Town is responsible for the highways in the Town including those in the Village. If a City of Cobleskill were created the new Public Works Department would have essentially the same staff and equipment needs as the two separate departments have today.

Clerk Services

Currently the Town and Village have separate clerk offices. While they are physically located in the same building, there are few services that are redundant. While both keep records, receive taxes and serve as registrar, those tasks will remain as long as there are separate governments.

Should Cobleskill become a city, the Town and Village clerk offices would merge into one city clerk office, which may provide a greater ease of use for citizens, as it is common for a constituent to go to one office only to be sent next door because the service is provided by the other clerk. Responsibilities of a unified office would include both serving as clerk to city council, and 2) managing vital records, licensing, etc.

Both the Town and Village of Cobleskill's current clerk offices also have financial responsibilities. These functions could remain with a city clerk office or the new city could consider creating a separate treasury/financial office. Regardless of a final structure a merger of the offices to a City Clerk would not bring noticeable savings to the community.

Planning

The Town and Village have separate Zoning and Code Enforcement Offices, but they share the same Officer who works full-time for the Village and part-time for the Town. Should the Town and Village decide become a city, it will create a combined city-wide planning office and planning board. Current combined staffing levels would be adequate, but since the same person fills both a full time and part time position a new part-time staff member might be needed. The number of planning board members (5 or 7), membership requirements, and board responsibilities are the same for villages, towns and cities in New York State. There is a slight difference in the appointing authority. The appointing authority in towns is the town board, in villages it is the mayor with the consent of the village board of trustees, and in cities it is the mayor with the consent of the city council.⁵

School District Implications

The Cobleskill-Richmondville Central School District was created through a merger of Cobleskill and Richmondville in 1993. The district serves families in Cobleskill, Richmondville, and 13 other rural townships spanning more than 181 square miles in Schoharie, Otsego, and Montgomery counties. Approximately 1,750 students, from pre-kindergarten through 12th grade, attend one of the district's four schools.⁶

Should the Town and Village of Cobleskill convert to a city, the District would convert from a central school district to a small city district⁷. This is spelled out in Education Law:

Whenever a city shall be created after January first, nineteen hundred fifty, that school district shall be and become a city school district which, on the effective date of the incorporation of such city, is: (1) coterminous with the city; (2) partly without and partly within the city and then contains the whole or the greater portion of the children of the city between birth and eighteen years of age, as shown by the school census; or (3) wholly within but not coterminous with the city and then contains the greater portion of the children of the city between birth and eighteen years of age, as shown by the school census.

⁵ NYS Department of State Division of Local Government Services [Planning Board Overview](#)

⁶ <https://www.crcsd.org/district>

⁷ <https://www.nysenate.gov/legislation/laws/EDN/2> - Education Law §2(16)(b) - Note that there are two types of city school district organizations: large city districts with populations over 125,000 and small city districts for cities under 125,000. Many of these small city districts encompass larger geographic areas than their respective cities, and are referred to as "enlarged city school districts."

This is also confirmed by our research that shows that all cities in New York State with populations similar to Cobleskill have small city school districts.

City	Population	School District
Sherrill	3,077	Vernon-Verona-Sherill Central Schools (Sherill City School District)
Little Falls	4,605	Little Falls City School District
Mechanicville	5,163	Mechanicville City School District
Hudson	5,894	Hudson City School District
Salamanca	5,929	Salamanca City School District
Cobleskill (Possible)	6,086	Cobleskill-Richmondville Central Schools
Norwich	7,051	Norwich City School District
Johnstown	8,204	Johnstown City School District
Hornell	8,263	Hornell City School District
Port Jervis	8,775	Port Jervis City School District
Rensselaer	9,210	Rensselaer City School District
Oneonta	13,079	Oneonta City School District
Oneida	10,329	Oneida City School District
Watervliet	10,375	Watervliet City School District

There are several implications upon conversion to a small city school district:

Reduced Debt Limit⁸

The debt limit for central school districts is 10% of the full value on the most recent tax roll. State building aid on the projects bonded may be deducted in computing the limit. The debt limit for these districts may be exceeded if authorized by 60% of the voters and approved by the board of Regents and the State Comptroller.

A small city district's debt limit is 5% of the average full value of the last five years' tax rolls as opposed to 10% of the full value of the most recent tax roll for central school district. Secondly, and perhaps more significantly, a small city school district may not deduct estimated state aid on the projects to be bonded when computing the debt limit whereas the other types of districts may.

Transportation⁹

Education Law requires that non-city school districts (i.e. central school districts) provide transportation for all children in grades K-8 who live more than two miles

⁸ <https://www.p12.nysed.gov/mgtserv/accounting/debtlimit.html>

⁹ <https://stateaid.nysed.gov/trans/requirement.htm>

from the school they legally attend and for all children in grades 9-12 who live more than three miles from the school they legally attend, up to a distance of 15 miles.

City school districts are not required to furnish transportation, except for pupils with disabilities. City districts which choose to provide transportation must do so on an equitable basis and within similar mileage limits to children attending both public and nonpublic schools. Transportation for a distance of less than two miles for children in grades K-8 or of less than three miles for children in grades 9-12 and for a distance greater than 15 miles may be provided by the district. Transportation for distances outside the mandated limits must be approved by the voters of the district.

Note that all districts must provide transportation for all pupils with disabilities residing in the district for whom such services are specified in the Individual Education Plan (IEP). This includes to and from special classes or programs up to fifty miles from the home of such student. The Commissioner may approve placement in excess of fifty miles if no appropriate non-residential special service or program is available within fifty miles.

BOCES Partnership

According to Cobleskill-Richmondville Central School District leaders, the district's current relationship with the Capital Region BOCES would also need to be re-negotiated upon conversion to a small city district. The Capital Region BOCES is currently one of the leading BOCES in the state and District leaders fear the loss of this relationship or a shift in the current reimbursement ratio would present a significant challenge to the District.

Transitioning to a City

While conversion to city status would benefit Cobleskill financially and likely improve services for most of its residents, there are several significant obstacles the Town and Village would need to overcome on their joint journey. Below we provide an outline of the process itself as well as different constituencies that will need to provide support for the effort to be successful.

Creation Process

Historically, new cities have been created by special act of the Legislature. Implicit authority for this practice can be found in Article X, §1 of the New York State Constitution which exempts "corporations for municipal purposes" from that section's prohibition on the creation of corporations by special laws. The special legislation enacted by the Legislature takes the form of an Act to provide a charter for the newly created city.

Currently, there are no specific constitutional or statutory procedures or criteria for the creation of a city or for the transition from a town or village to a city form of government. Nor are there constitutional or statutory minimum area or population requirements for cities. Also, there is no constitutional or statutory requirement for local consent to a proposed incorporation. However, the Legislature will not act absent clear evidence that the Town's or Village's residents desire to become a city. Such desire has traditionally been manifested through the preparation of a proposed city charter which ultimately is approved by the voters at referendum. Typically, a Charter Commission, appointed by the Board of Trustees, is established to oversee the drafting of a proposed charter for the new city.

Traditionally, the plenary power of the Legislature to create and dissolve municipalities has not been seriously questioned. See *City of New York v. Village of Lawrence*, 250 N.Y. 49 (1929); *Adler v. Deagan*, 251 N.Y. 467 (1929); but see, the dissenting opinion in *City of New York v. State of New York*, 76 N.Y.2d 479 (1990) where two judges of the Court stated that under Article IX of the State Constitution, the Home Rule Amendment which restricts the authority of the Legislature to act in relation to the "property, affairs or government" of a local government, a home rule message would be required from New York City prior to the enactment of State legislation permitting Staten Island to secede from New York City. However, the majority of the Court of Appeals avoided the resolution of this question in that case.

Last city formed in 1942

While the Legislature has conditioned the effectiveness of incorporation on the approval at referendum of the Charter by the voters of the proposed city, County approval of the Charter is not required.

The most recent effort in New York State to incorporate a new city involved the Village of Arcadia and the Town of Newark in Wayne County. Legislation proposing a charter for the new city, the city of Newark-Arcadia (S5055-B), was adopted by the Legislature in 1987, but vetoed by Governor Mario Cuomo.

Governmental efficiency, economy and accountability were the justifications for the proposed Arcadia incorporation. The legislation originally had the support of both the Town of Newark and the Village of Arcadia. However, at the last minute, the Town withdrew its support for the legislation. As proposed, Arcadia, with a population of about 15,000, would have been the first city in Wayne County.

The Village of Hempstead in Nassau County is actively studying the possibility of incorporating as a City. Hempstead is the largest village in New York at 56,000 residents and would become the 11th most populous city if it incorporated.

State Support

Politically, the state legislature is often deferential to local home rule request. For new municipal incorporations, the request must be supported by the elected officials who represent the territory of the proposed city as well as other affected municipal units in order to succeed.¹⁰ Senator Peter Oberacker (51st District) and Assemblyman Chris Tague (102nd District) should both be approached to solicit their support if the movement to become a City is to be a success. Additionally, the proponents of City status will need to approach Governor Hochul to seek her support to create the first City in eighty years.

County Support

Schoharie County would most likely resist a bid for cityhood on the basis of lost sales tax revenue for the County. Cobleskill does have 20% of the voting power at the Board of Supervisors and therefore only needs to rally another 30% of the voting power. With weighted voting, this could be accomplished by getting the support of the next three largest towns (Middleburgh, Richmondville, Schoharie) and any other town to reach a majority of the votes.

School District Support

Based on preliminary research, School District officials believe that the possible conversion to a small city school district would have negative financial impacts and have expressed that without clear direction from the State to limit those impacts prior to a potential bid for city-hood, the District could not support such an effort. The

¹⁰ <https://rockinst.org/blog/the-allure-and-challenges-of-becoming-a-city-part-two/>

primary negative impacts relate to the reduced debt limit, changes in transportation requirements and possible risk to the BOCES partnership mentioned above.

Public Support

As noted above in the creation process, a key milestone on the journey will be the adoption of a City charter. This process first involves a commission of engaged residents to develop a draft charter for the City which would then be subject to a referendum for voters of both the Village and Town.

Service Sharing

This report is focused primarily on the impacts and process of becoming a city. However, in the process of that research, we also explored the existing relationship between the Town and Village to identify options short of city creation that might be beneficial to community. The Village and Town already extensively share services to the benefit of the residents. The following bulleted list documents the major shared operations:

- Administrative offices are co-located.
- The Town Court handles all cases in the community.
- The Village Fire Department provides service to the entire Town.
- The Town Assessor assesses all property.
- The Town Highway Department maintains all the roads.
- The Village Water Department provides potable water to Town residents through districts.
- The Village Wastewater Treatment Facility provides services to Town residents through districts.
- The Town Dog Control Officer has jurisdiction in the full Town.
- The Town and Village have separate Zoning and Code Enforcement Offices, but they share the same Officer who works full-time for the Village and part-time for the Town.

The largest remaining service that is duplicated in both communities, aside from governance itself, is the Clerk's Office. The offices are physically across the hall from each other and it is common for a constituent to go to one office only to be sent next door because the service is provided by the other clerk. However, there are few services that are redundant. While both keep records, receive taxes and serve as registrar, those tasks will remain as long as there are separate governments. It may be

possible that Clerks could have cross training but that would not bring noticeable savings to the community.

One opportunity that merits further consideration is additional cooperation with the Cobleskill-Richmond School District. For example, both School District and Town have capital needs related to transportation maintenance. Also, the School District has robust capabilities related to information technology that it might be able to leverage to support the much smaller Town and Village operations. Other potential areas of collaboration relate to purchasing, record keeping and general business processes such as payroll and benefits.

Appendix A: Community Profile

The community is characterized by a significantly rural land area with 77% of the population residing in the Village. SUNY Cobleskill adds population during the academic year but no property tax revenue because the land upon which the university is located is tax exempt. The student population residing in university housing counted in the U.S. Census for the year 2020 was 1,076 or 23% of the Village's total population. The students create opportunity for the local community businesses but also contribute to some quality-of-life concerns.

Cobleskill Village and Town Comparison			
	Village	Town outside Village	Full Town
Land area (sq. miles)	3.3	27.5	30.8
Population (2020)	4,713	1,373	6,086

Since peaking in 1990, the population of the Town of Cobleskill has been in decline. The Village population as a percentage of the Town population peaked in 2020, and has remained above 70% of the total Town population since 1960.

Population of Cobleskill, NY								
	1900	1950	1960	1970	1980	1990	2000	2020
Village	2,327	3,208	3,471	4,368	5,272	5,268	4,590	4,713
Town	3,973	4,709	4,964	6,017	7,048	7,270	6,411	6,086
Village %	59%	68%	70%	73%	75%	72%	72%	77%

Appendix B: Comparable Cities

City	Population	Land Area (Sq Miles)	Density (per sq mile)
Sherrill	3077	2.30	1337
Little Falls	4605	3.8	1211
Mechanicville	5163	0.8	6453
Hudson	5894	2.2	2679
Salamanca	5929	6	988
Cobleskill (Town and Village)	6086	30.8	198
Norwich	7051	2.1	3357
Johnstown	8204	4.8	1709
Hornell	8263	3.3	2503
Port Jervis	8775	2.5	3510
Rensselaer	9210	3.2	2878
Oneonta	13079	4.4	2972
Oneida	10329	22.1	467
Watervliet	10375	1.3	7980

Appendix C: Financial Overview

Comparison Report for Town of Cobleskill and Village of Cobleskill for 2021			
	Town of Cobleskill	Village of Cobleskill	Combined
Revenues and Proceeds of Debt Total	1,811,727	10,514,716	12,326,443
CHARGES FOR SERVICES	10,559	2,673,023	2,683,582
Community Services Fees	3,809	28,295	32,104
General Government Fees	6,021	23,289	29,310
Health Fees	650	249,285	249,935
Public Safety Fees	79	561	640
Sanitation Fees	-	1,151,473	1,151,473
Transportation Fees	-	194	194
Utility Fees	-	1,219,926	1,219,926
CHARGES TO OTHER GOVERNMENTS	43,154	156,313	199,467
Miscellaneous Intergovernmental Charges	-	296	296
Public Safety Charges	-	156,017	156,017
Sanitation Charges	26,890	-	26,890
Transportation Charges	16,264	-	16,264
FEDERAL AID	3,942	1,551,743	1,555,685
Federal Aid - Social Services	-	1,502,194	1,502,194
Federal Aid - Utilities	-	49,549	49,549
Miscellaneous Federal Aid	3,942	-	3,942
OTHER LOCAL REVENUES	184,015	186,421	370,436
Compensation For Loss	-	4,110	4,110
Fines	78,512	3,185	81,697
Gifts	-	1,895	1,895
Miscellaneous Grants From Local Governments	5,000	-	5,000
Miscellaneous Revenues	100,503	177,231	277,734
OTHER NON-PROPERTY TAXES	11,512	57,991	69,503
Franchises	11,512	57,991	69,503
OTHER REAL PROPERTY TAX ITEMS	9,979	46,209	56,188
Interest & Penalties	8,926	25,159	34,085
Payments In Lieu Of Taxes	1,053	21,050	22,103
PROCEEDS OF DEBT	12,000	3,600,200	3,612,200
Bans Redeemed From Appropriations	12,000	200,000	212,000
Sale Of Obligations	-	3,400,200	3,400,200

Comparison Report for Town of Cobleskill and Village of Cobleskill for 2021			
	Town of Cobleskill	Village of Cobleskill	Combined
REAL PROPERTY TAXES AND ASSESSMENTS	1,197,784	1,860,986	3,058,770
Real Property Taxes	1,195,903	1,860,986	3,056,889
Special Assessments	1,881	-	1,881
SALES AND USE TAX	39,957	176,877	216,834
Sales Tax Distribution	39,957	124,012	163,969
Utilities Gross Receipts Tax	-	52,865	52,865
STATE AID	235,889	161,928	397,817
Miscellaneous State Aid	-	9,000	9,000
Mortgage Tax	69,794	42,449	112,243
State Aid - Culture And Recreation	-	15,984	15,984
State Aid - Transportation	112,985	94,495	207,480
Unrestricted State Aid	53,110	-	53,110
USE AND SALE OF PROPERTY	62,936	43,025	105,961
Interest And Earnings	1,789	1,983	3,772
Rental Of Property	-	31,225	31,225
Sale Of Property	61,147	9,817	70,964
Expenditures			
Total	1,455,497	6,851,336	8,306,833
COMMUNITY SERVICES	439	4,360	4,799
Constituent Services	439	-	439
Natural Resources	-	4,360	4,360
CULTURE AND RECREATION	15,177	162,120	177,297
Cultural Services	960	28,953	29,913
Recreation Services	13,217	133,167	146,384
Youth Recreation	1,000	-	1,000
DEBT SERVICE	107,560	732,501	840,061
Debt Principal	67,695	623,217	690,912
Interest On Debt	39,865	109,284	149,149
EMPLOYEE BENEFITS	192,459	790,881	983,340
Disability Insurance	385	1,160	1,545
Medical Insurance	74,280	329,213	403,493
Retirement - Police & Fire	-	199,582	199,582
Retirement - State/Local	55,549	83,580	139,129
Social Security	38,106	103,633	141,739
Unclassified Employee Benefits	-	4,183	4,183
Unemployment Insurance	4,478	-	4,478

Comparison Report for Town of Cobleskill and Village of Cobleskill for 2021			
	Town of Cobleskill	Village of Cobleskill	Combined
Worker's Compensation	19,661	69,530	89,191
GENERAL GOVERNMENT	345,462	577,440	922,902
Administration	247,604	192,977	440,581
Operations	59,206	306,253	365,459
Zoning And Planning	38,652	78,210	116,862
HEALTH	662	1,615	2,277
Public Health Administration	662	1,615	2,277
PUBLIC SAFETY	97,393	1,078,691	1,176,084
Emergency Response	-	86,921	86,921
Fire Protection	90,386	78,709	169,095
Miscellaneous Public Safety	6,709	-	6,709
Police	298	913,061	913,359
SANITATION	26,893	1,007,400	1,034,293
Refuse And Garbage	26,893	174,331	201,224
Sewer	-	738,574	738,574
Storm Sewer	-	94,495	94,495
SOCIAL SERVICES	-	1,543,626	1,543,626
Housing Assistance	-	1,543,626	1,543,626
TRANSPORTATION	667,767	251,727	919,494
Highways	495,772	140,640	636,412
Transportation Ancillary	1,861	111,087	112,948
Transportation Facilities	170,134	-	170,134
UTILITIES	1,685	700,975	702,660
Water	1,685	700,975	702,660